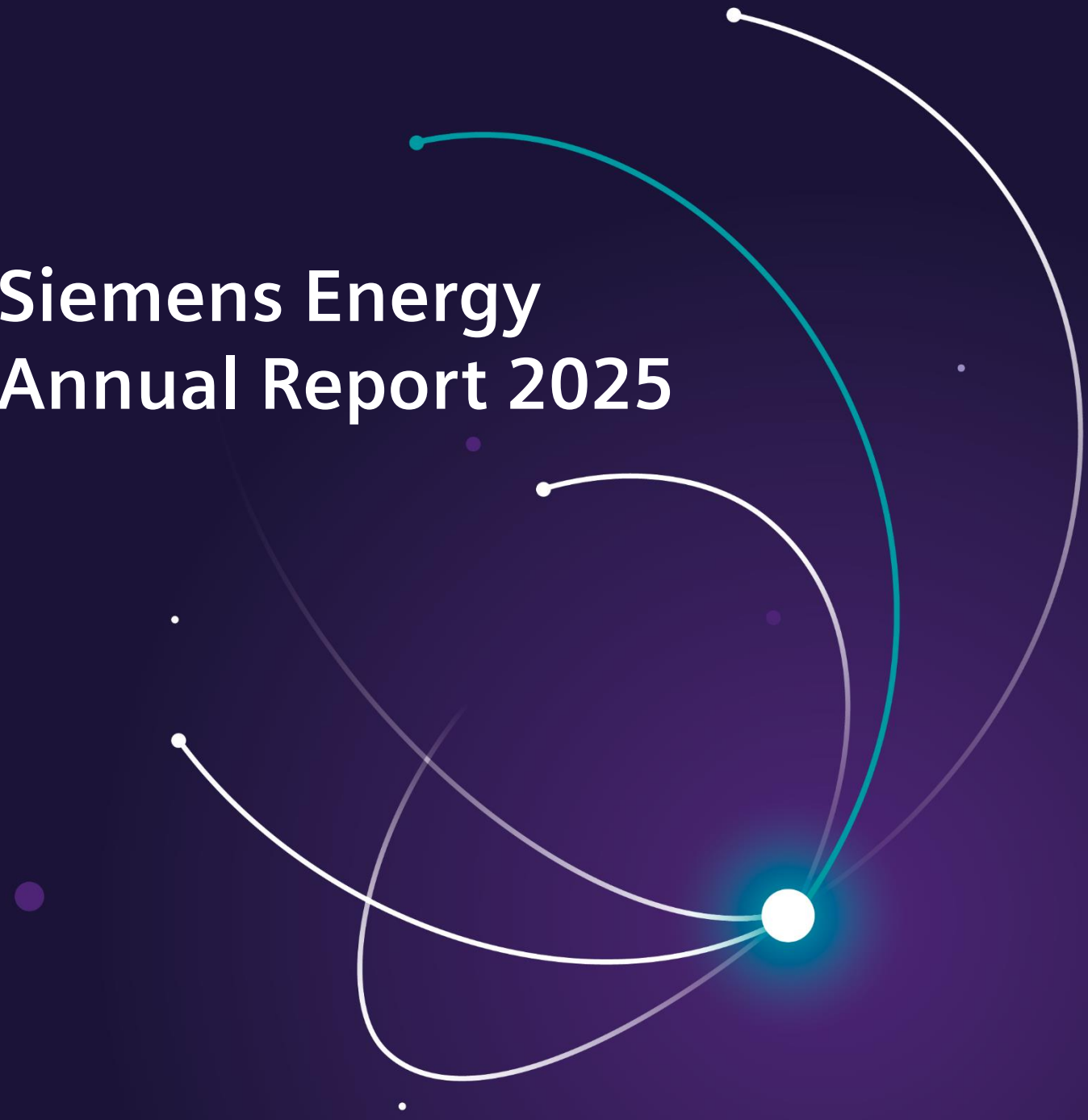
SIEMENS energy

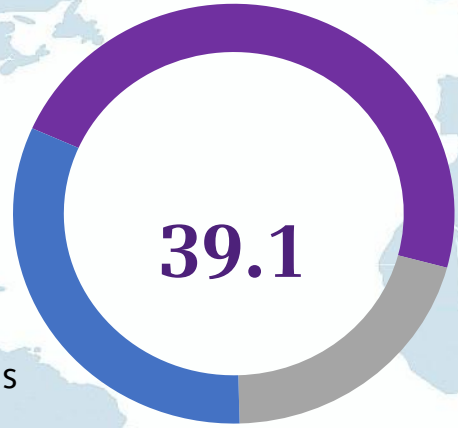
Siemens Energy Annual Report 2025



siemens-energy.com

Siemens Energy Group at a glance

Revenue distribution (location of customer)
(in billions of €)



EMEA
20.7
therein Germany **3.8**

Americas
11.9
therein U.S. **8.7**

Asia, Australia
6.5
therein China **1.5**

Profit margin before Special items

6.0%

Profit before Special items
(in millions of €)

2,355

Net income
(in millions of €)

1,685

Order Backlog
(in billions of €)

138

Orders
(in millions of €)

58,928

Book-to-bill ratio

1.51

Free cash flow pre tax
(in millions of €)

4,663

Basic EPS
(in €)

1.63

Employees Ø
(in thousands)

101

Content

Introduction to the Annual Report

1

Letter from the Executive Board

Dear Shareholders,

Siemens Energy looks back on a successful fiscal year – achieved in a challenging environment. Despite geopolitical challenges and strained supply chains, we not only met our upwardly raised outlook during the year but in some areas even exceeded it. Our business areas – Gas Services, Grid Technologies, and Transformation of Industry – performed better than originally expected. Siemens Gamesa also met its set targets.

In fiscal year 2025, we achieved profitable growth. We further strengthened our financial foundation and positioned the company as a leading player in the energy technology market for the long term. The global rise in electricity demand further accelerated our growth – driven by the electrification of entire industries and the surge in data centers supporting artificial intelligence.

Our financial results reflect this momentum. With an order intake of €58.9 billion, our order backlog reached a new record of €138 billion, accompanied by improved margin quality. Revenue increased on a comparable basis by 15.2% to €39.1 billion, with all business areas contributing to this growth. We achieved our revenue outlook (8% to 10%, from April 2025: 13% to 15%). Profit before Special items amounted to €2,355 million, with a Profit margin before Special items of 6.0%, surpassing the original outlook range of 3% to 5%. We also met the outlook raised in April 2025, with a range of 4% to 6%. Free cash flow pre tax increased to €4,663 million – two and a half times higher than in the previous year and again exceeded the revised outlook of around €4 billion. Adjusted net cash stood at €4,790 million. Net income was €1,685 million.

We agreed on a new guarantee facility with banks in June 2025 and redeemed the German government's counter guarantee ahead of schedule. As a result, the dividend restriction for Siemens Energy was also lifted early. The Executive Board, in agreement with the Supervisory Board, will therefore propose a dividend of €0.70 per share for fiscal year 2025 at the Annual Shareholders' Meeting. We also plan to repurchase own shares worth up to 6 billion Euro by the end of fiscal year 2028.

I am proud of what our employees – Team Purple – have achieved in the past fiscal year. And all of us at Siemens Energy are grateful for the trust of our customers and you, our shareholders.

In fiscal year 2026, we intend to build on this positive trajectory. For the current fiscal year, we expect Comparable revenue growth – excluding currency translation and portfolio effects – in a range of 11% to 13%. The Profit margin before Special items is expected to be between 9% and 11%. In addition, we anticipate Net income in a range of €3 to €4 billion and Free cash flow pre tax in a range of €4 to €5 billion. The target for Siemens Gamesa to break even in fiscal year 2026 remains unchanged.

We continue to expect strong growth in global electricity demand in the future. Today, electricity accounts for 22% of total global energy consumption; by 2040, this is projected to rise to 29%. This growth requires a substantial investment in electricity infrastructure – and will drive demand for Siemens Energy's products and solutions. We are focusing specifically on those business activities where we can be the global number one or two in the foreseeable future.

Three priorities guide us in an increasingly dynamic market environment:

1. We build the transforming energy world. We develop our production infrastructure, evolve our business portfolio, and build the talent pool to deliver.
2. We enhance resilience in a transforming world. We leverage market growth to further strengthen supply chains and processes.
3. We transform the way we operate. We strengthen our ability to successfully implement products and projects globally and consistently leverage data and digitalization.

We are confident in Siemens Energy's future and are investing where we can create sustainable value for our shareholders.

2025 was a successful fiscal year: We achieved profitable growth, strengthened our financial foundation, and set important milestones to anchor Siemens Energy as a leading player in the energy technology market for the long term. Our teams are driving this path forward with full force and passion – seizing the opportunities presented by global electricity demand with determination and clear focus.

I look forward to your continued support. Thank you for your trust.

President and Chief Executive Officer

Christian Bruch


Vinod Philip
Member of the
Executive Board
Anne-Laure
Parrical de Chammard
Member of the
Executive Board
Tim Holt
Member of the
Executive Board
Christian Bruch
President and
Chief Executive Officer
Maria Ferraro
Chief Financial Officer
Karim Amin
Member of the
Executive Board

About this Report

This Annual Report contains the Consolidated Financial Statements and the Combined Management Report of Siemens Energy AG and its subsidiaries ('Siemens Energy', 'the Group', 'the Company', or 'we') for the year ended 30. September 2025 including the Group Sustainability Statement in chapter **2.10 Group Sustainability Statement** of the Combined Management Report, as well as further information. It complies with the annual financial reporting requirements of Section 114 of the German Securities Trading Act ("Wertpapierhandelsgesetz"). The Combined Management Report includes the management report for Siemens Energy AG in addition to the information on the Group. This Annual Report also contains the **4.5 Corporate Governance pursuant to Sections 289f and 315d of the German Commercial Code** as well as the **4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act**.

The Siemens Energy's Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) as well as with the additional requirements set forth in Section 315 e para. 1 German Commercial Code. KPMG AG Wirtschaftsprüfungsgesellschaft has audited the Consolidated Financial Statements and the Combined Management Report. The unqualified independent auditor's report can be found under **4.2 Independent Auditor's Report**. The Independent Auditor's Report also includes a "Report on the assurance in accordance with Section 317 (3a) HGB on the electronic reproduction of the Consolidated Financial Statements and the Group management report prepared for publication purposes" ("ESEF Report"). The audit subject underlying the ESEF Report (ESEF documents to be audited) is not attached. The audited ESEF documents can be viewed or accessed at **www.siemens-energy.com**.

This document contains statements related to our future business and financial performance and future events or developments involving Siemens Energy, that may constitute forward–looking statements. These statements may be identified by words such as "expect", "look forward to", "anticipate", "intend", "plan", "believe", "seek", "estimate", "will", "project" or words of similar meaning. We may also make forward–looking statements in other reports, prospectuses, presentations, material delivered to shareholders and press releases. In addition, our representatives may from time to time make verbal forward-looking statements.

Such statements are based on the current expectations and certain assumptions of Siemens Energy's management, of which many are beyond Siemens Energy's control. These are subject to a number of risks, uncertainties and factors, including, but not limited to those described in disclosures, in particular in the chapters **2.7 Report on expected developments** and **2.8 Report on the internal control and risk management and material risks and opportunities** of the Annual Report. Should one or more of these risks or uncertainties materialize, should acts of force majeure, such as pandemics, occur, or should underlying expectations including future events occur at a later date or not at all, or should assumptions prove incorrect, Siemens Energy's actual results, performance, or achievements may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward–looking statement. Siemens Energy neither intends, nor assumes any obligation to update or revise these forward–looking statements in light of developments, which differ from those anticipated.

This document includes in the applicable financial reporting standards not clearly defined supplemental financial measures, that are or may be alternative performance measures. These supplemental financial measures should not be viewed in isolation, or as alternatives to measures of Siemens Energy's net assets, financial position and results of operations as presented in accordance with the applicable financial reporting standards in its Consolidated Financial Statements. Other companies, that report or describe similarly titled alternative performance measures, may calculate them differently.

The Consolidated Financial Statements have been prepared and published in millions of euro (€ million). Due to rounding, numbers presented throughout this and other documents, may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

This document is an English language translation of the German document. In case of discrepancies, the German language document is the sole authoritative version.

For technical reasons, there may be differences between the accounting records appearing in this document and those published pursuant to legal requirements.

Combined Management Report

2.1 Business description

2.1.1 Organization and reporting structure

Siemens Energy AG, parent company of the Siemens Energy Group ("Siemens Energy", "the Group", "the Company", or "we") and registered in Munich, is a Stock Corporation (Aktiengesellschaft) in accordance with German law. The Executive Board of Siemens Energy AG is the body with overall responsibility for the management of the business in accordance with the German Stock Corporation Act (Aktiengesetz).

Siemens Energy's reporting structure in fiscal year 2025 comprises four Business Areas: Gas Services (GS), Grid Technologies (GT), Transformation of Industry (TI) and the Wind Power business Siemens Gamesa (SG). GS, GT and SG are reportable segments; TI is reported voluntarily as if it were a reportable segment despite some differences in its economic characteristics (all the aforementioned are hereinafter referred to as segments).

Reconciliation to Consolidated Financial Statements includes items which management does not consider to be indicative of the segments' performance, mainly group management costs (management and corporate functions), other central items, treasury activities as well as eliminations. Other central items include Siemens brand fees, corporate services (e.g., management of the Group's real estate portfolio), corporate projects, centrally held equity interests and other items. For further information, see **Note 26 Segment information** in **3.6 Notes to Consolidated Financial Statements**.

Siemens Energy supports its customers around the globe. The regional breakdown used for reporting purposes by Siemens Energy is **EMEA** (Europe, Commonwealth of Independent States (C.I.S), the Middle East and Africa), **Americas** (Canada, the United States as well as Central and South America), and **Asia, Australia** (the remaining countries of the Asian continent, as well as Australia and New Zealand).

2.1.2 Business model

Siemens Energy is active along the entire energy technology and service value chain with comprehensive and differentiated products, solutions and service offerings. Our broad product portfolio, comprising efficient conventional as well as renewable energies, enables us to meet the increasing demand for energy and support efforts to reduce greenhouse gas emissions at the same time. We also offer digital business and intelligent service models to our customers. We consider ourselves well positioned to shape the energy transition toward decarbonized energy technologies and promptly react to customer needs worldwide thanks to our global footprint.

Siemens Energy has not participated in any new tenders for pure coal-fired power plants since November 2020. Siemens Energy will still fulfill existing commitments for coal-fired power plant projects and the associated service contracts. The carbon-reducing service and solutions businesses, as well as combined heat and power (CHP) projects will also be continued.

A significant share of our business is executed via high-volume projects and characterized by multi-year customer orders, especially in our service and solutions businesses. While orders for large projects may lead to volatility in order intake from one reporting period to the next, revenue is generally less affected by such volatility. Large projects typically have longer development and construction phases. This, coupled with our often long-term service contracts, leads to stable and recurring revenue recognition over several reporting periods. Hence, our order backlog gives us a high degree of transparency regarding future revenues.

Our profitability level differs among our portfolio elements. Therefore, our results of operations are affected by the portfolio mix sold in each segment. Our service business typically has higher margins than the product and solutions businesses. Hence, our results of operations and margins depend on our ability to generate revenue from servicing our large installed fleet by modernization and upgrades. This applies in particular to machines, such as turbines, generators, or compressors, in which rotating components are used. We aim to maintain and expand the long lifespan of our installed fleet through modernization and upgrades to secure orders for service contracts, primarily focusing on long-term service programs. We see the service business as a major pillar of the sustainable business success of Siemens Energy and are seeking to enlarge and leverage this further in the future.

Gas Services

The **Gas Services** Business Area focuses on the development, delivery, and servicing of gas and steam turbines as well as generators and instrumentation and control systems for flexible, dispatchable power generation. The GS portfolio includes products, solutions, and services for central and distributed power generation. GS relies on a hybrid model that combines capital-intensive infrastructure projects - such as combined cycle power plants - with long-term service agreements. The wide-ranging service portfolio includes maintenance, performance enhancements, digitalization, and consulting.

GS supports a wide range of customers, from utilities, independent power producers, municipal energy producers, EPC (engineering, procurement, and construction) companies to industrial customers and customers in the oil and gas industry. Operators of data centers are increasingly becoming key customers for GS' products and services across its entire portfolio of gas and steam turbines.

Reliable, efficient, and low-emission turbines enable the integration of renewable energy into grids by delivering fast dispatchable power supplementing the fluctuating supplies from renewable energy sources. GS is contributing to the decarbonization of power generation and supporting the achievement of its customers' net zero targets. To this end, the capabilities of the gas turbine portfolio for burning hydrogen and other green

fuels are continuously being expanded. Individual types of gas turbines have already been approved for burning up to 75% hydrogen. In addition, the combustion of 100% renewable hydrogen has been successfully demonstrated in various pilot and test facilities. This marks an important step on the way to the gradual decarbonization of the gas turbine portfolio. At the same time, carbon capture applications are being addressed via partnerships with key technology partners.

GS' competitors include a small number of multinational original equipment manufacturers (OEMs), some of which hold significant market positions.

Grid Technologies

The **Grid Technologies** Business Area provides high-voltage transmission technologies, solutions and services that are relevant for modern energy infrastructure and the energy transition. GT is manufacturing grid components and delivering turnkey grid systems and solutions. This is complemented by long-term service contracts, digital upgrades, and consulting services.

Grid operators, infrastructure providers, energy generators, industrial companies as well as operators of data centers, use GT's comprehensive portfolio, technological expertise, global production network, and sales channels, along with its partners, to address the challenges of future-proofing power grids.

GT's portfolio is designed to tackle the current and future demands of the energy transition. Through its offerings in Products, Grid Solutions, Services, and Digital Grid, customers can connect renewable energy to the grid efficiently using e.g. high-voltage direct current (HVDC) transmission systems and grid connections. They are able to build resilient power grids through stabilization solutions such as Flexible AC Transmission Systems (FACTS) and battery energy storage, complemented by grid modernization services. Grid decarbonization is supported with sustainable SF_6 (sulfur hexafluoride)-free switchgear and low-emission transformers, which are key components of the Products portfolio. Service offerings – including maintenance, upgrades, and condition monitoring – help extend asset lifecycles and ensure reliability. Additionally, customers can manage the complexities of modern grids with advanced automation and digitalization solutions.

GT competes with other major multinational companies, as well as manufacturers from countries like China, South Korea, and Japan. While these competitors currently focus on individual regions, they are increasingly expanding their global presence.

Transformation of Industry

The **Transformation of Industry** Business Area consists of four operating but non-reportable segments (Compression (CP); Industrial Steam Turbines & Generators (STG); Electrification, Automation, Digitalization (EAD) and Sustainable Energy Systems (SES)), which are presented voluntarily as if they were a single reportable segment, despite some differences in their economic characteristics. TI focuses on increasing the performance, energy efficiency and resilience of industrial processes, with the goal of supporting industrial customers' energy cost, competitiveness and sustainability targets. The offering includes products, integrated systems, solutions and services for process industries (e.g., oil and gas, chemicals, petrochemicals, mining, steel, pulp and paper, data center), hydrogen and industrial power generation as well as offshore and maritime applications.

TI contributes to reducing energy consumption and emissions of the industrial sector by making existing assets more energy efficient, electrifying industrial processes, and providing solutions for the production and the transport of green hydrogen and clean fuels. The portfolio includes, among others, electrolyzers, industrial steam turbines and generators, turbo and reciprocating compressors, drive systems, batteries, fuel cells, as well as service and digital offerings across the portfolio. The services are particularly aimed at extending the lifespan and availability of products, especially of steam turbines and compressors. In addition, TI is working on scaling new decarbonization technologies, such as heat recovery, compressed air energy storage, and specialized hydrogen and CO_2 compressors for Carbon Capture, Utilization and Storage (CCUS).

TI benefits from the growing trend towards energy affordability and energy security, the strong demand for power, the adoption of low-carbon energy technologies, and the increasing electrification, automation, and digitalization of industry.

Competitors include OEMs, EPC suppliers, as well as industrial enterprises, new cleantech and hydrogen start-ups.

Siemens Gamesa

Our Wind Power business **Siemens Gamesa** focuses on the design, development, manufacturing, and installation of products, as well as the provision of technologically advanced services in the renewable energy sector, with a focus on onshore and offshore wind turbines for various wind conditions. Depending on customer requirements, the scope of involvement of SG may include delivering either a full EPC project or just the supply of components for wind turbines.

SG offers design, engineering, manufacturing, and installation of wind turbines based on both geared and direct drive technology. In addition, SG provides services for the operation and maintenance of wind farms by offering a comprehensive and flexible portfolio for the maintenance and optimization of wind turbines, thus covering the entire operational product lifecycle. A complete asset management as well as technical support are offered for SG's wind turbines.

Primary customers of SG are large utilities and independent power producers, as well as renewable energy project developers. The onshore wind energy market is characterized by many different providers without a single company currently holding a dominant market share. Respectively, the Offshore wind energy market is served by a few experienced players. The competition in both markets is mainly driven by scale, technology as well as market access challenges.

SG's competitors are mainly a small number of large multinational companies, as well as manufacturers from China, which are becoming increasingly global.

2.1.3 Research and development

In fiscal year 2025, we reported research and development (R&D) expenses of €1,210 million (2024: €1,209 million). The resulting R&D intensity (ratio of R&D expenses to revenue) was 3.1 % (2024: 3.5%). In the past fiscal year, additions to capitalized development expenses amounted to €184 million (2024: €173 million), while amortization of capitalized development expenses amounted to €158 million (2024: €142 million). As of September 30, 2025, Siemens Energy held approximately 18,800 granted patents worldwide in its continuing operations (2024: around 19,200). In fiscal year 2025, Siemens Energy employed an average number of approximately 4,100 people in the area of R&D.

The success of the company is driven by our ability to deliver innovative products, integrated systems, solutions, and services, and to develop deep relationships with customers and partner companies. We are convinced that sustainable economic value is created through continuous innovation and that investment in R&D is fundamental to our success.

Siemens Energy steers the R&D activities based on a clearly defined strategy. R&D expenses are subject to regular reviews in line with Business Area requirements. We seek to develop our portfolio with a clear focus on decarbonized energy technologies, service, and new growth fields. Another key objective is the optimized use of our extensive service potential, and the increased competitiveness of our current products based on strict quality criteria. In addition, we continue to develop our Fields of Action focusing on energy transformation and decarbonization:

- Decarbonized heat and industrial processes
- Carbon and product circularity
- Resilient grids and reliability
- Condition-based service interventions
- 24/7 carbon-free energy

The R&D activities are aimed at effectively responding to the challenges posed by the market-defining mega trends: growing electricity demand, decarbonization, digitalization, and decentralization.

In the GT business, R&D activities are focused on accelerating the development of the SF_6 (sulfur hexafluoride)-free blue portfolio, technologies for future direct current grids, as well as digital products, systems, and solutions for resilient grids and battery energy storage to better support the energy transition. The GS business' R&D activities are focused on innovative products and solutions, supporting the transition to a carbon-neutral portfolio by developing new services, distributed power generation applications, and carbon-neutral products and solutions. In the traditional GS businesses and in the TI business, R&D activities are strongly focused on decarbonization to support our customers in the changing market environment. Here, the main levers are increasing the efficiency, availability, and flexibility of the equipment used, and reducing greenhouse gas emissions, including increasing the use of hydrogen. At SG, our R&D activities focus on developing the next generation of technologies that will lead to improved and more cost-effective products, production processes, solutions, and services with an increased emphasis on industrial serial production. SG aims to develop reliable and efficient wind turbines for both onshore and offshore applications and enable seamless integration into the power grid. This is intended to help energy utility companies optimize the use of renewable energy. An example of this is the installation of the first 100 SG14-222/236 offshore wind turbines. These new turbines are based on the proven DirectDrive design, target global offshore markets, and deliver 30% more power than their predecessor.

The success of our R&D activities in the fields of energy transition and carbon-neutral technologies is demonstrated by several significant projects. Siemens Energy aims to offer SF_6 (sulfur hexafluoride)-free high-voltage switchgear in all relevant voltage levels as part of the Blue Portfolio by 2030 at the latest. Examples include the new product families: 72.5 kV gas-insulated switchgear and dead-tank circuit breakers, the 145 kV gas-insulated switchgear 63kA for the US market, as well as the second generation of switchgear for 145 kV as live-tank circuit breakers in outdoor design and as gas-insulated switchgear, which are currently undergoing type testing or are about to do so. Another example is our collaboration with SSE Thermal on the "Mission H2 Power" initiative, which aims to develop gas turbine technology capable of operating on 100% hydrogen. The project supports the decarbonization of SSE Thermal's Keadby 2 Power Station in North Lincolnshire, Great Britain, which is powered by Siemens Energy's SGT5-9000HL gas turbine. By blending hydrogen into its operation, it is intended to ensure that this technology is also suitable for a climate-neutral future.

Industrial process heating is responsible for over 10% of global greenhouse gas emissions. Siemens Energy is developing a low-cost, efficient alternative for process heat that produces zero local emissions. After the successful testing of a prototype of the electric heater in 2024, the team is currently working on implementing a pilot plant on a commercial scale. The tests, in collaboration with industry partners, are planned for summer 2026.

In accordance with our R&D strategy, we allocate our R&D resources selectively towards products and services in market growth segments. Siemens Energy focusses its R&D activities on innovative materials and advanced manufacturing methods. Furthermore, innovations also concentrate on product digitalization, power electronics, software-driven power control, environmentally friendly products and systems, and grid stabilization. Additive manufacturing is another innovation field in which Siemens Energy has long been active. As of September 30, 2025, we can look back on more than 15 years of experience in the application of the technology and development cooperation with, among others, Werner-von-Siemens Centre for Industry and Science e.V., Göteborg Energi and Equinor.

Siemens Energy works with other associations and research institutions to advance research projects. Prominent partners include the International Renewable Energy Agency (IRENA), DTU Copenhagen, the Karlsruhe Institute of Technology, the Technical University of Berlin, the Georgia Tech Research Corporation, the University of Central Florida, the Khalifa University, Cambridge University, the University of Sheffield, DLR-AGTurbo or EUTurbines. The four global innovation centers in Berlin, Orlando, Abu Dhabi, and Shenzhen, whose aim is to nurture innovation and accelerate the energy transition, also work with both academic and industrial partners within the framework of a partnership model. Around 120 participants from more than 50 companies attended the "Customer Experience Days" at the Innovation Center Berlin in June 2025, where cutting-edge technology and innovative solutions related to the topic "Resilience in a Transforming World" were discussed.

2.2 Financial performance system

2.2.1 Financial Framework

Siemens Energy's Financial Framework includes performance indicators (PIs) and targets that we aim to achieve over a three-year period or beyond (mid-term).

The reporting and analysis of PIs are related to our strategic goals. The PIs are designed to help achieve these goals on an operational level and aim to strike a balance between the factors of growth, profitability, and liquidity. They serve as a measure of target attainment for managers and thus can influence Executive Board compensation. The most important of these PIs (key performance indicators, KPIs) are forecast for the next fiscal year. For more details see **2.7 Report on expected developments**.

Some of the PIs described below are alternative performance measures (APMs), which are not defined or listed in IFRS (non-GAAP measures). We believe that our APMs offer additional and useful information for our stakeholders helping them to assess the business performance of Siemens Energy. Other companies may report similarly named indicators, but they are not always comparable due to possibly different calculation methods.

2.2.2 Growth

Siemens Energy measures, manages, and controls the development of its business volume using comparable growth figures for orders and revenue. The KPI **Comparable revenue growth** shows the development of revenue net of currency translation effects that result from the external environment outside of our control and portfolio effects that relate to business activities that are either new to our business or no longer a part of it.

Currency translation effects are the difference between revenue for the current period calculated using the exchange rates of the current period and revenue for the current period calculated using the exchange rates of the comparative period. To calculate the percentage change year-on-year, this absolute difference is divided by revenue for the comparative period.

A portfolio effect arises in the case of an acquisition or a disposal and is calculated as the year-on-year change in revenue resulting specifically from the transaction. To calculate the percentage change, the absolute change is divided by revenue for the comparative period.

Comparable revenue growth is one of the targets used in determining the short-term variable compensation of the Executive Board beginning in fiscal year 2026.

At Group level, Siemens Energy focuses on profitable growth and aims to achieve a compound annual growth rate for revenue (based on fiscal year 2025, excluding currency translation and portfolio effects) in the low-teens percentage range by fiscal year 2028.

For orders, we apply the same approach to the calculation of currency translation and portfolio effects as described above. The order backlog is calculated by adding the new orders from the current reporting period to the order backlog at the end of the previous reporting period and then subtracting the revenues realized in the current reporting period. Direct order value adjustments such as modifications, currency translations and portfolio effects are also considered. The book-to-bill ratio is the ratio of orders to revenue.

2.2.3 Profitability

We use the KPI **Profit margin before Special items** to measure the profitability of operating activities of Siemens Energy. To calculate the Profit margin before Special items, Profit before Special items is divided by total revenue.

Profit is defined as income (loss) before income taxes, interest income and expenses, and other financial income (expenses), net, adjusted for amortization of intangible assets acquired in business combinations and goodwill impairments.

To increase comparability year-on-year, we use Profit before Special items. Special items refer to the following topics:

- **Restructuring and integration costs**: Restructuring costs refer to personnel measures leading to severance charges, including costs for terminating service contracts with Siemens Group (Siemens AG and its subsidiaries). Integration costs that occur at SG are related to the integration of companies as well as in the course of the integration of SG into the Group and the corresponding transaction costs.
- **Stand-alone costs** relate to the separation from Siemens Group and the formation of Siemens Energy as an independent enterprise.
- **Strategic portfolio decisions** include significant expenses and income in connection with the acquisition, disposal or discontinuation of businesses.

Profit margin before Special items is one of the targets used in determining the short-term variable compensation of the Executive Board.

We aim to achieve a Profit margin for the Group of 14% - 16% for fiscal year 2028. For our Business Areas we aim to achieve Profit margin ranges before Special items for fiscal year 2028 as shown below:

Profit margin before Special Items ranges for fiscal year 2028

Gas Services	18 – 20%
Grid Technologies	18 – 20%
Transformation of Industry	12 – 14%
Siemens Gamesa	3 – 5%

For the purposes of managing and controlling profitability at Group level, we also use **Net income** as a KPI. This KPI is the main driver of Basic earnings per share (Basic EPS), which is defined as net income attributable to shareholders of Siemens Energy AG divided by the weighted average number of shares outstanding without any dilution. Basic earnings per share also influence the long-term variable compensation of the Executive Board.

2.2.4 Liquidity

To provide an assessment of the Group's ability to generate cash we use **Free cash flow pre tax** as a KPI. Free cash flow pre tax of the Group is defined as cash flows from operating activities before income taxes paid, less purchase of intangible assets and property, plant and equipment. Free cash flow of the segments constitutes cash flows from operating activities less purchase of intangible assets and property, plant and equipment. It excludes financing interest, except for cases where interest on qualifying assets is capitalized or classified as contract costs; it also excludes income taxes and certain other payments and proceeds. Consequently, Free cash flow pre tax demonstrates the extent to which we are able to meet both recurring and specific cash outflows, such as payments for acquisitions, dividends, debt servicing or taxes, etc.

Free cash flow pre tax is one of the targets used in determining the short-term variable compensation of the Executive Board until the end of fiscal year 2025.

2.2.5 Other financial performance indicators

An important aspect of liquidity management is the thorough management of **Operating net working capital**, which is defined as the sum of Trade and other receivables, Contract assets, and Inventories, reduced by the sum of Trade and other payables and Contract liabilities.

To provide an assessment of our ability to generate cash, we use the operational **Cash conversion rate (CCR)** as an ancillary measure. This is defined as the ratio of Free cash flow pre tax to Profit.

Siemens Energy aims for a capital structure according to a strong investment grade credit profile, in line with its financial policy. The PI used to assess our capital structure is **Adjusted net debt/ (net cash)**, which is shown in **2.6.3 Financing and liquidity analysis**. We also use the ratio Adjusted net debt to EBITDA. This ratio indicates the approximate number of years that would be needed to cover the Adjusted net debt through EBITDA. The EBITDA measure represents income (loss) before income taxes, before financial result and before amortization, depreciation and impairments.

We aim to provide an attractive return to our shareholders. Under the Siemens Energy Financial Framework, our intention is to propose a **dividend** equal to 40% to 60% of the Group's Net income attributable to shareholders of Siemens Energy AG. For this purpose, the Net income may be adjusted for extraordinary non-cash effects.

2.3 Business performance in fiscal year 2025

2.3.1 Overall assessment by the Executive Board of the current economic situation

Siemens Energy looks back on a successful fiscal year 2025 in a challenging environment, in which all of the financial targets originally set were exceeded and the forecast, which was raised during the year, was achieved or, in some cases, also exceeded - despite additional burdens from tariffs and challenges in our supply chain. We consistently pursued our strategic direction, focusing on profitable growth, strengthening the balance sheet, sustainable market positioning of the Company, and the resilience of our business model.

Demand for our products and solutions remained at record levels, as reflected in a significant increase in order intake and a new all-time high in the order backlog. Revenue development kept pace, with the GS, GT, and TI segments in particular showing strong operational performance and achieving double-digit revenue growth. These segments were also decisive for the considerable improvement in our profitability. Profit before special items was more than six times higher than in the prior year, and the corresponding profit margin also increased sharply.

SG made further progress in its turnaround and performed within expectations, with revenue even slightly better than expected. Integration and the initiated programs for quality improvement and cost optimization are proving effective. This has laid the foundation for break-even in the next fiscal year. The successor models for the onshore platforms affected by quality issues are on the market; for the successor model of the 4.X platform, we received the first order.

The strengthening of the balance sheet was particularly reflected in the increase in our equity ratio and in adjusted net cash. In addition to the higher Net income, this was mainly due to the positive development of Free cash flow pre tax. This is reflected in an improved outlook for our investment grade rating, which continues to be in place. It enabled us to replace federal guarantees and restore our ability to pay dividends one year earlier than expected.

With our investments in capacity expansion, innovation, and digitalization, partly through strategic partnerships, we have further consolidated Siemens Energy’s technological leadership and strengthened the resilience of our business model.

We therefore see Siemens Energy as very well positioned to continue to seize opportunities in the energy market and actively shape its transformation. Due to the positive business development, the Executive Board proposes to the Annual General Meeting the distribution of a dividend for the past fiscal year.

Siemens Energy’s business performance

Our market environment in the past fiscal year was characterized by rising electricity demand and the necessary investments related to the energy transition. Favorable market trends led to a broad-based increase in demand for our products, and price trends in our sales markets also remained positive. We were able to take advantage of the market opportunities through efficient order processing and operational performance across all segments. This resulted in a profitable expansion of our business volume and a sustainable strengthening of our balance sheet.

At €59 billion, Siemens Energy's **orders** significantly exceeded the prior-year level on a comparable basis. The book-to-bill ratio was 1.51. This was again reflected in a record **order backlog**. At the end of the fiscal year, the order backlog stood at €138 billion. Siemens Energy's **revenue** also increased significantly on a comparable basis, amounting to €39 billion. All segments contributed to this growth, led by a substantial increase at GT. The growth in revenue was primarily driven by the new units business. Siemens Energy's **profit before special items** was €2,355 million, several times higher than the prior-year amount of €345 million. All segments contributed to this increase. **Profit** amounted to €2,361 million, compared to €2,383 million in the prior year. While the prior year benefited from positive effects from disposals and the accelerated portfolio transformation of €2,038 million, which were reported as special items, profit for the past fiscal year resulted almost exclusively from operating activities. The financial result showed a positive turnaround with plus €64 million (2024: minus €303 million).

As a result, Siemens Energy was able to achieve a **Net income** of €1,685 million (2024: €1,335 million) and corresponding **basic earnings per share** of €1.63. For further information, see **2.4 Results of operation**.

Due to the Net income, equity increased significantly compared to the end of fiscal year 2024, despite an opposing Other comprehensive income. Due to the increased business volume, Total assets also increased significantly. The equity ratio at the end of the past fiscal year amounted to 19% (2024: 18%). For further information, see **2.5 Net assets, liabilities and equity**.

Free cash flow pre tax at Siemens Energy increased sharply, from €1,859 million in the prior fiscal year to €4,663 million in the past fiscal year. All segments recorded improvements, led by the outstanding contribution from GS and the substantial increase at GT. The increase was also decisive for the improvement in liquidity, which – with debt remaining almost unchanged – resulted in adjusted net cash of €4,790 million (2024: 1,951 million) at the end of fiscal year 2025. For further information, see **2.6 Financial position**.

Comparison between the actual and forecast course of business

On January 27, 2025, we raised our expectations due to unexpectedly high Free cash flow pre tax in the first quarter of the fiscal year, mainly due to project advance payments. At that time, we expected to exceed the previous outlook of up to €1 billion for fiscal year 2025 and intended to update the outlook for Free cash flow pre tax with the first half-year results for fiscal year 2025.

Due to the positive business development in the first half-year and the strong market demand, we raised the outlook for Comparable revenue growth, Profit margin before Special items, Net income, and Free cash flow pre tax for fiscal year 2025 on April 16, 2025. The change in the outlook is mainly a result of stronger than expected performance at GS, GT, and TI. Regarding Free cash flow pre tax, the higher outlook is particularly attributable to GS and GT, both of which experienced strong cash inflows from customer payments related to strong order momentum.

On August 6, 2025, we reaffirmed the updated outlook and announced that we expected to reach the upper end of the guided ranges.

For all targets, we met or exceeded the raised outlook. The main factor in exceeding the target for Net income and Free cash flow pre tax was the continued favorable market environment for Siemens Energy, which resulted in an unexpectedly high order intake. In the third quarter of the fiscal year, we recorded the highest quarterly order intake ever achieved. This resulted in unexpectedly high customer prepayments, which had a positive impact on the development of Free cash flow pre tax. In addition, the increased customer demand also had a direct impact on revenue, so that the rise in Net income reflects higher volume effects.

Target achievement 2025	Initial position Fiscal year 2024	Expected development 2025	Target achievement Fiscal year 2025	Evaluation
Comparable revenue growth Siemens Energy	12.8%	8% to 10%		overachieved/ updated
		from April 16, 2025: 13% to 15%	15.2%	achieved
Profit margin before Special items Siemens Energy	1.0%	3% to 5%		overachieved/ updated
		from April 16, 2025: 4% to 6%	6.0%	achieved
Net income Siemens Energy	€1,335 million	Net income around break-even, excluding assumed positive Special items subsequent to the demerger of the energy business from Siemens Limited, India		overachieved/ updated
		from April 16, 2025: up to €1 billion, excluding assumed positive Special items (of around €0.5 billion) subsequent to the demerger of the energy business from Siemens Limited, India	€1,685 million	overachieved
Free cash flow pre tax Siemens Energy	€1,859 million	up to €1 billion		overachieved/ updated
		from January 27, 2025: exceed the previous outlook		overachieved/ updated
		from April 16, 2025: around €4 billion	€4,663 million	overachieved

Dividend

Our dividend policy is to pay out 40% to 60% of the Group's Net income attributable to shareholders of Siemens Energy AG. For this purpose, the Net income may be adjusted for extraordinary non-cash effects. Due to the solid balance sheet and the positive operating performance in the past fiscal year, the Executive Board, in agreement with the Supervisory Board, will propose to the Shareholders' Meeting of Siemens Energy AG to distribute a dividend of €0.70 for each share entitled to a dividend on the day of the Shareholders' Meeting for fiscal year 2025. This corresponds to an expected total payment of €0.6 billion, based on the estimated number of shares entitled to a dividend on the day of the Shareholders' Meeting. Payment of the proposed dividend is subject to approval by the shareholders of Siemens Energy AG at the Shareholders' Meeting on February 26, 2026.

For fiscal year 2024, no dividend was paid or proposed. This took into account the conditions of the counter-guarantee agreement with the German Federal Government from December 2023, which stipulate that no dividend may be distributed in fiscal years in which guarantees provided by a consortium of banks and secured by the counter-guarantee have been issued. Following the early termination of the guarantee line in June 2025 and the associated end of the counter-guarantee, the Budget Committee of the German Bundestag lifted the dividend restriction for Siemens Energy on July 30, 2025, already for the past fiscal year 2025. As a result, the dividend restriction ended one year earlier than originally planned.

For the dividend proposal 2025, Net income was adjusted for the non-cash profit contribution from the demerger of the Indian energy business (see **2.3.2.2 Other events influencing the course of business** and **Note 4 Interests in other entities** in **3.6 Notes to Consolidated Financial Statements**) as well as the non-cash expenses related to the planned sale of the Indian wind business (see **Note 3 Assets held for disposal** in **3.6 Notes to Consolidated Financial Statements**). Based on the adjusted Net income attributable to the shareholders of Siemens Energy AG, the expected total payment corresponds to a payout ratio of 50%.

2.3.2 Events and developments responsible for the course of business

2.3.2.1 Macroeconomic development

Gross domestic product and inflation

In the past fiscal year, the global economy grew moderately and remained stable overall. Ongoing uncertainties due to geopolitical tensions, trade conflicts – particularly among the US and the European Union and China in connection with U.S. tariff policy – and supply chain problems had a dampening effect.

For calendar year 2025, global GDP growth is forecast at 3.2%, compared to 3.3% in 2024. The Eurozone is expected to grow by 1.2%, while the United States is projected to see growth of 2.0%. Emerging economies are forecast to grow by 4.2%, and advanced economies by 1.6%.

Inflation forecasts for calendar year 2025 indicate a global rate of 4.2%, with the Eurozone at 2.1% and the United States at 2.7%. Inflation in advanced economies is expected to reach 2.5%, largely due to the increased outlook for the United States, while emerging economies are projected to see inflation at 5.3%.

These GDP growth and inflation rates are based on data published by the International Monetary Fund in its World Economic Outlook in October 2025.

Energy market

Growth in electricity demand once again significantly outpaced growth in overall energy demand in fiscal year 2025. This development was driven by global electrification and energy security initiatives. The accelerated demand for electricity from data centers contributed significantly to growth, particularly in the United States, with favorable trends also observed in other regions.

The demand for natural gas electricity generation improved, particularly in the United States, where downgraded demand for all renewable energies was noted. In other parts of the world, investment in renewable energy continued despite downgraded demand for offshore wind.

Overall, the energy market remained dynamic, shaped by evolving policy measures, shifting investment priorities, and ongoing technological developments.

The information on the energy market is mainly based on the data published in the World Energy Outlook 2025 by the International Energy Agency.

Supply market conditions

In the past fiscal year, ongoing geopolitical tensions – including the conflict in Ukraine, ongoing tensions in the Red Sea, and the escalation between Israel and Iran – continued to impact global supply chains and influence commodity prices. Demand for critical materials such as copper, nickel, cobalt, graphite, and rare earths remained strongly concentrated among a few leading suppliers. Diversification efforts remained key to minimizing supply chain risks.

Demand for energy, technology, and high-performance commodities – including copper, aluminum, rare earths, and nickel – as well as fossil fuels such as natural gas and oil, continued to record strong growth in fiscal year 2025. Rising protectionism and export controls, particularly from China, added further volatility and uncertainty to these markets.

Global logistics costs for air, land, and sea freight remained volatile, driven by U.S. tariff announcements, escalations in the Middle East that temporarily halted air transit, and strikes affecting terminal operators at ports and airports worldwide. These factors contributed to delays and increased risks and costs in maritime and air traffic.

Inflationary pressures persisted, primarily due to rising demand for services and higher labor costs. While the market remained well supplied with manufacturing inputs such as carbon steel, stainless steel, and base metals, and container availability was stable, U.S. tariff announcements created significant regional price gaps for certain commodities.

The information on the supply markets is mainly based on the data published in the Global Critical Minerals Outlook 2025 by the International Energy Agency.

Impact on business performance at Siemens Energy

Similar to the prior year, the specific developments in the energy market had a greater impact on Siemens Energy's business performance in fiscal year 2025 than the general trajectory of the global economy. Due to the continued acceleration of the transformation of the energy market, combined with strong demand for electricity – particularly from data centers and electrification initiatives – our sales markets continued their positive development. In particular, our grid business benefited from orders for the expansion and the renewal or modernization of grid infrastructure, as did our gas turbine business, among others with orders for efficient gas and steam turbine power plants.

Despite persistent geopolitical tensions and volatility in global supply chains, Siemens Energy was able to successfully navigate challenges in the procurement markets. Specifically, in the area of permanent magnets, we increased our resilience and security of supply in the past fiscal year. In addition to consistently developing sustainable and diversified supply chains outside China, we continue to work on reducing our demand for rare earths through innovative material composition. Overall, there were no significant supply bottlenecks for raw materials, and where in addition material shortages did occur, the effects were largely mitigated through proactive countermeasures. We were able to pass on most inflationary effects to customers in new contracts or offset them through productivity improvements.

We continue to take account of the prevailing risk situation and challenges in procurement markets through a wide range of monitoring and assessment programs, which allow for timely countermeasures. A wide range of instruments are used in risk mitigation: long-term supply contracts for standard materials, demand pooling, end-to-end de-risking along the supply chain between supplier and customer contracts through indexing, supplier switching or additional suppliers as needed, as well as balanced supplier portfolios with procurement sources in several regions, physical and financial commodity hedges, etc.

2.3.2.2 Other events influencing the course of business

Integration and operational progress of Siemens Gamesa

In fiscal year 2025, we continued the complete integration of SG as part of Siemens Energy's ongoing strategic development. Integration activities progressed steadily, with remaining legal combinations and harmonization of regional structures advancing as planned. SG is now fully embedded within Siemens Energy's governance and reporting structures – comparable to our other Business Areas – enabling consistent steering and a unified market approach. The focus is now on operational performance and seizing market opportunities.

The measures introduced in the prior fiscal year to optimize the wind business proceeded as planned and have already contributed to stabilizing the business in fiscal year 2025. These measures remain focused on improving competitiveness through portfolio prioritization and execution improvements, reduction of costs and organizational enhancements, and alignment of production capacities with core markets. The implementation of the "Masterplan" is now fully embedded in regular operational management across SG.

Following the temporary suspension of sales activities for the 4.X and 5.X platforms, sales activities of the successor model of the 4.X platform (SG 5.0-145 (2.0)) resumed in September 2024. In the past fiscal year, we also brought the successor model of the 5.X platform (SG 7.0-170) to the market. Sales efforts focus on core markets, mainly in Europe, with opportunistic efforts in other countries. A first order for the SG 5.0-145 (2.0) – 40 MW in Spain – was secured during fiscal year 2025. The cross-functional task force that had been set up to address the quality issues with the 4.X and 5.X onshore platforms continued its work throughout the past fiscal year and its responsibilities have transitioned to the regular organizational structure as of October 1, 2025. In addition, progress was made in ramping up offshore production capacities to meet increasing demand in our core markets.

Demerger of the Indian energy business

In the past fiscal year, the Indian Energy business was spun off from Siemens Limited, India, and transferred to Siemens Energy India Limited, India. The shares in Siemens Energy India Limited were allocated to the shareholders of Siemens Limited. Following the sale of a significant stake in the prior year, Siemens Energy holds a 6% interest in Siemens Limited and has accordingly received a 6% interest in Siemens Energy India Limited. Due to the loss of significant influence, the accounting method of the investment in Siemens Limited changed, resulting in a gain of €473 million, which was reported as a special item under Strategic portfolio decisions. For further information on this transaction, see **Note 4 Interests in other entities** in **3.6 Notes to Consolidated Financial Statements**.

2.4 Results of operation

2.4.1 Orders and Revenue

Orders and revenue		Fiscal year		Orders Change		Fiscal year		Revenue Change
(in millions of €)	2025	2024	Actual	Comp.	2025	2024	Actual	Comp.
Gas Services	22,996	16,365	41%	43%	12,198	10,796	13%	14%
Grid Technologies	21,423	20,901	3%	5%	11,305	9,280	22%	25%
Transformation of Industry	6,003	6,413	(6)%	(5)%	5,723	5,109	12%	14%
therein								
Sustainable Energy Systems	*452*	*422*	*7%*	*7%*	*242*	*145*	*67%*	*67%*
Electrification, Automation, Digitalization	*1,487*	*1,303*	*14%*	*15%*	*1,424*	*1,425*	*(0)%*	*1%*
Industrial Steam Turbines & Generators	*2,092*	*1,709*	*22%*	*23%*	*1,657*	*1,530*	*8%*	*10%*
Compression	*2,035*	*3,027*	*(33)%*	*(32)%*	*2,501*	*2,069*	*21%*	*23%*
Siemens Gamesa	9,324	7,255	29%	29%	10,375	10,008	4%	5%
Total segments	**59,746**	**50,934**	**17%**	**19%**	**39,601**	**35,193**	**13%**	**14%**
Reconciliation to Consolidated Financial Statements	(818)	(707)	—	—	(524)	(727)	—	—
Siemens Energy	**58,928**	**50,226**	**17%**	**19%**	**39,077**	**34,465**	**13%**	**15%**

Orders and revenue (location of customer)		Fiscal year		Orders Change		Fiscal year		Revenue Change
(in millions of €)	2025	2024	Actual	Comp.	2025	2024	Actual	Comp.
Europe, C.I.S., Middle East, Africa	31,149	30,391	2%	3%	20,690	18,087	14%	15%
therein Germany	*3,456*	*9,665*	*(64)%*	*(64)%*	*3,808*	*3,144*	*21%*	*21%*
Americas	21,810	14,933	46%	51%	11,935	10,258	16%	21%
therein U.S.	*17,015*	*10,233*	*66%*	*71%*	*8,666*	*6,919*	*25%*	*29%*
Asia, Australia	5,969	4,902	22%	25%	6,453	6,120	5%	7%
therein China	*1,227*	*1,422*	*(14)%*	*(10)%*	*1,465*	*1,516*	*(3)%*	*(1)%*
Siemens Energy	**58,928**	**50,226**	**17%**	**19%**	**39,077**	**34,465**	**13%**	**15%**

Orders

Siemens Energy

- Favorable trends in the energy market, particularly rising electricity consumption, have led to increased demand for our products, solutions, and services.
- Our order intake increased significantly on a comparable basis, mainly due to strong growth in the volume of large orders.
- The main factor for this increase was the development at GS. Additionally, SG and GT contributed to the growth. Only TI recorded a moderate decline.
- Order intake also increased significantly on a nominal basis, i.e., including negative currency translation and portfolio effects.
- The service business benefited from a sharp increase in the volume of large orders, but this increase was surpassed by the new units business. The service share of Siemens Energy's order intake remained nearly at the prior-year level, at 32% (2024: 33%).

Gas Services

- GS was able to further increase its already exceptionally high order intake from the prior year and achieved sharp growth on a comparable basis. The volume from large orders rose by 70%. Demand was mainly driven by the Americas reporting region, as orders from the United States doubled compared to the prior year.
- On a nominal basis, including negative currency translation and portfolio effects, GS also achieved sharp growth in order intake compared to the prior year.
- The significant increase in the service business was far exceeded by the rise in order volume in the new units business. The service share of order intake at GS was lower than in the prior year and amounted to 58% (2024: 69%).

Grid Technologies

- GT benefited from the current market dynamics, including the accelerated transformation of the energy market, and remained on its growth path in the past fiscal year. Compared to the prior year, order intake increased moderately on a comparable basis. The growth was primarily driven by the product business, which recorded substantial increase. However, this was partly offset by the solutions business, as the prior year had benefited from a higher volume of large orders, creating a strong comparison base. GT also benefited from a sharp increase in demand from the United States. The resulting growth in the Americas region, together with the increase in Asia, Australia, more than offset the decline in the EMEA region.
- On a nominal basis, including negative currency translation and portfolio effects, order intake also increased moderately.
- The growth in order volume was driven by the new units business, as the volume of the service business at GT is generally less significant.

Transformation of Industry

- Order intake at TI on a comparable basis was below the exceptionally high prior-year, which was driven by several large orders at CP. SES, EAD, and STG achieved clear to substantial growth, while CP was unable to match the prior year due to the exceptionally high basis of comparison. Geographically, order intake decreased primarily in regions that had benefited from large orders in the prior year, especially the Middle East.
- On a nominal basis, including negative impacts due to currency translation and portfolio effects, order intake decreased clearly.
- The service business recorded clear growth, while the new units business saw a decline due to the above-mentioned large orders in the prior year. As a result, the service share of the order volume increased compared to the prior year and amounted to 47% (2024: 41%).

Siemens Gamesa

- SG recorded substantial growth in its order intake in fiscal year 2025, as the increase in the offshore area far exceeded the decline in the onshore area. Offshore growth was mainly due to three large orders for wind turbines in the North Sea and Baltic Sea, with a total volume of around €4.7 billion. Although sales activities for the successor model of the 5.X platform (SG 7.0-170) began in the third quarter of the past fiscal year, order development was still significantly affected by the temporary suspension of sales activities for the two onshore platforms 4.X and 5.X. From a regional perspective, the highest percentage growth came from the Americas region, primarily from the United States, while the largest absolute increase was recorded in EMEA due to the mentioned large orders.
- Including negative currency translation effects, nominal growth in order intake was nearly the same as the growth on a comparable basis.
- As order growth was almost exclusively attributable to the new units business, the service share of SG's order intake declined compared to the prior year and amounted to 23% (2024: 29%).

Regions (location of customer)

- Order intake increased in all reporting regions, led by the sharp growth on a comparable basis in the Americas.
- The moderate increase in **EMEA** was mainly due to higher order intake in the Middle East, particularly from large orders at GS in Saudi Arabia, which outweighed a slight decline in Europe. In addition to GS, SG also recorded substantial growth in the reporting region, primarily due to the mentioned large orders. Order intake at GT and TI declined.
- Growth in the **Americas** reporting region was largely driven by a sharp increase in demand in the United States; the country accounted for 29% (2024: 20%) of Siemens Energy's total order intake in the past fiscal year. In the region overall, all segments recorded sharp growth except for TI, which experienced a moderate decline.
- In **Asia, Australia**, GS, GT, and TI recorded substantial or significant increases, while SG saw a decline.

Revenue

Siemens Energy

- Siemens Energy's revenue increased significantly on a comparable basis in fiscal year 2025 compared to the prior year. This development benefited from both the execution of the high order backlog and a favorable market environment. In addition, there was a strong operating performance in order processing. All segments contributed to the growth, with GT recording the highest increase.
- Due to negative currency translation and portfolio effects, nominal revenue growth was lower than on a comparable basis.
- The growth in the new units business far exceeded the increase in the service business. The share of revenue from Siemens Energy's service business remained nearly at the prior-year level, at 34% (2024: 35%).

Gas Services

- The development of GS revenue, as in the prior year, was based on the successful processing of the order backlog and the strength of the service business. Overall, revenue increased significantly on a comparable basis, both in the service business and in the new units business, with growth being stronger in the service business.
- Due to negative currency translation and portfolio effects, nominal revenue growth was lower than on a comparable basis; nevertheless, the growth was also significant.
- As a result of the development of revenue in the new units and service business, the share of the service business in GS revenue remained unchanged at 66% (2024: 66%).

Grid Technologies

- On a comparable basis, GT recorded a substantial increase in revenue compared to the prior year. The vast majority resulted from the processing of order intake from prior years. All businesses recorded growth compared to the prior year. The solutions business recorded the highest increase, followed by the product business, both with substantial growth.
- The growth in GT's nominal revenue was also substantial, although lower than on a comparable basis due to negative currency translation and portfolio effects.
- As in the prior year, the share of the service business in GT's revenue was 6%.

Transformation of Industry

- The significant growth in TI's revenue on a comparable basis was primarily due to the substantial increase at CP, related to the processing of the high order intake from the prior year mentioned above. All other separate businesses also recorded growth.
- The increase in TI's revenue on a nominal basis was lower than on a comparable basis due to negative currency translation and portfolio effects; nevertheless, the growth was also significant.
- Revenue growth in the service business was clear, however, it was exceeded by the substantial increase in the new units business. As a result, the share of the service business in TI's revenue declined compared to the prior year and amounted to 44% (2024: 47%).

Siemens Gamesa

- As expected, the sharp decline in order intake from the prior year, particularly in the onshore area, was reflected in the development of SG's revenue. However, a sharp increase in the offshore area, mainly due to progress in ramping up production activities, more than offset the decline in the onshore area. Revenue was generated almost exclusively from processing the order backlog.
- Nominal revenue growth was lower than on a comparable basis due to negative currency translation and portfolio effects.
- A clear increase in the new units business was offset by a slight decline in the service business. In the past fiscal year, the share of the service business in SG's revenue was 23% (2024: 24%).

Regions (location of customer)

- As with order intake, all reporting regions recorded revenue growth on a comparable basis.
- All segments except SG contributed to the significant increase in **EMEA**. The highest percentage increase was seen at TI.
- The substantial increase in the **Americas** reporting region was mainly driven by the United States. It was based on growth in all segments, led by SG.
- In **Asia, Australia**, revenue was clearly above the prior-year level. Growth resulted from a sharp increase in Taiwan for SG, which outweighed declines in all other parts of the reporting region. In addition to the substantial increase at SG, revenue also rose for GT, while it declined for GS and TI.

Book-to-bill ratio and order backlog

- Due to the aforementioned developments, the book-to-bill ratio at Siemens Energy was 1.51. The increase compared with the prior-year figure of 1.46 resulted from a higher rise in order intake compared to revenue. The book-to-bill ratio of all segments except SG was above 1, with SG also exceeding its prior-year value. The book-to-bill ratio was 1.89 at GS (2024: 1.52), 1.90 at GT (2024: 2.25), 1.05 at TI (2024: 1.26) and 0.90 at SG (2024: 0.72).
- As a result, Siemens Energy's order backlog at the end of the fiscal year reached €138 billion (2024: €123 billion), once again surpassing the record high of the prior year. Growth was slowed by negative currency translation effects. The order backlog was €54 billion for GS (2024: €45 billion), €42 billion for GT (2024: €33 billion), and €8 billion for TI (2024: €8 billion). SG's order backlog was €36 billion, below the prior-year value of €38 billion.
- The share of the service business in Siemens Energy's order backlog at the end of the fiscal year was 46% (2024: 48%).

2.4.2 Profitability

(in millions of €, earnings per share in €)	Fiscal year 2025	2024	Change
Profit Siemens Energy before Special items	**2,355**	**345**	**>200%**
Gas Services	1,580	1,021	55%
Grid Technologies	1,791	976	84%
Transformation of Industry	646	380	70%
Siemens Gamesa	(1,364)	(1,781)	23%
Reconciliation to Consolidated Financial Statements	(298)	(252)	(18)%
Profit margin Siemens Energy before Special Items	6%	1%	5 p.p.
Gas Services	13%	9%	4 p.p.
Grid Technologies	16%	11%	5 p.p.
Transformation of Industry	11%	7%	4 p.p.
Siemens Gamesa	(13)%	(18)%	5 p.p.
Special items (for details see table below)	**6**	**2,038**	**(100)%**
Profit Siemens Energy	**2,361**	**2,383**	**(1)%**
Gas Services	1,566	1,018	54%
Grid Technologies	1,778	1,197	49%
Transformation of Industry	635	392	62%
Siemens Gamesa	(1,711)	(1,721)	1%
Reconciliation to Consolidated Financial Statements	92	1,497	(94)%
Profit margin Siemens Energy	6%	7%	(1) p.p.
Gas Services	13%	9%	3 p.p.
Grid Technologies	16%	13%	3 p.p.
Transformation of Industry	11%	8%	3 p.p.
Siemens Gamesa	(16)%	(17)%	1 p.p.
Amortization of intangible assets acquired in business combinations and goodwill impairments	(212)	(258)	18%
Financial result	64	(303)	n/a
Income (loss) before income taxes	**2,213**	**1,822**	**21%**
Income tax gains/ (expenses)	(527)	(487)	(8)%
Net income (loss)	**1,685**	**1,335**	**26%**
Basic earnings per share	1.63	1.37	19%

Profit and Profit before Special items

Siemens Energy

- The key factor for profit development in the past fiscal year was the strong operating performance, to which all segments contributed. Siemens Energy's profit reached €2,361 million, almost matching the prior year's €2,383 million. However, while the prior year benefited from a significant profit contribution from disposals and the accelerated portfolio transformation (a total of €2,179 million, reported as a Special item under the category of Strategic portfolio decisions), profit in fiscal year 2025 was driven almost exclusively by the operative business activities. All segments recorded profit improvements. These were due to very good project execution, reflecting increased cost efficiency through sustainable operating improvements. In addition, an order backlog with higher margins was processed. Higher revenue and corresponding degression effects also contributed. Profit development was impacted by U.S. import tariffs.
- In the special items of the past fiscal year, two transactions in particular had an offsetting effect. A gain from the revaluation of the interest in Siemens Limited, India, (see **2.3.2 Events and developments responsible for the course of business** or **Note 4 Interests in other entities** in **3.6 Notes to Consolidated Financial Statements**) more than offset the expenses related to the planned sale of the Indian wind business (see **Note 3 Assets held for disposal** in **3.6 Notes to Consolidated Financial Statements**).
- Due to the strong operating performance, profit before special items was several times higher than in the prior year. The same applies to the development of the profit margin before special items.

Gas Services

- Profit at GS exceeded the prior year value by more than half. This was driven by higher volume in the service business, improved operating performance, including cost savings, and a higher margin from the processed order backlog, especially in the new units business. Higher tariffs had a negative impact.
- Profit included negligible negative special items in both the past fiscal year and the prior year.
- As a result, GS profit before special items followed the development of profit. The corresponding margin was substantially increased compared to the prior year.

Grid Technologies

- Profit at GT increased sharply. Both the product business and the solutions business were decisive, as both were able to increase their profit contribution sharply. The increase in profit was mainly due to improved operating performance, increased volume – including corresponding degression effects – and, compared to the prior year, higher margin from the processed order backlog. Higher tariffs had a negative impact.
- Special items were negligible in the past fiscal year. The prior year included significant positive effects, primarily from the sale of an investment.
- Therefore, the increase in GT's profit before special items was considerably higher than the increase in profit. The same applies to the corresponding margin, which grew by more than half.

Transformation of Industry

- Profit at TI increased by almost two-thirds compared to the prior year. All businesses contributed to this development. The CP business achieved both the highest profit contribution and the strongest increase, followed by STG. SES was able to again sharply reduce its negative profit, and EAD also recorded a significant profit increase. Overall, the development in the past fiscal year was mainly due to continued volume growth, especially in the service business, and resulting degression effects. In addition, better margin quality from the processed order backlog and strong operating performance contributed to the increase.
- While the prior year mainly saw positive special items from strategic portfolio decisions, the past fiscal year primarily included negative special items from restructuring.
- As a result, TI's profit before special items increased slightly more than profit did. The same applied to the corresponding margin, which increased by almost four percentage points without special items. With this development, TI recorded the strongest margin increase of all Siemens Energy Business Areas.

Profit margin Transformation of Industry before Special Items

	Fiscal year		
	2025	2024	Change
Transformation of Industry	**11.3%**	7.4%	3.9 p.p.
therein			
Sustainable Energy Systems	(21.9)%	(64.0)%	42.1 p.p.
Electrification, Automation, Digitalization	9.0%	7.5%	1.5 p.p.
Industrial Steam Turbines & Generators	13.7%	10.3%	3.4 p.p.
Compression	13.7%	10.1%	3.7 p.p.

Siemens Gamesa

- Profit at SG improved slightly but remained clearly negative. As in prior years, this was due to the quality issues in the onshore area. In the offshore area, continued growth led to corresponding degression effects, but profit development was held back by the impact of cost increases related to the ongoing ramp-up of activities. Overall, SG was able to improve its operating performance. However, this was offset by declining volume from the service business and negative effects from tariffs imposed by the United States. The update of warranty costs and provisions, including the regular annual update of the statistical models used to evaluate the entire wind turbine fleet, resulted in negative effects, although these were lower than in fiscal year 2024.
- The positive special items of the prior year, mainly due to a disposal gain, were offset by negative special items in the past fiscal year, primarily resulting from the negative impact related to the planned sale of the Indian wind business.
- Taking the development of special items into account, SG's profit before special items and the corresponding margin improved substantially.

Reconciliation to Consolidated Financial Statements

- Reconciliation to Consolidated Financial Statements includes items which management does not consider to be indicative of the segments' performance, mainly group management costs (management and corporate functions), other central items, Treasury activities as well as eliminations. Other central items include Siemens brand fees, corporate services (e.g., management of the Group's real estate portfolio), corporate projects, centrally held equity interests and other items.
- The sharp decrease in profit from Reconciliation to Consolidated Financial Statements compared to the prior year was mainly attributable to the positive effects reported as special items from disposals and the accelerated portfolio transformation in the prior year, especially the gain from the sale of a stake in Siemens Limited, India, which in the past fiscal year was only offset by a considerably lower gain from the revaluation of the remaining stake in Siemens Limited, India.
- This led to lower positive special items compared to the prior year. As a result, the negative profit before special items increased significantly.

Net income and Basic earnings per share

- After a negative financial result in the prior year period, a positive financial result was recorded in the past fiscal year. This was mainly due to the positive development of fair values of transaction-related derivatives and lower expenses related to discounted non-current provisions. In addition to higher interest income on financial investments due to the increase in cash and cash equivalents, there were lower interest expenses, mainly for debt. The positive turnaround in the financial result was also supported by a significant decline of the position Amortization of intangible assets acquired in business combinations and goodwill impairments.
- The aforementioned turnaround in Siemens Energy's financial result was, therefore, also decisive for the higher income before income taxes compared to the prior year.
- The tax rate of Siemens Energy was 24% (2024: 27%) in the past fiscal year. It reflected tax-free gains related to the demerger of the Indian energy business as well as tax income due to the integration of SG. Losses without corresponding tax relief at SG had an offsetting effect.
- Due to the developments described above, in the past fiscal year the Siemens Energy Group recorded a substantially increased net income compared to the prior year. This is reflected accordingly in the development of the Basic earnings per share.

Siemens Energy Special items

(in millions of €)	Fiscal year 2025	2024	Change
Restructuring and integration costs	(199)	(129)	(54)%
Gas Services	*(16)*	*(17)*	*3%*
Grid Technologies	*(13)*	*0*	*n/a*
Transformation of Industry	*(9)*	*(13)*	*32%*
Siemens Gamesa	*(70)*	*(32)*	*(118)%*
Reconciliation to Consolidated Financial Statements	*(91)*	*(68)*	*(35)%*
Stand-alone costs	(42)	(12)	>(200)%
Reconciliation to Consolidated Financial Statements	*(42)*	*(12)*	*>(200)%*
Strategic portfolio decisions	248	2,179	(89)%
Gas Services	*3*	*14*	*(81)%*
Grid Technologies	*(0)*	*221*	*n/a*
Transformation of Industry	*(2)*	*25*	*n/a*
Siemens Gamesa	*(277)*	*91*	*n/a*
Reconciliation to Consolidated Financial Statements	*524*	*1,828*	*(71)%*
Siemens Energy Special items	**6**	**2,038**	**(100)%**
Gas Services	*(14)*	*(3)*	*>(200)%*
Grid Technologies	*(13)*	*221*	*n/a*
Transformation of Industry	*(11)*	*12*	*n/a*
Siemens Gamesa	*(347)*	*59*	*n/a*
Reconciliation to Consolidated Financial Statements	*390*	*1,749*	*(78)%*

2.5 Net assets, liabilities and equity

(in millions of €)	Sep 30, 2025	Sep 30, 2024	Change
Total current assets	**34,453**	**30,079**	**15%**
therein			
Cash and cash equivalents	9,162	6,363	44%
Trade and other receivables	7,571	7,072	7%
Contract assets	4,295	4,190	2%
Inventories	10,377	9,792	6%
Assets classified as held for disposal	386	126	>200%
Total non-current assets	**22,184**	**20,795**	**7%**
therein			
Goodwill	9,037	9,461	(4)%
Other intangible assets	2,450	2,811	(13)%
Property, plant and equipment	7,140	6,220	15%
Other financial assets	1,531	473	>200%
Total assets	**56,637**	**50,874**	**11%**

(in millions of €)	Sep 30, 2025	Sep 30, 2024	Change
Total current liabilities	**38,491**	**33,471**	**15%**
therein			
Debt	1,528	479	>200%
Trade and other payables	5,993	6,293	(5)%
Contract liabilities	22,321	18,867	18%
Provisions	2,778	3,163	(12)%
Liabilities associated with assets classified as held for disposal	233	—	n/a
Total non-current liabilities	**7,471**	**8,040**	**(7)%**
therein			
Debt	2,438	3,287	(26)%
Provisions for pensions and similar obligations	406	600	(32)%
Provisions	3,065	2,880	6%
Total equity	**10,675**	**9,364**	**14%**
Total liabilities and equity	**56,637**	**50,874**	**11%**

- As of September 30, 2025, **total assets** of Siemens Energy increased significantly year-on-year. The changes in both assets and liabilities mainly reflected the positive development of the operating business as well as the increased business volume of the past financial year. This was offset by negative currency translation effects totaling €1.4 billion.
- The growth in **assets** was primarily due to the development of current assets resulting from the increase in cash and cash equivalents and in the asset components of the operating net working capital. Non-current assets increased as well, due to the value increase in financial assets and investment in tangible assets. As a result, the share of non-current assets in total assets decreased to 39% (2024: 41%). The increase on the **liabilities side** was mainly due to the rise in liability components of the operating net working capital and the growth in equity.
- The sharp increase in **cash and cash equivalents** was mainly attributable to the positive development of the Free cash flow pre tax of Siemens Energy (see **2.6.2 Analysis of cash flow and investments**).
- In the **operating net working capital**, a clear increase in the **asset components** was accompanied by an even stronger rise in the **liability components**. The significant increase in contract liabilities, mainly due to advance payments on projects, exceeded by far the growth in inventories, especially with regards to the increased business volume, trade and other receivables as well as contract assets, and the decline in trade and other payables. As a result, the negative operating net working capital increased further compared with the prior year. As of September 30, 2025, it amounted to minus €6,071 million (2024: minus €4,107 million). This was mainly due to the developments at GS and GT, offset by the year-on-year decrease in negative operating net working capital at SG. The operating net working capital (as a percentage of revenue) was minus 16% at fiscal year-end (2024: minus 12%).
- **Assets classified as held for disposal** and **liabilities associated with assets held for disposal** increased mainly as a result of the contract signed for the sale of the Indian wind business (see **Note 3 Acquisitions and Disposals in 3.6 Notes to the Consolidated Financial Statement)**
- **Goodwill** decreased mainly as the result of foreign currency translation, besides impairments related to the reclassification of **assets classified as held for disposal**.
- **Other intangible assets** also decreased. Depreciation and impairments relating to intangible assets acquired in business combinations and negative currency translation effects largely offset the additions to internally generated technology for product development at SG.
- **Property, plant and equipment** increased significantly in connection with investments in land and buildings, technical equipment and machinery, as well as advances to suppliers and construction in progress.
- **Other financial assets** increased sharply due to the revaluation of the interest in Siemens Limited, India, and the gains in derivative financial instruments.
- **Deferred tax assets** and **deferred tax liabilities** increased to €904 million (2024: €692 million) and €634 million (2024: €415 million), respectively. The resulting reduction in the net amount of deferred tax assets was mainly due to deferred tax expenses at the level of Siemens Energy Global GmbH & Co. KG and deferred income taxes in connection with changes in the fair value of cash flow hedges. These were offset by deferred tax income due to the integration of SG.
- At the end of the fiscal year, **short-term debt** and **long-term debt** of Siemens Energy amounted to €3,966 million (2024: €3,767 million) and thus were moderately above the level of the prior year. This was primarily attributable to the increase in lease liabilities. The reclassification of long-term financial liabilities led to significant shifts between the portions due in the short and long term.
- The increase in **other current liabilities** to €4,332 million (2024: €3,681 million) was primarily due to liabilities related to reservation fees received and pending invoices.
- The **provisions for pensions and similar obligations** decreased substantially, mainly due to an increase in the weighted average discount rate as well as due to employer contributions (see also **2.6.3 Financing and liquidity analysis** and **Note 14 Post-employment benefits/ Provisions for pensions and similar obligations** in **3.6 Notes to Consolidated Financial Statements**).
- **Equity** of Siemens Energy increased significantly due to the rise in the portion of equity attributable to the shareholders of Siemens Energy AG. This was primarily due to net income, while a negative other comprehensive income (loss), net of income taxes had an offsetting effect.
- The equity ratio (equity to total assets) at the fiscal year-end amounted to 19% (2024: 18%).

Off-balance-sheet commitments

At the end of the fiscal year, the maximum liability amount – resulting from Guarantees of third-party performance and other guarantees (including for compensation obligations in connection with the disposal of businesses) – was a nominal €188 million (2024: €208 million).

2.6 Financial position

2.6.1 Principles and objectives of financial management

- The main objectives of Siemens Energy's financial management are to ensure the financial sustainability of Siemens Energy and its affiliated companies, an investment grade rating and support for the business by providing corporate finance solutions. The protection of the Group's long-term financial stability and flexibility includes the solvency of Group entities at any time, the reduction of financial risks and a balanced capital structure.
- The Treasury & Corporate Finance organization of Siemens Energy manages treasury and financing activities (including guarantees, letters of credit, insurance, pensions, receivables sales, leasing and supply chain financing).
- Certain treasury and financing activities are managed centrally by Treasury & Corporate Finance to the extent reasonable to ensure transparency and cost efficiency, e.g., liquidity and financing of the Group, bank relations, treasury infrastructure, as well as management of financial risks, pensions, pension service providers, insurances (broking, advisory, claims management and provider management) and guarantees.
- The centralized coordination and management of market risks (foreign currencies, interest rates, commodities), bank partners, insurance and pensions ensures a comprehensive risk management approach. Treasury is the central partner for derivative hedging transactions entered into by Siemens Energy, as far as this is permissible under local foreign exchange regulations. Treasury is therefore largely responsible for entering into external hedging transactions with banks.
- The provision of Treasury infrastructure involves cash pooling, among other things. A centralized cash management system enables the use of excess liquidity at individual Group entities to cover the financing requirements of other Group entities, which reduces both the volume of external financing and interest expenses on Group level.
- The external financing of Siemens Energy comes primarily from a group of international banks and from the capital markets. The principle of internal financing applies within the Group. Wherever possible and economically feasible, the financing requirements of subsidiaries are covered via internal loan arrangements. In addition and as necessary, local credit facilities are agreed with banks to reflect legal, fiscal or other requirements, provided this is economically feasible.

For further information on the extent and management of financial risks and on financing, see **Note 22 Financial risk management** in **3.6 Notes to Consolidated Financial Statements**.

2.6.2 Analysis of cash flow and investments

	Fiscal year		
(in millions of €)	**2025**	2024	Change
Free cash flow pre tax by segment			
Gas Services	3,240	1,393	133%
Grid Technologies	2,757	2,228	24%
Transformation of Industry	686	411	67%
Siemens Gamesa	(1,754)	(2,097)	16%
Reconciliation to Consolidated Financial Statements	(266)	(76)	<(200)%
Free cash flow pre tax of Siemens Energy	**4,663**	**1,859**	**151%**
therein Purchase of intangible assets and property, plant and equipment	*(1,724)*	*(1,514)*	*(14)%*
Cash flows from			
Operating activities	5,821	2,889	102%
Investing activities	(1,618)	1,250	n/a
Financing activities	(1,135)	(2,258)	50%

Free cash flow pre tax

- Compared with fiscal year 2024, **Free cash flow pre tax** of Siemens Energy rose sharply. This is attributable to the sharp increase in cash inflows from operating activities (excluding income taxes paid), to €6,387 million from €3,372 million in the prior year. This was partially offset by a significant increase in cash outflows for purchase of intangible assets and property, plant and equipment compared to the prior year, however in relation this was of secondary importance.
- The increase in **cash inflows from operating activities** was primarily due to the profit development. In addition, a year-on-year increase of €1.941 million (2024: €892 million) in net cash inflow resulted from the change in **operating working capital**. This was primarily driven by the increase in cash inflows from contract liabilities, mainly due to higher advance payments on projects. In addition, there were lower cash outflows for inventories. This was partially offset primarily by the development of cash inflows from other assets and liabilities (€859 million in the prior year compared to €628 million in the past fiscal year).
- The significant increase in the **purchase of intangible assets and property, plant and equipment** was primarily due to the sharp increase in investments at GS. However, the central activities reported in the Reconciliation to Consolidated Financial Statements as well as GT also recorded substantial growth, while TI and SG invested less compared to the prior year.
- **Investments** at GS in the past fiscal year focused on expansion investments. Around 30% of the funds were allocated to capacity expansions in the area of large gas turbines (particularly to prepare for increased order volumes and to secure market share), to the reconstruction of the Wuchtbunker in Berlin and to dual-sourcing measures to mitigate procurement risks. Furthermore, maintenance and replacement investments in tools and machinery at various production and service sites were continued. For GT, the substantial increased investment expenditures were mainly related to the expansion of production capacities for certain products, particularly in North America and Western Europe. In addition, investments were made within the scope of selected research and development projects, such as the technological advancement and production preparation of the SF6-free product portfolio, as well as the validation of digital solution offerings. TI's investments focused on the growth of the service business and the further development of digital solutions. Furthermore, investments were made in expanding manufacturing capacities to meet the strong growth in generator volumes and to facilitate insourcing of the production of electrical components, specialized motors, and drives. SG mainly invested in the offshore area of activities. Besides investing in internally generated technology, capital was mainly invested in tools and equipment to transport and install nacelles and rotor blades, as well as in connection with capacity expansions for the production ramp-up.
- At the segment level, all segments contributed to the improvement of Free cash flow pre tax. The sharp increase was primarily due to the sharp increase at GS, but GT and TI also achieved substantial and sharp growth, respectively, while SG significantly reduced its negative Free cash flow pre tax. GS was able to more than double its Free cash flow pre tax. This was due not only to profit development but also to the increased cash inflow from the change in operating net working capital, mainly the change in contract liabilities due to advanced payments on projects. The higher Free cash flow pre tax of GT was primarily due to the improvement in Profit, and the same applied to TI. The lower negative Free cash flow pre tax at SG was mainly due to the decline in cash outflow from changes in operating net working capital and lower investments, as the positive profit-related effects were offset by a countervailing development in the change in other assets and liabilities, especially in warranty-related and onerous loss provisions.

Purchase of intangible assets and property, plant and equipment

	Fiscal year		
(in millions of €)	2025	2024	Change
by Segments			
Gas Services	377	241	57%
Grid Technologies	242	197	23%
Transformation of Industry	67	71	(5)%
Siemens Gamesa	586	655	(10)%
Reconciliation to Consolidated Financial Statements	452	351	29%
Purchase of intangible assets and property, plant and equipment Siemens Energy	**1,724**	**1,514**	**14%**
by Regions			
EMEA	1,388	1,211	15%
Americas	263	183	44%
Asia, Australia	73	120	(39)%

Cash flows from investing activities

- The development of **cash flow from investing activities** compared to fiscal year 2024 was mainly driven by disposals and the accelerated portfolio transformation in the prior year, which together resulted in cash inflow of €2,886 million. In the past financial year, there were no comparably significant transactions. Consequently, the cash outflow from investing activities in fiscal year 2025 mainly resulted from purchase of intangible assets and property, plant and equipment. Offsetting effects mainly resulted from cash inflows from the disposal of businesses and investments from the sale of Ethos Energy Group Limited, United Kingdom, as well as from subsequent payments due to the sale of the Trench Group in the prior year.

Cash flows from financing activities

- Cash outflows in the **cash flow from financing activities** decreased sharply. This was due to the decrease of cash outflow from the repayment of notes and bonds (€– million compared to €426 million in the prior year) and the change in debt of €208 million (2024: €924 million) as well as lower interest paid of €221 million (2024: €332 million). Partially offset by higher repayments of lease liabilities amounting to €392 million (2024: €338 million).
- Cash outflows from the purchase of treasury shares amounted to €170 million (2024: €130 million). Further information on the share buyback can be found in **Note 16 Equity** in section **3.6 of the Notes to the Consolidated Financial Statements**.

2.6.3 Financing and liquidity analysis

Debt, credit facilities and capital structure

Debt

- In addition to the maturity structure, there were also minor changes compared to the prior year in terms of the scope and structure of debt. Due to their growth, lease liabilities accounted for more than half of debt as of September 30, 2025. The remainder consisted of notes and bonds, primarily the so-called "Green Bond" issued in April 2023 with a total nominal amount of €1,500 million, and loans from banks.
- At the end of the fiscal year, no commercial papers were outstanding under the Siemens Energy commercial paper program, meaning that the program was fully available at €3,000 million as of September 30, 2025.
- Further information about the Company's debt can be found in **Note 13 Debt** in **3.6 Notes to Consolidated Financial Statements**.

Credit facilities

- At the end of the fiscal year, Siemens Energy had an unused revolving syndicated credit facility of €4,000 million for general corporate purposes. In fiscal year 2025, the first of two one-year extension options was exercised. The credit facility will now mature in 2030.

Capital structure ratio

Net debt/ (net cash)

(in millions of €)	Sep 30, 2025	2024
Short-term debt and current maturities of long-term debt[1]	1,528	479
Plus: Long-term debt[1]	2,438	3,287
Total debt	**3,966**	**3,767**
Cash and cash equivalents	9,162	6,363
Total liquidity	**9,162**	**6,363**
Net debt/ (net cash)[2]	**(5,196)**	**(2,596)**
Plus: Provisions for pensions and similar obligations	406	600
Plus: Credit guarantees	—	45
Adjusted net debt/ (net cash)	**(4,790)**	**(1,951)**
EBITDA	**3,930**	**3,636**
Adjusted net debt to EBITDA[3]	**n/a**	**n/a**

[1] The prior year figure includes the present values of the coupons of the mandatory convertible note amounting to €53 million.

[2] As of September 30, 2025, the net cash position is shown with a negative sign, as in the prior year.

[3] The ratio cannot be interpreted in a meaningful way if the sign becomes negative. Therefore, no values are shown.

- Siemens Energy's objective is to maintain an investment grade credit profile. This aim was achieved in both the prior and the past fiscal year. At the end of November 2023, Standard & Poor's Global Ratings changed the outlook of its long-term issuer rating from 'stable' to 'negative'. The investment grade rating of BBB- remained unchanged. Due to strong operating results, the improvement in the operating margin, and the increase in order backlog, Standard & Poor's revised its outlook to 'positive' in May 2025 – after it had already been raised to 'stable' in December 2024. In June 2025, Moody's issued a rating for Siemens Energy for the first time. With a long-term rating of Baa2 and a positive outlook, it was also in the investment grade range.
- The increase in net cash compared to the prior year was primarily due to the rise in cash and cash equivalents resulting from cash inflows from operating activities, which far outweighed the cash outflows from investing and financing activities.

Financing of pension plans and similar commitments

- Siemens Energy provides post-employment defined benefit plans or defined contribution plans to almost all employees in Germany and to most employees outside Germany.
- The majority of pension obligations at Siemens Energy derive from three countries: Germany, the United States and the United Kingdom.
- As of September 30, 2025, the **defined benefit obligation (DBO)** amounted to €2,907 million (thereof: Germany €1,696 million, United States €642 million, United Kingdom €176 million and other countries €394 million).
- The **fair value of plan assets** was €2,588 million (thereof: Germany €1,698 million, United States €450 million, United Kingdom €178 million and other countries €262 million).
- This led to **underfunding** of €337 million (2024: €558 million). The year-on-year decrease was mainly due to a higher weighted average discount rate as well as employer contributions.
- Further information can be found in **Note 14 Post-employment benefits/ Provisions for pensions and similar obligations** in **3.6 Notes to Consolidated Financial Statements**.

2.7 Report on expected developments

2.7.1 Overall macroeconomic development

Gross domestic product, inflation and interest rates

Global GDP growth of 3.1% is forecasted for the calendar year 2026, representing a slight decrease compared to the forecast of 3.2% for calendar year 2025. The outlook remains clouded by ongoing uncertainties, including the impact of trade tensions across all geographies, policy uncertainties, persistent geopolitical risks, ongoing conflicts in Ukraine and Middle East, and volatility in global markets.

The GDP in the eurozone is expected to grow by 1.2% in the calendar year 2025 and is expected to decline slightly to 1.1% in the calendar year 2026. This development is likely to be due to weaker growth in Spain. Economic output growth in Germany is forecasted at 0.9% for 2026. GDP growth in the United States is expected to rise from 2.0% in the calendar year 2025 to 2.1% in the calendar year 2026. A slowdown is expected in China: GDP growth is estimated at 4.8% for the calendar year 2025 and 4.2% for 2026.

Despite a continued decline compared to the peak in 2022, inflation has remained at an above-average level in the 2025 calendar year to date. Consumer prices in the eurozone are expected to rise by 1.9% in the calendar year 2026, which represents a decrease compared to the expected figure of 2.1% for 2025. For the United States, an inflation rate of 2.4% is expected for the calendar year 2026, following a forecast of 2.7% in calendar year 2025.

The future development of key interest rates will largely depend on these inflation forecasts. Both the European Central Bank and the U.S. Federal Reserve are expected to continue targeting inflation rates around 2%. While some rate cuts have already taken place, the cost of financing is likely to remain relatively high, which may continue to dampen investment and consumer spending.

The forecasts for GDP and inflation are based on data published by the International Monetary Fund in its World Economic Outlook in October 2025.

All estimates presented in this chapter regarding future developments and trends in the market are subject to uncertainties, particularly with regard to trade tensions, general geopolitical risks, especially the consequences of the war in Ukraine and developments in the Middle East, risks on the supply markets and energy security as well as the associated effects.

Energy market

The current trends in the energy sector are expected to continue. Economic and population growth are increasing primary energy demand worldwide. Decarbonization and technological advancements are increasing the degree of electrification and thus the demand for electricity. In addition, the ongoing digitalization of industries and the growing use of low-carbon power generation technologies are also intensifying the need for modernization and expansion of electrical infrastructure. A particularly dynamic driver of electricity demand is the strong growth of data centers, driven by artificial intelligence, cloud computing, and digital services. Globally, data center electricity consumption is projected to double by 2030, with the United States accounting for nearly half of this growth. This surge is leading to significant investments in grid infrastructure, generation capacity, and energy-efficient technologies to ensure reliability and sustainability in the regions.

In the EU, the transition toward clean energy is anticipated to continue, though at a slower pace over the long term. Recent developments indicate that natural gas will remain a key component of the energy mix for longer than previously forecasted. The recently signed energy agreement as part of the Joint Statement of the U.S. and the EU on transatlantic trade and investment, is expected to further stabilize investments in fossil fuel power generation and nuclear energy.

In the United States, the focus is on expanding natural gas-based power generation, which is likely to dampen investments in renewable energy technologies. Investments in nuclear energy, often driven by growing data center demand, could marginally strengthen electricity supply in the future.

In light of these factors and the macroeconomic outlook described above, we anticipate that electricity demand will continue to increase in fiscal year 2026. Further global trends, such as rising energy demand for electromobility, heating and cooling, and local initiatives like Saudi Arabia Vision 2030, are expected to create additional sales opportunities for our Business Areas in fiscal year 2026 and beyond.

The information on the energy market is mainly based on the data published in the World Energy Outlook 2025 by the International Energy Agency.

Supply market conditions

For fiscal year 2026, it is expected that U.S. tariff measures and potential new trade agreements with key trading partners will continue to reshape global trade flows. Material shortages cannot be ruled out, given the ongoing geopolitical developments and the possibility of new trade barriers across different regions. The global decarbonization trend will remain a significant factor, influencing both the supply situation and production costs for certain materials.

Demand for critical minerals, materials, and services is expected to continue to grow further. One of the main drivers is likely to be the introduction of new legal regulations worldwide. Notably, the European Commission's Carbon Border Adjustment Mechanism (CBAM) will take effect on January 1, 2026, applying to carbon-intensive goods such as iron and steel, aluminum, electricity, hydrogen, and cement entering the EU. This measure aims to encourage cleaner industrial production outside the EU and is expected to impact both the price and availability of affected materials.

Although the market is currently well supplied with manufacturing inputs such as carbon steel, stainless steel, and base metals, and container availability remains stable, U.S. tariff announcements and potential exemptions for certain trading partners are expected to continue to influence price volatility and availability risks.

Siemens Energy continues to closely monitor the ongoing conflict in Ukraine, developments in the Middle East, relations between the U.S. and China, tensions over Taiwan, and price trends on key supply chain routes. The company remains vigilant regarding new project announcements, technological innovations to diversify supply chains, and alternative decarbonization solutions for the manufacturing industry. This approach ensures Siemens Energy can respond promptly and strategically to market and price developments, safeguard availability, and minimize risk exposure.

The information on the supply markets is mainly based on the data published in the Global Critical Minerals Outlook 2025 by the International Energy Agency.

Expected impact on the business development of Siemens Energy

We assume that, as in previous fiscal years, the general economic development of the global economy will have less of an impact on our business performance in fiscal year 2026 than the situation on the energy market. For fiscal year 2026, we continue to assume generally favorable conditions in the relevant market environment for Siemens Energy. We expect to be able to benefit from this situation by taking advantage of opportunities and controlling risks, as we have done in the past.

The latter applies in particular to the situation on the supply markets. In addition, we expect to be able to adequately address the assumed general cost increases, including higher real wages and procurement prices. In particular, we assume that Siemens Energy can largely pass on the effects of inflation to customers in new contracts or offset them through productivity improvements.

2.7.2 Expected business development of Siemens Energy

Expected revenue and profit development of the segments

The **GS** segment expects a continued favorable market environment for the fiscal year 2026. Therefore, despite the high order intake in the past fiscal year, it is expected that orders will increase. The book-to-bill ratio is likely to remain clearly above one. It is assumed that the development of revenue in fiscal year 2026 will follow the high order intake of previous years. Based on this, GS expects Comparable revenue growth of 16% to 18%, with around €11 billion of the order backlog at the end of the past fiscal year expected to result in revenue. GS plans to achieve an improved Profit margin before Special items of between 14% and 16% in fiscal year 2026. Especially continued strong operating execution as well as volume-related economies of scale are expected to contribute to this.

The **GT** segment expects that the current strong market momentum will continue in fiscal year 2026 and assumes it will be able to take advantage of the opportunities arising from the favorable market environment. It is assumed that order intake will exceed the level of the past fiscal year. The book to bill ratio is likely to remain clearly above one. GT expects Comparable revenue growth of between 19% and 21%, primarily due to the processing of the existing order backlog. It is assumed that around €12 billion of the order backlog at the end of the past fiscal year will result in revenue. GT expects that profit will be impacted positively mainly by the higher margin of the order backlog and cost degression effects and assumes an increase in Profit margin before Special items, which is expected to be in the range of 16% to 18%.

In view of the current market trends significant to its businesses, the **TI** segment expects to be able to increase its order intake in fiscal year 2026. The book-to-bill ratio is assumed to remain above one. TI expects Comparable revenue growth in the range of 5% to 7%. It is assumed that CP will once again make a significant contribution to growth, primarily due to the processing of large orders from prior years. Overall, around €4 billion of the order backlog at the end of the past fiscal year is expected to turn into revenue. In addition, the development of revenue is likely to be determined by the growth of the service business. TI expects to increase its profitability in fiscal year 2026 and to reach a Profit margin before Special items in the range of 11% to 13%. The main contributors to this are expected to be the higher margin of the order backlog, the selective order acceptance, the focus on the service business, as well as productivity improvements and increasing cost efficiency, among other things due to greater cost discipline.

The business development of the **SG** segment in fiscal year 2026 is expected to be determined by the aftereffects of the internal challenges of the prior years. This primarily includes the meanwhile ended temporary interruption of sales activities for onshore turbines affected by quality issues. SG expects growth in the order intake for both the onshore and offshore area in fiscal year 2026. An improved book-to-bill ratio around one is assumed. The development of revenue is likely to be held back by the moderate order intake in prior fiscal years, and the expected growth in offshore activities is assumed to more than offset a decline in onshore activities. Therefore, SG expects Comparable revenue growth of 1% to 3% for fiscal year 2026. Around €9 billion of the order backlog at the end of the past fiscal year is expected to be converted to revenue. For the development of Profit before Special items SG expects to achieve break-even. It is assumed that the planned productivity improvements and structural cost-saving measures in particular will take effect. In addition, SG expects that there will be no significant burdens from quality issues or special impacts (such as tariffs).

Outside the segments, we expect a higher negative profit for the **Reconciliation to Consolidated Financial Statements** compared to fiscal year 2025. This is expected to be due to the absence of profit contributions from other central items, among others due to divestments in prior fiscal years, as well as higher costs for central corporate functions, mainly related to the increasing business volume.

Expected revenue and profit development of Siemens Energy

Based on the expected development of business volume in our segments, we anticipate Comparable revenue growth of between 11% and 13% for **Siemens Energy** in the fiscal year 2026. As of September 30, 2025, our order backlog amounted to €138 billion. We expect that the processing of our order backlog will support the recognition of total revenue in fiscal year 2026 with around €37 billion. The book-to-bill ratio is likely to once again be clearly above one.

Against the backdrop of the expected profitability development for our segments, we anticipate a Profit margin before Special items for Siemens Energy between 9% and 11% in the fiscal year 2026.

We assume that primarily the expected development of Profit before Special items will result in Siemens Energy achieving a Net income in the range of €3 billion to €4 billion in fiscal year 2026.

Expected financing and planned capital expenditures

In the fiscal year 2026, we expect a Free cash flow pre tax in the range of €4 billion to €5 billion for **Siemens Energy**. This expectation reflects our assumptions regarding the development of order intake and profit of the segments. We assume that Free cash flow pre tax will benefit from improved profit. Free cash flow pre tax at SG is expected to be held back due to the cash effect of the provisions made for quality issues. In addition, we assume that the positive contribution from the development of operating net working capital will decrease compared to the past fiscal year, especially with regard to customer prepayments and increased funds tied up in connection with the rising business volume. The expansion of our business volume further requires corresponding investments for the expansion of our production capacities. Among other reasons, this is why we expect sharp increase in cash outflows for the acquisition of intangible assets and property, plant and equipment.

In addition, outside of Free cash flow pre tax we expect further cash outflows in fiscal year 2026, e.g., for share buyback, taxes, repayment of debt, and the payment of the dividend for fiscal year 2025. In total we expect net liquidity to be stable compared to the level at the end of the past fiscal year. Accordingly, we assume that we will further strengthen our solid financial profile in the fiscal year 2026 and therefore will have sufficient financial flexibility for all business requirements of the next fiscal year. As a result, we assume that in the fiscal year 2026 we will continue to meet our ongoing objective of having a capital structure in line with a strong investment grade credit profile.

Overall assessment of expected developments

For fiscal year 2026, Siemens Energy anticipates that current favorable trends in the energy sector will continue. The demand for electricity and the need for modernization and expansion of electrical infrastructure should continue to increase. This development is likely to be driven by rising primary energy demand, higher levels of electrification, the ongoing digitalization of industry and the share of renewable energies as well as, in particular, the strong growth of data centers. This is expected to lead to further increased investment in grid infrastructure, generation capacity and energy-efficient technologies to ensure a reliable and sustainable energy supply. It is assumed that all of Siemens Energy's Business Areas will benefit from this. In addition, it is expected that Siemens Gamesa will reach break-even in fiscal year 2026.

The following forecast for **Siemens Energy** is derived from this:

	Initial position	Expected development
	Fiscal year	
	2025	2026
Comparable revenue growth Siemens Energy Group	15.2%	11% to 13%
Profit margin before Special items Siemens Energy Group	6.0%	9% to 11%
Net income Siemens Energy Group	€1,685 million	in the range of €3 billion to €4 billion
Free cash flow pre tax Siemens Energy Group	€4,663 million	in the range of €4 billion to €5 billion

The outlook for Siemens Energy does not include charges related to any future legal and regulatory matters. The forecast is based on the assumptions for our Business Areas set out below.

Overall assumptions per Business Area

- **GS** assumes a Comparable revenue growth of 16% to 18% and a Profit margin before Special items of 14% to 16%.
- **GT** plans to achieve a Comparable revenue growth of 19% to 21% and a Profit margin before Special items between 16% and 18%.
- **TI** expects a Comparable revenue growth of 5% to 7% and a Profit margin before Special items of 11% to 13%.
- **SG** assumes a Comparable revenue growth of 1% to 3% and a Profit margin before Special items at break-even.

Actual developments may differ from our forecasts due to the risks and opportunities described in **2.8 Report on the internal control and risk management system and material risks and opportunities** or in the event that our assumptions do not materialize.

2.8 Report on the internal control and risk management system and material risks and opportunities

2.8.1 Key features of the internal control and risk management system and statement on the appropriateness and effectiveness of these systems

Internal control and risk management systems are designed to address risks appropriately, not to eliminate them completely. They do not provide absolute assurance but do provide a degree of assurance that the Company's business objectives are being met and that material risks are being appropriately addressed and mitigated. This includes, for example, that the Company's assets are safeguarded, that financial reporting is reliable, and that legal or regulatory requirements are complied with. The internal control and risk management system is based on an ongoing process aimed at identifying and prioritizing risks to the achievement of business objectives and addressing these risks effectively and efficiently. This includes the establishment of control objectives, the regular review of risks and control objectives, and the review of the achievement of control objectives and the adequacy and effectiveness of significant controls designed to mitigate risk. Any projections of any evaluation of the appropriateness and effectiveness of an internal control and risk management system to future periods are subject to the risk that controls may become inadequate because of changes in circumstances or that the degree of compliance with the policies or procedures may deteriorate.

The core elements on which our internal control and risk management system is based include:

- Enterprise Risk Management (ERM): In addition to conducting operational risk management activities across the entire company, our ERM system provides a standardized methodology for identifying significant company-wide risks. It is based on the COSO standard (Committee of Sponsoring Organizations of the Treadway Commission) "Enterprise Risk Management - Integrating with Strategy and Performance" (2017) and is tailored to meet our specific requirements. The system provides a standardized methodology for identifying significant company-wide risks, including sustainability-related risks such as EHS adverse events, along with clear responsibilities and procedures for managing these risks. Furthermore, it includes a framework for recording information about the potential consequences of these risks, ensuring that risk identification and management are embedded in the day-to-day management of our business. The outcomes of our risk assessments are integrated into the relevant internal functions and processes to ensure that these results are taken into account in decision making at all levels of the organization, including sustainability topics.

- Risk and Control Framework (RCF): The Risk and Control Framework is a central point of reference for all control objectives which are set by the process owners to safeguard against risks identified centrally at the Group level and which are generally binding worldwide. It provides a clear and consistent list of control objectives, including topics related to the Corporate Sustainability Reporting Directive (CSRD). These objectives enable management as well as employees to exercise appropriate control in their respective areas of responsibility. Based on the globally accepted COSO standard "Enterprise Risk Management - Integrating with Strategy and Performance" (2017), the control objectives are organized into the four categories of strategic, operations, financial and compliance to enable the organization to break down its control environment into manageable aspects and work towards achieving its control objectives.

- Internal Control Process (IC Process): An integrated IC process is in place that considers the core elements of the internationally acknowledged "Internal Control - Integrated Framework" (2013) developed by COSO to review the effectiveness of internal controls in relation to strategic, operations, financial and compliance control objectives. The control objectives contained in the Risk and Control Framework form the basis for the annual assessment. Any internal control deficiencies identified through this process are evaluated and appropriate remediation actions are initiated by management. Among other things, this process also includes sustainability-related control objectives, such as the correct presentation of sustainability-related financial data as defined by the EU Taxonomy Regulation. The results of the overall internal control process are regularly reported to the Executive Board.

- Internal certification process: A quarterly certification process is in place that requires the management of all companies and selected units to confirm internally the accuracy, completeness and compliance of financial reporting for their respective areas of responsibility. Since FY 2025, the CSRD related disclosures are confirmed as part of the internal certification on an annual basis. This process forms the basis for the responsibility statement of the Executive Board of Siemens Energy AG and for the representation letters of the Executive Board of Siemens Energy AG to the external auditor.

- Compliance Management System: Our zero-tolerance approach requires a robust compliance system of measures to ensure that business is carried out in accordance with the law and our internal rules. Our Siemens Energy Compliance Management System is divided into three levels of action: prevent, detect and respond. Preventive measures include compliance risk management, policies and procedures, and comprehensive employee training and counseling. Reliable compliance risk analysis is key to the success of our business. By identifying risks early, we make informed decisions on how best to avoid or mitigate them. We design and integrate bottom-up and top-down processes as well as tools to identify potential risk scenarios and opportunities and take rapid and consistent action. In the course of the annual assessment of compliance risks and opportunities we address identified risks and opportunities through local and central measures and monitor them in dedicated workshops. Siemens Energy has implemented a whistleblower system and appointed an ombudsperson to receive information about com-

pliance and human rights violations. To identify and resolve misconduct, Siemens Energy conducts internal investigations, compliance risk analyses (including human rights and environmental protection), in-process controls and regular and ad-hoc audits. Appropriate responses follow any detected misconduct. Data privacy matters are addressed by the Siemens Energy Data Privacy Management System, a structured approach that encompasses preventive, detective, and responsive measures. This ongoing process includes comprehensive policies, regular training programs, and accessible reporting channels, all of which are constantly maintained to ensure compliance without the need for additional actions. The Compliance Management System is continuously updated to adequately address risks arising from changes in market conditions and business activities.

The description of the core elements listed above fulfills the disclosure requirement according to ESRS 2 GOV-5 36a and is therefore also part of Siemens Energy's Sustainability Statement.

The Executive Board is supported in its duties as part of the internal control and risk management system by, among others, the following departments and committees with defined responsibilities:

- Within the Assurance function, the Internal Control and ERM departments support the Executive Board in its responsibility to establish an integrated internal control and risk management system and to monitor its appropriateness and effectiveness. Further, the Internal Audit department performs independent reviews of specifically selected audit areas based on an audit plan of identified risk areas of Siemens Energy. The head of Assurance reports regularly to the Executive Board and to the Audit Committee of Siemens Energy AG on matters relating to the implementation, execution and monitoring of an appropriate internal control and risk management system, and thus the promotion of risk awareness, risk management and control strategies company-wide.

- The Legal & Compliance function ensures the consistent implementation of the Siemens Energy Business Conduct Guidelines and the related guidelines and controls on anti-corruption, antitrust law, data protection, anti-money laundering, human rights and export control. The Group Compliance Officer reports quarterly to the Executive Board and the Audit Committee on key figures and essential elements of the Compliance Management System, including significant developments in compliance cases. As part of the Compliance Management System, compliance-related control objectives have been defined in the Risk and Control Framework to support the organization in reporting and managing corresponding risks and in monitoring the effectiveness of internal control in this area.

- The Ad-hoc Committee examines whether, under certain circumstances, information or facts could have a significant impact on the share price of Siemens Energy AG and therefore need to be disclosed by means of an ad-hoc announcement and prepares such mandatory information/facts subject to disclosure for release.

All management of reporting segments, selected Siemens Energy corporate functions and management (or equivalent positions) of entities reporting to the aforementioned are responsible for complying with the control objectives, including all relevant guidance, and for establishing and maintaining an effective internal control and risk management system within their respective areas of responsibility.

In reviewing the appropriateness and effectiveness of our internal control and risk management system and in formulating the comments set forth below, the Executive Board considered a variety of information, including reports on the results of the accounting-related internal control system, reports on the results of the IC process and reports on the results of the ERM process, internal audit reports, reports on current issues identified by our Legal & Compliance function, confirmations of the appropriateness and effectiveness of the risk management and control system by global process owners and reporting segments (in-control statements) and confirmations of the implementation of all Group requirements for the risk management and control system of fully consolidated companies (in-control certifications).

Based on the above information, it is investigated whether a critical internal control weakness could exist. Critical internal control weaknesses are either individual internal control weaknesses that have been identified with critical effects or groupings of similar internal control weaknesses that may have critical effects in their entirety. A single definition of a critical internal control weakness is not possible. Deciding whether a particular weakness or group of weaknesses falls into this category is a matter of judgment. Factors in our judgment include whether a weakness could seriously impair or prevent the achievement of a key business objective, or whether a weakness could seriously damage the organization's reputation, or whether a weakness could have a material effect on accounting.

In the ERM process, we operate a systematic management of risks and opportunities which is integrated into the entire business organization. The Executive Board defines the business strategy and thus the Group-wide risk policy and risk tolerance with the aim of managing risks and opportunities appropriately. This includes the execution of mitigation measures to reduce the potential consequences of risks on the Company to an appropriate level. The Audit Committee is regularly involved in monitoring and assessing the risk management system and supports the Executive Board in performing its responsibilities. In this context, the Chairman of the Audit Committee is entitled to obtain information directly from the Head of Assurance.

We are working on the ongoing advancement of the internal control and risk management system in order to eliminate identified weaknesses and ensure the continuous improvement of processes and systems. Based on the results of our internal control and risk management system, no matters have come to our attention that cause us to believe that our company-wide internal control and risk management system is not appropriate or that our internal control and risk management system was not operating effectively as of September 30, 2025.

2.8.2 Key features of the accounting-related internal control and risk management system

The overarching objective of our accounting-related internal control and risk management system is to ensure that financial reporting is conducted in a proper manner, such that the Consolidated Financial Statements and the Combined Management Report of Siemens Energy Group as well as the Annual Financial Statements of Siemens Energy AG as the parent company are prepared in accordance with all relevant accounting regulations.

Our accounting-related internal control system is based on the COSO framework "Internal Control - Integrated Framework" (2013). In addition, our ERM process is linked to our internal control system via the COSO standard "Enterprise Risk Management - Integrating with Strategy and Performance" (2017). Both systems complement each other.

At the end of the fiscal year, our management assesses both the appropriateness and the effectiveness of the control system in place based on all available information. For this purpose, we have a standardized procedure under which necessary controls are defined, documented in accordance with uniform standards, and tested regularly for their appropriateness and effectiveness.

Our Consolidated Financial Statements are prepared on the basis of a centrally issued conceptual framework which primarily consists of uniform financial reporting guidelines and a chart of accounts in line with the International Financial Reporting Standards (IFRS). For Siemens Energy AG and other companies within the Siemens Energy Group that are required to prepare financial statements in accordance with German Commercial Code, (Handelsgesetzbuch), this conceptual framework is complemented by mandatory regulations specific to the German Commercial Code. The need for adjustments to the conceptual framework due to regulatory changes is analyzed on an ongoing basis. Accounting departments are informed quarterly about current topics and deadlines from an accounting and closing process perspective.

The base data used in preparing our financial statements consists of the closing data reported by the operations of Siemens Energy AG and its subsidiaries. The preparation of the closing data of our entities is supported by external shared services organizations. Furthermore, other accounting activities, such as governance and monitoring activities, are usually bundled on a regional level. In certain cases, such as valuations relating to post-employment benefits, we use external experts. The reported closing data is used to prepare the financial statements in the consolidation system. The steps necessary to prepare the financial statements are subject to both manual and automated controls.

Qualification of employees involved in the accounting process is ensured through appropriate selection processes and training. As a fundamental principle, based on materiality considerations, the "four eyes" principle applies, and financial statement information must undergo certain authorization processes. Additional control mechanisms include target-performance comparisons and analyses of the composition of and changes in individual line items, both in the closing data submitted by reporting units and in the Consolidated Financial Statements. In line with our information security requirements, accounting-related IT systems contain defined access rules protecting them from unauthorized access. The manual and system-based control mechanisms referred to above generally also apply when reconciling the IFRS closing data to the Annual Financial Statements of Siemens Energy AG according to German Commercial Code.

On a quarterly basis, we execute an internal certification process. Management at different levels of our organization, supported by confirmation from the management of entities under their responsibility, confirms the accuracy of the financial data that has been reported to Siemens Energy's corporate headquarters and compliance with the relevant regulatory framework.

Our Internal Audit department is set up to review financial reporting integrity and adherence to our compliance policies. Regular reports are submitted to the Executive Board and Audit Committee on the results of the audits and the agreed remedial action in the event of findings.

The Audit Committee is integrated into our internal control and risk management system. In particular, it oversees accounting and the accounting process and the effectiveness of the internal control, risk management and internal audit systems.

In addition, it is possible to submit accounting-related reports when there are complaints relating to compliance, e.g., anonymously and directly via the "Speak Up" system or via an ombudsperson.

2.8.3 Risk management

Basic principles of risk management

Our risk management policy stems from a philosophy of increasing the enterprise value while managing risks and opportunities adequately. As risk management is an integral part of how we plan and execute our business strategies, our Group-wide risk management policy is set by the Executive Board. Our organizational and accountability structure requires respective management of our organizational units to implement risk management programs that are tailored to their specific industries and responsibilities, while being consistent with the overall policy.

Enterprise risk management process

The risk management system at Siemens Energy builds on a comprehensive, interactive, and management-oriented ERM approach that is integrated into the organization and addresses both risks and opportunities. Our ERM approach is based on the COSO Standard "Enterprise Risk Management – Integrating with Strategy and Performance" (2017) and has been adapted to Siemens Energy requirements. The framework connects the ERM process with our financial reporting process and our internal control system. The risk management strategy is closely linked to the entire Siemens Energy strategy to ensure that risk-conscious action is taken throughout the ERM process. In this context, Siemens Energy's

management is requested to define its business objectives at least once a year, which are then summarized into key focus areas. Based on these key focus areas, Risk Themes are derived which represent the entire risk landscape at the Siemens Energy level. The Executive Board prioritizes the identified Risk Themes at least once a year. Following this prioritization, the top ten Risk Themes are considered as the significant risks for Siemens Energy and are regularly reported to the Executive Board on a biannual basis.

Our ERM process aims for early identification, evaluation, and response to risks and opportunities that could materially affect the achievement of our business objectives. The time horizon is three years. We take a net risk approach, addressing the risks and opportunities remaining after the execution of existing control measures. If risks have already been considered in plans, budgets, forecasts or the Consolidated Financial Statements (e.g., as a provision or risk contingency), they are incorporated with their financial impact in the individual entity's business objectives. As a consequence, only additional risks arising from the same subject (e.g., potential deviations from business objectives) are considered in ERM.

To provide a comprehensive view of our business activities, risks and opportunities are identified in a structured way, combining elements of both top-down and bottom-up approaches in order to ensure that potential new risks and opportunities are discussed at the management level and included in the subsequent reporting process, if found to be relevant. The results of the ERM process are closely aligned with the reported impacts, risks, and opportunities (IROs) under the CSRD framework to ensure a consistent and integrated view on sustainability-related risks.

At Siemens Energy, Risk Themes are evaluated through a structured process supported by advanced risk modeling. This process integrates five key contributors to ensure a comprehensive and transparent representation of each Risk Theme. These contributors include risk research, risk functions, key risk indicators, company performance, and risk community. Risk research continuously monitors external and internal developments, including disruptive technologies, socio-economic trends, and regulatory changes. Risk functions provide insights from established governance mechanisms such as internal audit and internal control. Key risk indicators add quantitative metrics serving as objective early warning signals for emerging risk trends. Company performance provides core financial and operational indicators, such as profit margin and cash flow, to assess business resilience. Risk community contributes expert qualitative assessments, led by the Risk Theme owner, covering mitigation effectiveness, planned actions, and anticipated changes. Building on these contributors, Siemens Energy applies a progressive risk scoring model that translates qualitative and quantitative inputs into a mathematical representation of the Risk Theme. This model enables a forward-looking risk score, highlighting the urgency and scale of additional mitigation measures required to maintain risks within tolerable thresholds.

Our ERM process is designed to ensure that the Executive Board and the Supervisory Board are fully informed about significant risks in a timely manner. In order to allow for a meaningful discussion at the Group level, individual risks and opportunities of similar cause-and-effect nature are aggregated into broader risk and opportunity themes. Thematic risk and opportunity assessments then form the basis for the evaluation of the company-wide risk and opportunity situation.

Reporting generally follows biannual cycles, but we complement this periodic reporting with an ad-hoc reporting process, which aims to escalate critical issues in a timely manner. Responsibilities are assigned for all relevant risks and opportunities, with the hierarchical level of responsibility depending on the significance of the respective risk or opportunity.

We regularly review our risk-bearing capacity, which is defined as the maximum risk position that the company can bear without endangering its continued existence. Our overall risk position is compared with internal and external risk-bearing capacity indicators, such as our liquidity reserves, in order to identify at an early stage any developments that could jeopardize our ability to continue as a going concern.

Compared to the previous year, we have further developed and significantly expanded the methodology used to assess our Risk Themes. The risk assessment is no longer based solely on the potential impact and likelihood of occurrence but now relies on a broader foundation. Comprehensive risk modeling is used, which incorporates both objective data and qualitative information relevant for the specific Risk Theme. Another key change is the prioritization of Risk Themes based on the Company's objectives, rather than risk exposure, to consider the significance of each Risk Theme to Siemens Energy. This shift allows for a stronger focus on those risks that are particularly relevant for Siemens Energy. In addition, the reporting cycle has been changed from quarterly to biannual, to align with common industry standards. All changes were implemented with the aim of making risk management more objective, relevant, and effective. These methodological enhancements do not result in any restatements of prior-year information.

Risk management organization and responsibilities

To oversee the ERM process and further drive the integration and harmonization of existing control activities to align with legal and operational requirements, the Executive Board established a risk management and an internal control organization, headed by the Head of Assurance. The latter reports regularly to the Executive Board on matters relating to the implementation, operation, and oversight of the risk management and internal control system and assists the Executive Board in reporting to the Audit Committee of the Supervisory Board. Our ERM aims to identify relevant business risks throughout the organization as potential deviations from corporate objectives. The management of each of our defined organizational reporting units is responsible for providing all relevant risks for the respective unit. Sustainability-related risks and opportunities are analyzed as part of our specific ERM process as well as other operational processes, e.g., in the area of environment, health, and safety (EHS), resulting in, for example, property risk engineering analyses for detailed site-specific EHS risks (e.g., fires, floods, storms).

2.8.4 Risks and opportunities

Below we describe the risks and opportunities that could have a significant effect on our business situation, financial position (including effects on assets, liabilities, and cash flows), results of operations, and reputation. In order to enhance the clarity and transparency of the report, we present the significant Risk Themes, i.e., the top ten risks as prioritized by the Executive Board, in descending order of their relevance to Siemens Energy's

business objectives. Newly reported themes include manufacturing capacity, S/4 HANA implementation and adverse developments in financial and bank markets, which newly includes the former risk credit rating downgrade to sub investment grade. Compared to this, the following risks are no longer reported as significant at the Siemens Energy level: impact of legal proceedings, data management, climate change and decarbonization trend, unavailability of key personnel, potential compliance violations, Siemens Gamesa cost out savings, technology/portfolio gap compared with competitors, impairment of goodwill and other assets, and increasing requirements from ESG (environment, social, governance) standards. The other risks described below remain mainly unchanged compared to the previous year. The report describes all significant risks and opportunities from an overall Siemens Energy perspective, including those of a primarily sustainability-related as well as a non-sustainability-related nature. Non-sustainability-related risks and opportunities may be ranked higher than certain sustainability-related risks and opportunities from an overall Siemens Energy perspective. Therefore, the report may not include all CSRD-related risks and opportunities that have been assessed as material according to the double materiality analysis. A complete overview of all material CSRD-related risks and opportunities is provided in section **2.10.1.4 Impacts, risks and opportunities**.

As mentioned above, the assessment of our risks and opportunities at the Siemens Energy level is no longer based solely on impact and likelihood but now follows a significantly broader approach through the newly introduced risk modeling. On lower reporting levels, the risk score continues to be determined using impact and likelihood, thereby ensuring a consistent minimum standard in the bottom-up aggregation process of overall risks and opportunities for Siemens Energy. Risk Theme owners take these results into account when evaluating the Risk Themes within their area of responsibility and consolidate them into an aggregated overall view at the Siemens Energy level.

Additional risks or opportunities not known to us or that we currently consider insignificant may also impact our business objectives and operations. Unless otherwise stated, the themes described below relate to all our reportable segments.

Political instability and conflicts

As we are a globally operating Group, the imposition of barriers to free trade would negatively impact production costs and productivity along our value chains, as well as influencing the investment activity levels of our customers and partners. Our business prospects and the execution of awarded projects may be negatively affected by political instability or international conflicts. For example, we may be forced to reorganize, reduce, or terminate business operations in geographical areas where our employees, partners or subcontractors would otherwise be subject to unacceptable economic or personal risks, e.g., due to ongoing or threatened civil unrest, terror attacks, or wars. Some of our current and planned projects and service activities are in regions that are exposed to a higher risk in this respect e.g., in the Middle East and in Ukraine. Furthermore, our business prospects or the processing of our order backlog could be adversely affected by changes in the political and economic environment, for example, as a result of trade wars, punitive tariffs, sanctions, protectionist measures or boycotts. Main risks in this area are the Middle East conflicts, which could significantly delay or jeopardize the execution of planned projects and contracts, and in the South China Sea the tensions between China and Taiwan as well as the ongoing trade conflict between the USA and China, both of which carry a high risk potential for the introduction of trade-restricting barriers and disruptions to relevant supply chains. The country- and material-specific tariffs introduced by the U.S. government under President Trump – particularly on steel and aluminum – as well as the retaliatory tariffs imposed in response, pose significant economic risks and carry the potential for further trade escalation. We continuously factor these developments into our business decisions and strategic planning. The global setup of Siemens Energy with operations in almost all relevant economies, our wide range of offerings with varied exposures to business cycles, and our balanced mix of business models (e.g., equipment, components, systems, software, services and solutions) help us to absorb impacts from adverse developments in any single market. We continuously monitor all relevant geopolitical developments to identify and assess potential risks to the Siemens Energy business in good time. With the ongoing Ukraine war and the resulting significant impact on our business, not only in this region but also beyond, we are intensifying our monitoring capabilities and linking their results even more closely to our daily business activities. Also, we are continuously implementing additional measures to further mitigate this Risk Theme e.g., by investing in geopolitical forecasting to anticipate disruptions.
In addition, we see an opportunity to actively contribute to the reconstruction and long-term development of energy infrastructure in various regions. This includes the pursuit of joint power generation projects as well as participation in government-owned or state-owned utility-led programs for the expansion of transmission and distribution networks. These initiatives not only align with broader sustainability and energy transition goals but also open up further business potential, particularly in regions recovering from political instability (e.g., Syria), where infrastructure rebuilding efforts are expected to be a key driver of economic revitalization. This opportunity is further supported by a dedicated Corporate Function, which is currently assessing potential risks and opportunities linked to such international infrastructure projects.

Critical supply chain

The financial performance of our operating units relies significantly on the reliable and effective management of our supply and logistics chain for components, parts, materials, and services. Any capacity constraints and supply bottlenecks can lead to late deliveries to customers, production delays, delivery interruptions, increased inventory requirements, and additional costs. When third parties handle manufacturing, assembly, and functional testing, our ability to directly influence quality assurance, delivery schedules, and expenses may be limited. Unexpected increases in component or raw material prices due to market disruptions or other factors can also negatively impact our operational results. Since the COVID-19 pandemic in early 2020, we have faced ongoing supply chain challenges and managed disruptions successfully. These challenges have become more complex due to a combination of geopolitical and economic conflicts (such as those related to US tariffs, the Ukraine war, the Middle East, and China and Taiwan), capacity constraints, shortages of materials and energy, and extended delivery times. Furthermore, we are encountering a rising number of adverse events, such as natural disasters, cyber incidents at our suppliers, the persistent risk of supplier insolvency, and stricter regulatory requirements (such as restrictions on the use of environmentally harmful gases and chemicals), all of which can threaten material availability. In addition to challenges in material availability, we have been facing fast changing levels of material, raw material, and logistics costs for some time. Further risks arise from quality issues in deliveries and the lengthy process of developing and qualifying alternative suppliers, given the high complexity of our products. To identify risks at an early stage, initiate measures to mitigate them, and ensure material availability in our production facilities, customer projects, and service business, we have implemented systematic, stringent and proactive supply chain risk and

resilience management. A crisis management system and various task forces at the top management level are established to address the situation. Supported by our market intelligence team and various forecasting tools, we strive to detect developments in the markets and supply chains early, enabling prompt action. Further, we have introduced multiple measures to improve quality and attenuate the financial impact on our and our clients' side. For example, the expanded use of quality management tools improves transparency, strengthens root cause analysis, and serves as a preventive strategy. We also continuously monitor our suppliers and supply chains to detect trends at an early stage and proactively initiate and implement countermeasures. Also, we are continuously implementing additional measures to further mitigate this Risk Theme e.g., by strengthening our supply chain resilience through regionalization of raw materials.

Adverse developments in financial and bank markets

Siemens Energy continues to operate in a stable financial environment, supported by solid credit ratings and positive market indicators. In addition to the S&P Global Rating of BBB–, we hold a stronger Baa2 rating from Moody's, both with a "positive" outlook. As a result, the risk of a downgrade to sub-investment grade has notably decreased. Still, a deterioration in financial performance could impact our credit profile, potentially increasing financing costs and tightening conditions (e.g., through stricter covenants or collateral requirements). In volatile markets, access to capital could become more restricted. However, the recently established €9bn committed guarantee facility significantly reduces the risk of banks withdrawing and strengthens our ability to provide guarantees – even in the event of a downgrade, which would primarily affect uncommitted lines. In addition to ratings, other key risk indicators currently reflect a positive market view of Siemens Energy. To further safeguard our financial stability, we have strengthened the balance sheet through strategic divestments (e.g., Trench and Siemens Limited, India) and successfully replaced a major state-backed financial facility and are committed to maintaining a net cash positive position with significant liquidity available. This supports our project business and growth ambitions. We maintain close communication with rating agencies and see our overall business performance as the key driver for continued improvements in market perception, ratings, and access to financing.
In addition, we see an opportunity to fully leverage the integration of SG by realizing the full synergy potential. This includes strategic alignment across the Siemens Energy Group, streamlined governance, and reduced complexity. Key focus areas are improved cross-business collaboration, joint go-to-market activities, integration of supply chains, centralized administrative functions, and harmonized IT systems. Furthermore, SG benefits from access to Siemens Energy's customer base and technology portfolio. Overall, we expect to achieve substantial cost synergies and significant additional revenue synergies by the end of the decade.

Business interruption or data leakage due to cyber attack

Our business operations and digital offerings rely heavily on the uninterrupted functioning and security of information technologies, which include systems operated both internally and by third-party providers, suppliers, and vendors. The growing sophistication and professionalism of cybercriminals – increasingly driven by the use of artificial intelligence and often supported by organized crime or nation-state actors – pose increasing threats to the confidentiality, integrity, and availability of our systems, products, and data. Cyber attacks may take the form of advanced persistent threats, affecting internal systems, externally hosted cloud environments, or third-party networks. These attacks can lead to system outages, production downtime, and supply chain disruptions, severely impacting our operational performance and competitive position. Moreover, as we offer digital solutions such as instrumentation and controls for power plants – often critical infrastructure – cyber incidents can have particularly severe consequences, including liability claims and reputational damage. Cyber attacks may also result in unauthorized access, theft, or manipulation of sensitive data – ours or that of customers and partners. This can include intellectual property, project-specific information, pricing structures, and data essential to energy network security. Such incidents could trigger contractual penalties, regulatory sanctions, and loss of customer trust. To mitigate these risks, we employ experienced cybersecurity professionals and apply a layered defense strategy to secure our critical assets and services. This includes global employee training and awareness programs, data classification schemes, as well as comprehensive monitoring of our networks and systems through our cyber defense teams. Additionally, our cyber insurance provides coverage for first-party losses and, in certain cases, third-party losses stemming from cyber breaches or data privacy violations at Siemens Energy (as the insured). Also, we are continuously implementing additional measures to further mitigate this Risk Theme e.g., by implementing a dedicated cyber security maturity program.

Technical and quality Issues

Certain products sold in the past – and potentially in the future – may experience quality issues due to design flaws, manufacturing defects, commissioning problems, or software-related faults. These risks are heightened at our technologically complex global engineering, production, and project sites. A malfunction or failure can impact not only individual products but also entire product lines, power plants, wind farms, or facilities – whether already installed or being commissioned. Consequences may include operational shutdowns, commissioning delays, property damage, customer claims, and reputational harm. These risks are especially pronounced for new technologies, where limited operational data makes it difficult to predict long-term performance. Our quality assurance processes, while robust, may not always detect or address all issues promptly, especially in early-stage technologies. In the SG Business Area, technical defects or quality issues affecting the entire fleet remain a significant risk. The introduction of new onshore and offshore platforms, alongside rapid factory ramp-up, may lead to increased nonconformity costs and execution delays. Moreover, existing warranty or service contract provisions may not reflect updated failure rates, increasing the risk of insufficient accruals. Resolving complex technical issues may take longer and cost more than initially anticipated. To mitigate these risks, we are implementing and tracking corrective actions through cross-functional task forces, weekly workstreams, and oversight by a Steering Committee. Legal is reviewing critical serial defect clauses in new bids, and we aim to reinforce contractual safeguards with suppliers. Additionally, SG is executing an ambitious cost-out program to reduce exposure and improve financial resilience against technical or quality-related setbacks. We are continuously implementing additional measures to further mitigate this Risk Theme e.g., by improving the level of non-conformance costs.

Risk from project execution

We regularly execute large, complex, and long-term projects – often turnkey and exceeding several hundred million euros. Despite project-specific risk assessments, deviations from planned execution and costs may occur, especially in cases involving untested technologies or operations in regions with limited prior experience. Key risk drivers include unforeseeable changes in personnel availability, partner or customer financial instability, quality issues, supplier or contractor underperformance, technical failures, site-specific challenges, legal or political changes, and logistical difficulties. Pandemics, geopolitical shifts, and climate-related events can further delay approvals and execution, significantly increasing costs and potentially resulting in legal disputes. These effects can adversely impact project performance, financial results, and our business position. To mitigate these risks, we have established a global project excellence organization across all Business Areas and as a Global Function. It ensures a standardized risk assessment and bid approval process, systematic project execution methods, targeted project management training, and a continuous improvement process based on lessons learned. For long-term SG contracts, especially in the offshore segment, risk from cost fluctuations is managed through contractual indexing and risk-sharing clauses. Where needed, contract renegotiations are pursued to address cost inflation. Additional productivity measures include material cost reductions, operational and footprint optimization, quality improvements, and fixed cost savings. To further reduce exposure, we focus on fewer product variants, target selected onshore markets and limit technical risk through contractual safeguards such as caps on liquidated damages and liability clauses. Also, we are continuously implementing additional measures to further mitigate this Risk Theme e.g., by continuously optimizing the project approval process.

Manufacturing capacity

Siemens Energy is on an extensive growth path; therefore, we face significant risks related to our ability to scale operations effectively. The primary causes of these risks include potential supply chain disruptions and the challenge of maintaining quality standards while ramping up production to meet the increased demand for our products and solutions. If these risks are not managed effectively, they could lead to production bottlenecks, delays in fulfilling customer orders, compromised product quality, and ultimately, a negative impact on customer satisfaction and the company's reputation. To mitigate these risks, we focus on enhancing manufacturing capacity through strategic investments in technology and our existing infrastructure, ensuring that production facilities are equipped to handle increased demand. Strengthening relationships with suppliers will be crucial to minimize supply chain disruptions, including diversifying the supplier base and implementing robust inventory management practices to ensure the availability of critical components. Additionally, we prioritize workforce development by investing in training programs to equip employees with the necessary skills to adapt to new technologies and processes. Implementing lean manufacturing principles helps optimize production efficiency and maintain high quality standards during periods of rapid growth. Regular monitoring of production metrics and customer feedback enable the company to identify potential issues early and make data-driven adjustments to operations. By proactively addressing these challenges, we can effectively manage our growth while ensuring the reliability and quality of our manufacturing processes. Also, we are continuously implementing additional measures to further mitigate this Risk Theme e.g., by dedicated programs to improve production process control.

In addition, we see an opportunity to increase public and governmental funding support for our capital expenditure (CAPEX) investments across key markets. Enhanced access to such funding – through mechanisms like the EU's Clean Industrial Deal State Aid Framework (CISAF) – allows us either to increase total CAPEX volumes or to reduce our own capital share in specific projects. We are also closely involved in discussions on the new multiannual financial framework (MFF), the EU budget for the period 2028–2035. This provides for substantial investment in environmentally friendly technologies through the European Competitiveness Fund, as well as simplified governance at Member State level through national and regional partnership plans. This strengthens the overall business case for our manufacturing facilities by enabling more competitive cost structures and greater responsiveness to rising customer demand. These funding initiatives are directly aligned with global decarbonization strategies and aim to accelerate clean technology manufacturing as part of the energy transition. As a result, we are better positioned to scale production, expand capacity, and drive innovation in support of a sustainable energy future.

S/4 HANA implementation

The introduction of the new SAP management and enterprise software S/4HANA, which is an integrated system for planning and controlling operational processes (ERP system), entails considerable risks arising from possible operational disruptions during the company's growth and the complexity of the transition from legacy systems to a new integrated platform. Key causes of these risks include the potential fit of the template to our business needs, data migration issues, inadequate user training, resistance to change among employees, and challenges in aligning business processes with the new system landscape. If these risks materialize, they could lead to operational disruptions, data integrity issues, increased costs, and delays in realizing the anticipated benefits of the new system, ultimately affecting our business performance and financial position. To mitigate these risks, we developed a comprehensive integrated program approach, a data migration strategy to ensure the accurate and complete transfer of data from legacy systems to S/4 HANA, incorporating thorough testing and validation processes to identify and rectify any issues before going live. A robust change management program is in implementation, featuring extensive user training and support to facilitate a smooth transition and encourage employee buy-in, alongside regular communication to address concerns and highlight the benefits of the new system. A dedicated project management team oversees the implementation process, ensuring adherence to timelines and budgets while monitoring progress and addressing any emerging challenges promptly. Post-implementation reviews are planned to assess the effectiveness of the new system and make necessary adjustments, ensuring that we fully realize the benefits of S/4 HANA while minimizing disruption to operations.

Market and price development

Global markets for Siemens Energy's products, solutions, and services are highly competitive, shaped by variables such as pricing, quality, innovation, and customer engagement. Macroeconomic uncertainties, evolving climate transition strategies, and volatility in energy prices and supply dynamics influence both investment behaviors and market demand. Inflationary pressures may require price adjustments to maintain profit margins. However, should such adjustments not be possible, overall profitability could be impacted. Our markets may also be impacted by reduced power demand from data centers, particularly if hyperscalers scale back investments in energy infrastructure, which could affect demand for our offering. Additionally, geopolitical factors - including the ongoing war in Ukraine, the conflicts in the Middle East, and global trade tensions -

continue to affect Siemens Energy's markets. The company competes with both established industry players and new market entrants, particularly from Asia, which may influence pricing strategies and market share. To mitigate these risks and maintain competitiveness, Siemens Energy implements a range of strategies, including benchmarking, ongoing productivity enhancements, targeted cost management initiatives, and the integration of price adjustment clauses into sales agreements. We also evaluate options such as rightsizing, outsourcing, mergers, and joint ventures. Exports from lower-cost regions are directed at price-sensitive markets, while our portfolio is continuously optimized with an emphasis on decarbonization. Market and competitive dynamics are systematically monitored to anticipate evolving conditions and facilitate proactive adaptation.
In addition, we see an opportunity to grow order entry and profitability supported by positive market trends, including increased investment in grid infrastructure, rising energy security needs, and growing demand from data centers. Decarbonization efforts – driven by public funding programs such as the EU's Net Zero Industry Act – further boost demand across all Siemens Energy Business Areas. This includes technologies like wind turbines, hydrogen-capable gas turbines, and grid equipment. Planned electricity market reforms in Germany and the EU may offer additional upside. Realizing this potential depends on expanding production and supply chain capacities.

EHS adverse events

The industries in which Siemens Energy operates are highly regulated, requiring strict adherence to environmental, health, and safety (EHS) laws and regulations across all production facilities, project and service sites, and customer locations. As current and future EHS laws and regulations evolve, they may necessitate changes in our operational practices, potentially leading to significant increases in operating or production costs. The inherent high-risk nature of some of our work profiles further heightens the risk of incidents and non-compliance with EHS laws and regulations, which could result in serious injuries, penalties, reputational damage, internal or external investigations, and project delays. To mitigate these risks, we have established comprehensive EHS programs that create a global framework with high-level standards and expectations, encompassing our EHS principles, behaviors and essentials for environmental, health, and safety management. Regular compliance audits are conducted to ensure adherence to EHS laws and regulations and to proactively identify any potential non-compliance issues. Additionally, ongoing training and awareness programs are implemented for employees and contractors to foster a strong culture of safety and compliance, thereby reducing the likelihood of incidents. Environmental risk assessments are performed for all facilities, particularly those acquired with a history of industrial use, to identify and address potential contamination issues. Furthermore, we regularly review and update our insurance policies to ensure adequate coverage for potential environmental liabilities and losses, minimizing our financial exposure. Finally, robust incident response plans are developed and maintained to ensure prompt and effective action in the event of any EHS-related incidents, thereby minimizing impact and ensuring compliance with laws and regulatory requirements. Also, we are continuously implementing additional measures to further mitigate this Risk Theme e.g., strengthened monitoring of Zero Harm focus areas.

Assessment of the overall risk and opportunity situation

We have adjusted our assessments of individual risks and opportunities in fiscal year 2025 compared to the previous year due to the development of external conditions, adjustments in our business portfolio and the effect of our own countermeasures. Siemens Energy's overall risk and opportunity position has not changed significantly compared to the previous year. The risk arising from political instability and conflicts is the most significant challenge for us, followed by the risk of critical supply chain.

At present, no risks have been identified that either individually or in combination could endanger our ability to continue as a going concern.

2.9 Explanations to the Financial Statements of Siemens Energy AG (Holding)

2.9.1 Overview

The Annual Financial Statements of Siemens Energy AG have been prepared in accordance with the rules set out in the German Commercial Code (Handelsgesetzbuch) and the German Stock Corporation Act (AktG).

Siemens Energy AG is the parent company of the Siemens Energy Group and acts as a strategic management holding company. Its results are significantly influenced by its directly or indirectly owned subsidiaries. The business development of Siemens Energy AG is through its shareholdings fundamentally subject to the same risks and opportunities as the Siemens Energy Group. The outlook of the Group directly affects our expectations for Siemens Energy AG. Therefore, the foregoing explanations for the Siemens Energy Group also apply for Siemens Energy AG. There is no separate management of Siemens Energy AG as the parent company of the Siemens Energy Group based on its own key performance indicators.

As part of its activities as a listed holding company of the Siemens Energy Group, Siemens Energy AG entered into service agreements with Siemens Energy Global GmbH & Co KG. These intercompany services result in the recognition of revenue and cost of sales.

As of September 30, 2025, Siemens Energy AG employed 38 employees, including members of the Executive Board.

Siemens Energy AG allows employees and members of the Managing Board to participate in share-based payment programs. For the purpose of servicing share-based payment programs, Siemens Energy AG also delivers Siemens Energy shares, which have been granted by affiliated companies. The treasury shares purchased under the share buybacks may be exclusively used for the purpose of issuing shares to employees and members of the Company's Executive Board as well as to employees and board members of affiliated companies in the context of share-based compensation or employee share programs. In fiscal year 2025, Siemens Energy AG re-issued in total 5,384,693 treasury shares under the exclusion of subscription rights in connection with share-based payments and employee share programs in the Group, equaling a nominal amount of €5,385 thousand and 0.63% of the capital stock.

On May 9, 2025, Siemens Energy announced a share buyback with a volume of up to €170,000 thousand ending September 30, 2025, at the latest. In fiscal year 2025, Siemens Energy AG repurchased a total of 2,030,920 shares, completing the share buyback program on June 26, 2025. This represents a nominal amount of €2,030 thousand or 0.24% of the capital stock as of September 30, 2025. For this purpose, €170,000 thousand were spent excluding incidental transaction charges. This represents an average stock price of €83.70 per share.

2.9.2 Results of operations

Statement of income of Siemens Energy AG in accordance with German Commercial Code (condensed)

	Fiscal year		
(in thousands of €)	**2025**	2024	Change
Revenue	**218,998**	61,131	>200%
Cost of sales	(195,494)	(52,176)	>200%
Gross profit	**23,503**	8,955	162%
as percentage of revenue	*10.7%*	*14.6%*	
General administrative expenses	(18,690)	(20,788)	(10)%
Other operating income (expenses), net	2,236	2,480	(10)%
Income (loss) from operations	**7,049**	(9,353)	n/a
Financial income, net	703,969	123,519	>200%
thereof Income (loss) from investments, net	*693,997*	*112,408*	*>200%*
Income (loss) from business activity	**711,018**	114,148	>200%
Income taxes	(48,351)	(25,522)	89%
Other taxes	(93)	(58)	59%
Net income (loss)	**662,574**	88,568	>200%
Profit (loss) carried forward	151,568	64,941	133%
Allocation to capital reserve	(2,031)	(10,146)	(80)%
Release of capital reserve	5,385	8,206	(34)%
Offsetting the difference resulting from treasury shares acquired	(24,309)	—	n/a
Unappropriated net income (loss)	**793,187**	151,568	>200%

- Revenue in the amount of €206,684 thousand (2024: €54,522 thousand) resulted from providing management services to affiliated companies, as well as from fees received from Group companies for guarantees given to customers in connection with the provision of services in the amount of €12,313 thousand (2024: €6,609 thousand). The sharp increase was mainly due to the development of cost of sales, as management services are billed using the cost-plus method in accordance with the contractual terms. In addition, the volume of fees received from Group companies for guarantees given to customers in connection with the provision of services increased sharply. The fees received are only offset by a low amount of cost of sales.
- Cost of sales essentially included personnel expenses resulting from the provision of management services to affiliated companies. The sharp increase resulted primarily from higher personnel expenses to be offset, due to a sharp increase in expenses for share-based payments in connection with the positive development of the share price.
- General administrative expenses declined clearly, mainly due to lower expenses for purchased services.
- Other operating income (expenses), net decreased clearly. It comprised other operating income in the amount of €2,332 thousand (2024: €2,576 thousand) and other operating expenses in the amount of €96 thousand (2024: €97 thousand). The decline in other operating income is mainly attributable to the reduced expenses for D&O insurance, which is recharged to Group companies.
- The sharp increase in financial income, net was mainly due to the income from investments. In fiscal year 2025, it included withdrawals from Siemens Energy Global GmbH & Co. KG in the amount of €693,997 thousand (2024: €112,408 thousand).
- Income taxes increased sharply due to higher foreign income taxes. The surplus of deferred tax assets was not recognized in accordance with Section 274 para. 1 s. 2 German Commercial Code.
- In the course of the share buyback and the issue of treasury shares to employees, €2,031 thousand (2024: €10,146 thousand) was transferred from the net income to the capital reserve and €5,385 thousand (2024: €8,206 thousand) was reversed from the capital reserve in analogous application of Section 237 para. 5 of the German Stock Corporation Act (AktG).

2.9.3 Net assets and financial position

Statement of financial position of Siemens Energy AG in accordance with German Commercial Code (condensed)

(in thousands of €)	Sep 30, 2025	2024	Change
Assets			
Non-current assets	**13,023,860**	13,023,862	(0)%
Property, plant and equipment	5	7	(19)%
Financial assets	13,023,855	13,023,855	—
Current assets	**3,533,115**	2,559,425	38%
Receivables and other assets	3,532,995	2,558,489	38%
Trade Receivables	—	26	n/a
Receivables from affiliated companies	3,428,865	2,486,738	38%
Other assets	104,130	71,724	45%
Cash and cash equivalents	120	937	(87)%
Prepaid expenses	**63**	60	5%
Active difference resulting from offsetting	**276**	52	>200%
Total assets	**16,557,315**	15,583,399	6%
Shareholders' equity and liabilities			
Shareholders' equity	**16,255,345**	14,520,799	12%
Provisions	**189,603**	52,405	>200%
Provisions for pensions and similar commitments	19,344	17,537	10%
Other provisions	170,259	34,868	>200%
Liabilities	**112,367**	1,010,196	(89)%
Trade payables	2,176	1,867	17%
Liabilities to affiliated companies	96,291	994,507	(90)%
Other liabilities	13,900	13,823	1%
Total shareholders' equity and liabilities	**16,557,315**	15,583,399	6%

- Financial assets consisted of 100% of the shares in Siemens Energy Global GmbH & Co. KG and Siemens Energy Management GmbH.
- Receivables from affiliated companies increased substantially and continue to include two significant receivables from Siemens Energy Global GmbH & Co. KG. Due to the mandatory convertible note issued in fiscal year 2022, a loan amounting to €960,000 thousand were concluded, by means of which the proceeds received were forwarded via Siemens Energy AG to Siemens Energy Global GmbH & Co. KG. This loan was extended interest-free for another year. In addition, Siemens Energy Global GmbH & Co. KG was granted an interest-free loan of €1,245,964 thousand to pass on the proceeds from the capital increase on March 15, 2023, for the purpose of acquiring the outstanding Siemens Gamesa Renewable Energy S.A shares. Furthermore, receivables from affiliated companies included receivables from cash pooling with Siemens Energy Global GmbH & Co. KG, which were primarily related to withdrawals from Siemens Energy Global GmbH & Co. KG and share-based payments granted by affiliated companies.
- Other assets increased sharply due to higher receivables from tax authorities amounting to €101,661 thousand (2024: €67,597 thousand) and included €2,405 thousand (2024: €4,000 thousand) applied research subsidies, which were reported at the level of Siemens Energy AG as the tax group parent.
- Shareholders' equity increased due to the conversion of the mandatory convertible note issued in fiscal year 2022 by €960,000 thousand, the issuance of treasury shares under various share-based payment and employee share programs by €281,971 thousand, and the net income for the year of €662,574 thousand. The forecasted net income for fiscal year 2025, which was expected to be roughly at the level of the prior year (2024: €88,568 thousand), was sharply exceeded. This was partly offset by the share buyback with a total volume of €170,000 thousand.
- Provisions for pensions and similar commitments increased clearly mainly due to the vesting of new entitlements.
- Other provisions increased sharply due to higher provisions for share-based payments of €147,302 thousand (2024: €28,001 thousand), mainly driven by the positive development of the share price, and higher personnel-related provisions of €22,944 thousand (2024: €6,853 thousand).
- Liabilities to affiliated companies decreased sharply due to the conversion of the issued mandatory convertible note and the associated elimination of the intra-group loan of €960,000 thousand from Siemens Energy Finance B.V., Rijswijk, Netherlands.

- With cash and cash equivalents of €120 thousand (2024: €937 thousand) and short-term receivables from cash pooling from Siemens Energy Global GmbH & Co. KG of €1.068.265 thousand (2024: €280,774 thousand), liquidity totaling €1,068,385 thousand (2024: €281,771 thousand) is available. The sharp increase is primarily attributable to withdrawals from Siemens Energy Global GmbH & Co. KG and to share-based payments granted by affiliated companies.

Opportunities and risks

Siemens Energy AG's business development is largely subject to the same opportunities and risks like the Siemens Energy Group. In this context, the opportunity and risk potential of Siemens Energy AG with respect to its subsidiaries and equity investments is generally proportional to the respective directly or indirectly held capital shares in each individual case, see **2.7 Report on expected developments**. As the parent company of the Siemens Energy Group, Siemens Energy AG is included in the Group-wide risk management system, see **2.8.3 Risk management**.

Alongside the opportunities and risks of the Group, Siemens Energy AG is also exposed to the risk of impairment of investments in subsidiaries. As investments in subsidiaries represent nearly the entire total assets, this risk is of great importance for Siemens Energy AG. The recoverability of investments in subsidiaries is influenced by the development and success of the subsidiaries and their investments. Adverse effects on subsidiaries or indirect investments may consequently lead to an impairment of the investment in subsidiaries in Siemens Energy AG's Annual Financial Statements. Income from investments significantly influences the net income of Siemens Energy AG. Additionally, there is the risk of the guarantees and other commitments assumed for subsidiaries being utilized.

Outlook

Due to its interrelationships with the companies in the Siemens Energy Group, the general expectations for Siemens Energy AG are reflected in the forecast for the Group. Siemens Energy AG's net assets, financial position, and results of operations are dependent on the results of the Group companies (see **2.7 Report on expected developments**). In order to distribute a dividend, the amount of which is intended to be 40% to 60% of the Group's net income in accordance with the Siemens Energy Financial Framework, Siemens Energy AG ensures that sufficient net income for the year is available. This essentially results from withdrawals from Siemens Energy Global GmbH & Co. KG.

Siemens Energy AG is the sole limited partner of Siemens Energy Global GmbH & Co. KG and holds all shares in the Siemens Energy Management GmbH as its sole general partner. In this structure withdrawals from Siemens Energy Global GmbH & Co. KG, which Siemens Energy AG receives, will lead to income from investments for Siemens Energy AG, provided the fair value of Siemens Energy Global GmbH & Co. KG exceeds the carrying amount of the investment. In addition, changes in the valuation of these participations may affect the asset position and results of operations of Siemens Energy AG.

2.9.4 Corporate Governance Statement

The Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code is an integral part of the Combined Management Report **4.5 Corporate Governance pursuant to Sections 289f and 315d of the German Commercial Code** and is also published on our website **www.siemens-energy.com/corporate-governance.**

2.10 Group Sustainability Statement

2.10.1 General information

2.10.1.1 Basis of preparation

This Group Sustainability Statement (Sustainability Statement) of the Siemens Energy Group ("Siemens Energy", "the Group", "the Company", or "we") has been prepared in accordance with the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 (Corporate Sustainability Reporting Directive, CSRD), and the requirements of Sections 315b and 315c in conjunction with Sections 289c to 289e of the German Commercial Code (Handelsgesetzbuch - HGB) for Group non-financial statements. Disclosures are made in compliance with the European Sustainability Reporting Standards (ESRS). The reporting period covers the fiscal year from October 1, 2024, to September 30, 2025.

An overview of the disclosures required by Section 315c in conjunction with Section 289c to 289e HGB with links to the chapters in this Statement are provided in the table below:

Disclosures according to Section 289c HGB	Chapters
Description of the business model	General information
Environmental matters	Climate change and Resource use and circular economy
Employee-related matters	Own workforce
Social matters	Own workforce and Workers in the value chain
Respect for human rights	Own workforce and Workers in the value chain
Combating corruption and bribery	Business conduct

The scope of this Statement corresponds to the scope of consolidation applied in the Consolidated Financial Statements. A detailed list of consolidated subsidiaries is provided in **Note 32 List of subsidiaries and associated companies pursuant to Section 313 para. 2 of the German Commercial Code** in **3.6 Notes to Consolidated Financial Statements**.

The disclosures made in this Sustainability Statement were audited with limited assurance, except for the Scope 1 and 2 greenhouse gas emissions reported for fiscal year 2025, which were audited with reasonable assurance, and individual statements related to inclusion and diversity that are unaudited parts of the Combined Management Report. Disclosures of greenhouse gas emissions audited with reasonable assurance are marked with **[+]** and unaudited parts of the Combined Management Report are marked with ▶◀. Apart from this validation, the metrics disclosed in this Statement have not been validated by an external party, unless explicitly stated otherwise.

The disclosures and metrics in this Statement capture impacts, risks and opportunities (IROs) across Siemens Energy's entire value chain, to the extent such coverage is required by the CSRD and related delegated acts.

Potentially sensitive information relating to our intellectual property, know-how or the results of innovation is not relevant to meet any of the objectives of ESRS disclosure requirements, and hence no such information is included in this Sustainability Statement.

Wherever possible, metrics are derived from direct measurements. In cases where primary data is unavailable, we apply estimation techniques based on indirect data sources, expert judgment, and reasonable assumptions. This approach is particularly relevant for metrics related to resource inflows and Scope 3 greenhouse gas emissions.

Measurement uncertainties may arise from several factors, including:

- Data availability and quality: Incomplete or inconsistent data may require the use of proxy values or extrapolations.
- Methodological limitations: Certain metrics, particularly those related to environmental impacts (e.g. Scope 3 emissions), rely on industry-average emission factors or life-cycle assessment models, which may not fully reflect the specificities of our own operations or those of our suppliers or downstream partners.
- Assumptions and estimates: Where direct measurement is not feasible, assumptions are made regarding activity levels, emission intensities, or allocation methods. These assumptions are based on historical data, industry benchmarks, or other recognized external sources.

The methodologies, assumptions, and sources of measurement uncertainty are disclosed in the respective topical chapters (see **2.10.2 Environmental information**, **2.10.3 Social information** and **2.10.4 Governance information**).

The ESRS 2 GOV-5 36a disclosure requirement is incorporated by reference. Section **2.8 Report on the internal control and risk management system and material risks and opportunities** of this Annual Report, provides a description of main features of the risk management and internal control system in relation to sustainability reporting. Statements on the appropriateness and effectiveness of the internal control and risk management system are not incorporated by reference.

2.10.1.2 Strategy

2.10.1.2.1 Business model, value chain and strategy

Business model and value chain

Siemens Energy is a globally active energy technology company with operations in over 90 countries. Its business model is structured around four Business Areas: Gas Services (GS), Grid Technologies (GT), Transformation of Industry (TI), and Wind Power business Siemens Gamesa (SG). These units collectively deliver technologies and services for power generation, transmission, industrial decarbonization, and renewable energy, including onshore and offshore wind.

Our strategy is focused on supporting the energy transition through technology leadership, customer-oriented innovation, and operational efficiency. Siemens Energy aims to help customers meet decarbonization targets while maintaining energy security at competitive costs. To this end, we continue to expand our portfolio of low-emission technologies that may contribute to more sustainable and resilient energy systems.

Siemens Energy aims to create sustainable value through its global presence, cross-business synergies, both within and across Business Areas, and investments in research and development. Strategic partnerships and innovation ecosystems complement internal capabilities and help accelerate the deployment of new technologies. Our governance framework is designed to ensure transparency, accountability, and compliance with relevant legal and regulatory requirements. Through stakeholder engagement, we aim to contribute constructively to the development of energy policy and regulatory frameworks.

Siemens Energy's long-term business model involves extended investment cycles, multi-year project timelines, and at times decades-long service agreements. This structure influences workforce planning, requiring a stable, highly skilled, and globally distributed employee base. As of fiscal year-end 2025, the company employed 102,985 employees. A detailed breakdown of our workforce distribution is provided in **2.10.3.1 Own workforce**.

Siemens Energy relies on a multi-tier global supplier network for the provision of production materials, components, capital goods, and services. These include electrical, mechanical, and structural elements, as well as renewable energy and power generation equipment. The supply chain starts with suppliers providing key raw materials, including metals and minerals such as copper, aluminum, and steel. These raw materials undergo transformation and treatment in the value chain followed by further processing into fabricated components which are then procured by Siemens Energy. In addition to direct, production-related procurement, the Group also sources goods and services that support operational efficiency but are not directly tied to end products, including logistics and professional services.

Our business model contributes to environmental impacts. In terms of climate action, Siemens Energy contributes to mitigation and adaptation by deploying technologies that support low-carbon energy systems. Offerings such as hydrogen-ready turbines and industrial decarbonization solutions are intended to reduce emissions and enhance system resilience. We also monitor geopolitical, regulatory, and climate-related developments that may affect our operations and supply chains and pursue regionalization strategies where appropriate. In addition, manufacturing and installation phases involve significant material inputs, including metals and engineered components. Siemens Energy addresses these impacts through efficient resource utilization, durable design, and waste reduction measures such as recycling, refurbishment, and lifecycle extension. However, it is important to acknowledge that the CO_2 emissions from the use of certain of our products sold are significant, thus contributing to climate change. This underscores the need for continuous innovation and improvement in our product offerings to further reduce their environmental impact.

The continuity and resilience of Siemens Energy's business model depend on several critical inputs, including a skilled and diverse workforce aligned with the Company's "People Agenda" (the People Agenda is discussed in the **2.10.3.1.1 General information** section in **2.10.3.1 Own workforce**), reliable access to materials and components and strong supplier and partner relationships. These inputs support the development of sustainable technologies, the execution of decarbonization strategies, and the creation of value to stakeholders.

Gas Services at Siemens Energy focuses on the development, delivery, and servicing of gas and steam turbines as well as generators and instrumentation and control systems for flexible, dispatchable power generation. GS creates value through a hybrid model that combines capital-intensive infrastructure projects—such as combined-cycle power plants—with long-term service agreements. GS enhances asset performance and reduces lifecycle costs through upgrades, modernizations and advanced digital offerings, including autonomous plant solutions, AI-driven diagnostics, and remote monitoring platforms.

GS sources components that are essential for the manufacturing of gas and steam turbines and generators. The Business Area also depends on specialized parts procured through a global network of suppliers. In addition to physical components like metal parts or piping, GS procures a range of engineering services, including design, simulation, and testing support, as well as logistics services to manage the global movement of heavy equipment and parts. IT infrastructure and digital tools are also sourced to enable product development, remote diagnostics, and integration with digital service platforms.

GS serves a global customer base that includes utilities, independent power producers, municipalities and industrial energy users—particularly in sectors with high baseload or dispatchable power needs such as oil and gas, chemicals, data centers and manufacturing. Customers typically operate large-scale power plants and rely on GS for the delivery, installation, and long-term servicing of gas and steam turbines and generators. Its digital platforms enable predictive maintenance and performance optimization, helping customers meet energy security and decarbonization goals while maximizing operational efficiency.

Grid Technologies provides high-voltage transmission technologies, solutions and services that are critical for modern energy infrastructure and the energy transition. GT's value creation model is based on manufacturing grid components and delivering turnkey grid systems and solutions. This is complemented by recurring revenue streams from long-term service contracts, digital upgrades, and consulting services.

In addition, GT supports customers with expert advice on grid planning, including renewable energy integration and digital products and services to modernize infrastructure. Through technologies such as Flexible Alternating Current Transmission Systems (FACTS) and battery energy storage systems, GT helps stabilize the grid and ensure a reliable, uninterrupted energy supply.

Sustainability is embedded across GT's operations and portfolio, with a clear focus on decarbonization, circularity, and the development of climate-neutral products and solutions—including SF_6 (sulfur hexafluoride)-free switchgear and low-emission transformers.

GT relies on a diverse base of suppliers to source components essential for the manufacturing of high-voltage transmission systems, (digital) substations, and grid automation equipment. GT procures high-voltage components such as insulators, as well as steel structures, cables and control cabinets. In addition to physical components, GT sources civil construction works, electrical installation services, and engineering services. Logistics providers and IT infrastructure partners support the coordination of complex supply chains.

GT's customers primarily include grid operators, infrastructure providers, energy generators, industrial companies as well as operators of data centers. These customers are responsible for maintaining grid stability, expanding transmission capacity, and integrating renewable energy sources. The customer base also includes government agencies and utilities engaged in national or regional grid modernization programs. GT's consulting and digital services help utilities and transmission system operators modernize their infrastructure and integrate distributed energy resources.

Transformation of Industry contributes to improving energy performance and resilience and reducing energy consumption and greenhouse gas emissions across industrial sectors such as process industries (e.g., (petro-)chemicals, mining, steel industry, paper and pulp industry, oil and gas, and data centers), hydrogen and industrial power generation as well as for the offshore and maritime industry. TI's value creation model is centered on delivering customized products, systems, and services (including digital services) that increase the energy efficiency of existing facilities, electrify industrial processes, and produce and transport green hydrogen and clean synthetic fuels. TI offers modular, scalable solutions that can be integrated into existing industrial processes, and it develops and implements solutions to help customers meet energy cost, performance and sustainability targets. Its digital platforms enable energy monitoring, predictive maintenance, and process optimization.

TI sources a diverse range of components and materials required for the development of its solutions. This includes specialized mechanical components, castings, advanced electronics, sensors, distributed control systems, and power modules used in technologies such as electrolyzers, compressors, steam turbines, generators and customized energy systems. TI also procures software systems that enable integration with customer-specific industrial processes. In addition to physical inputs, TI procures engineering services for system design, simulation, and customization, as well as IT infrastructure to support digital platform development and remote diagnostics.

TI serves industrial customers who seek to optimize the output from their assets, electrify operations, improve energy efficiency, and reduce carbon emissions. These customers often require customized solutions such as waste heat recovery, compressed air energy storage (CAES), CO_2 compression for carbon capture, utilization, and storage (CCUS) and digital asset, plant and energy management solutions. TI's service offerings aim to extend the lifetime and availability of products, especially steam turbines and compressors.

Our Wind Power business **Siemens Gamesa** focuses on the design, development, manufacturing and installation of products, as well as on the provision of technologically advanced services in the renewable energy sector. With a focus on onshore and offshore wind turbines for various wind conditions, SG plays a key role in the global transition to renewable energy. SG creates value through the execution of wind farm projects and long-term operations and maintenance contracts. Its value proposition includes high-efficiency turbine technology, digital performance tools, and predictive analytics that maximize energy output and minimize downtime. SG also offers lifecycle services such as logistics, grid integration, and remote diagnostics.

SG sources a wide range of specialized components required for the design and manufacturing of onshore and offshore wind turbines. SG predominantly sources precision-engineered components to assemble nacelles, manufacture blades and install towers. These components mainly consist of steel, iron, copper, aluminum, fibers and resins. Logistics partners facilitate the transport of oversized components to global project sites, often under complex regulatory and environmental conditions.

SG's customer base includes primarily large utilities and independent power producers, as well as renewable energy project developers and entities involved in the development of onshore and offshore wind projects. The Business Area also engages with stakeholders involved in permitting, grid connection, and lifecycle asset management.

Strategy in relation to sustainability matters

Sustainability is a key element of our strategy and business model. Our sustainability program addresses the most relevant impacts our operations and value chain have on people and the environment and related risks and opportunities. The program is embedded in governance structures and is overseen by the Executive Board and the Sustainability Council, chaired by the CEO, who also serves as our Chief Sustainability Officer. Progress is monitored through the key metrics for specific strategic Focus Areas, some of which also serve as targets for the long-term incentive schemes for senior management.

Key challenges

The global energy landscape presents complex and interconnected challenges, including:

- Rising energy demand and the need for affordable reliable supply
- Climate change and the urgency of decarbonization
- Supply chain disruptions and raw material shortages
- Increasing complexity of grid infrastructure
- Market access barriers and risks associated with offshore projects

These challenges have both environmental and social dimensions. They include greenhouse gas emissions (GHG emissions), resource consumption, and waste generation, while also affecting equitable energy access, labor conditions, and skills development.

Siemens Energy's Sustainability Focus Areas

We have defined six strategic Focus Areas that guide our sustainability efforts in advancing the energy transition and the ongoing transformation toward a low-carbon future. These focus areas are aligned with stakeholder expectations and our commitment to helping customers and society in this transformation.

- GHG emissions: Our ambition is to achieve net zero emissions across the value chain in line with the 2015 Paris Agreement. Key levers include renewable energy use, product innovation, electrification, energy efficiency, reduction of SF_6, and the transition to a low-emission vehicle fleet.
- Energy efficiency: Implementation of energy efficiency measures and process optimizations across all Business Areas in our aim to reduce consumption and increase electrification.
- Innovation: Our innovation strategy focuses on five Fields of Action: decarbonized heat and industrial processes, carbon and product circularity, resilient grids and reliability, condition-based service interventions, and 24/7 carbon-free energy.
- Talent attraction and retention: Investment in development of a skilled and diverse workforce to meet the demands of the energy transition.
- Inclusion and diversity: Promotion of a diverse, inclusive, and welcoming working environment where employees can realize their full potential.
- Health and safety: Maintenance of a Zero Harm culture ensuring a safe and healthy working environment for employees and contractors.

Our focus areas are aligned with the Zero Harm culture. This provides the framework for our commitment to environmental protection and the health and safety of our employees, business partners, and other stakeholders potentially affected by our business activities. The Zero Harm framework serves as a guideline for establishing consistent standards and practices and consists of:

- Principles: They form the foundation for a strong, well-connected governance and assurance at all levels in our organization. Our Zero Harm principles are anchored in our values. They emphasize local context as key to achieve our global goals.
- Behaviors: The main driver of our Zero Harm culture is a set of behaviors and essentials. Zero Harm behaviors establish ownership, responsibility and accountability throughout Siemens Energy and set expectations for behaviors that are to be demonstrated by everyone in our company no matter the type of position, work activity or location.
- Essentials: Our Zero Harm essentials are based on the experience of previous incidents across the Company. They address high-risk activities and must be complied with by everyone who is engaged in these work activities.

Our strategy for the energy transition

Siemens Energy's business model is designed to support the global energy transition by contributing to a reliable, affordable and sustainable energy system. Our strategy is designed to strengthen resilience, improve accessibility and energy efficiency, and transform energy infrastructure. To implement this strategy, we have defined five strategic levers that guide product development, investment decisions, and our relationships with customers and suppliers:

Accelerate renewable power

Wind power is an important component of the global energy transition and decarbonization agenda. In our Wind Power business **Siemens Gamesa**, we focus on stabilizing operations and enhancing the performance of our onshore and offshore wind turbine portfolio by:

- further developing wind turbines for both onshore and offshore, and wind farm services applications
- reducing the Levelized Cost of Energy (LCoE), and
- enabling integration into the power grid to help utility companies to increase the use of renewable energy

Transform power plants

Conventional power generation remains essential for ensuring grid stability and meeting peak demand - especially during the transition to a low-emission energy system. Our **Gas Services** Business Area supports the decarbonization of power plants by:

- advancing energy-efficient technologies such as H2-ready gas turbines and Combined Cycle Power Plants (CCPPs) that enable the conversion of excess heat into electricity and allowing the use of green fuels like hydrogen
- integrating decarbonization solutions such as carbon capture, utilization, and storage (CCUS) technologies that capture CO_2 emissions before they reach the atmosphere

These technologies are crucial in optimizing energy output while minimizing fuel consumption and emissions. Siemens Energy advances these technologies through strategic partnerships and aims to integrate carbon capture solutions with existing and new facilities.

Strengthen power grids

A stable and flexible grid is the backbone of the energy transition. Strengthening and modernizing grid infrastructure is therefore essential. Our **Grid Technologies** Business Area offers a comprehensive portfolio to support this transformation, e.g., by:

- increasing robustness of the existing infrastructures via Flexible Alternating Current Transmission Systems (FACTS) for grid stabilization, High-Voltage Direct Current (HVDC) transmission systems, and switchgear and transformers, using alternative insulating fluids and materials to reduce environmental impact
- expanding digital grid solutions via Internet of Things-connected devices with edge computing, analytics, and AI to enhance grid intelligence and responsiveness

We support our customers in modernizing infrastructure to accommodate renewable integration, enable cross-border electricity flows and expand storage solutions.

Drive industrial decarbonization

We support our customers in advancing industrial transformation by helping them reduce rising energy costs and strengthen their resilience—efforts that are frequently accompanied by reductions in greenhouse gas emissions. In our **Transformation of Industry** Business Area, the focus is on:

- Increasing energy efficiency and reducing electricity or fuel consumption, e.g., by increasing efficiency in power plants, digital solutions for performance optimization, and emissions monitoring
- the electrification of industrial processes, e.g., by replacing fossil fuel-powered drives with electric motors
- the expansion of a low-carbon hydrogen economy through electrolyzers and integrated energy systems

These technologies and systemic solutions are designed to help our partners increase their energy efficiency, reduce their emissions and transition toward more sustainable industrial processes.

Secure supply chains

In a volatile geopolitical and economic environment, supply chain resilience is critical. Our approach includes:

- diversifying and regionalizing supplier networks to reduce dependency on specific regions or raw materials
- supporting long-term contracts to secure material availability and pricing stability
- conducting supplier sustainability risk assessments, including audits and smelter reviews under the Responsible Minerals Initiative (RMI)
- implementing a global supplier decarbonization program to reduce upstream emissions and enhance transparency across the value chain

These measures position Siemens Energy to benefit from public investment programs and the growing demand for decarbonization technologies. The growing need for reliable energy supply and autonomy presents further opportunities to expand our order intake and profitability.

Outputs and benefits of our business model

The primary outputs of Siemens Energy's business model are our products, solutions, and services as described in **2.1 Business description**, which contribute to:

- the decarbonization of energy systems
- increased energy efficiency and system resilience
- the advancement of digital and sustainable infrastructure
- the creation of long-term value for customers, investors, employees, and society

These outputs benefit customers, employees, and investors by contribute to a reliable and sustainable energy supply, expanding energy access, and promoting societal progress. Customers experience greater satisfaction and adaptability to market changes; employees enjoy fair conditions and ongoing development; and investors gain confidence from enhanced financial and sustainability performance.

2.10.1.2.2 Interests and views of stakeholders

Stakeholder engagement at Siemens Energy is a structured and ongoing process, and a core component of our due diligence. The process is designed in a way that the views of affected stakeholders and users of sustainability information are systematically considered in strategic planning, risk management, and operational decision-making.

We regularly engage with a variety of stakeholder groups. Below is an overview of our key stakeholders and the corresponding engagement formats. These interactions are conducted at global, regional, and local levels, depending on the stakeholder group and topic.

Stakeholder group	Engagement formats
Customers	Conferences, trade fairs, bilateral engagements, questionnaires (e.g., EcoVadis, NQC), customer surveys
Employees	Dialogue formats between Executive Board, leaders and employees, location visits, training sessions, townhall meetings, interactive formats, such as intranet and internal social network, surveys and recognition programs for our employees
Shareholders and capital market	Quarterly earnings calls, Annual Report, Annual Shareholders' Meeting, regular roadshows and conference participation, investor relations website, Capital Market Days
Banks, Financial institutions	Mandatory reporting and information, bilateral meetings
Suppliers	Initiatives (e.g., Responsible Minerals Initiative, supplier days, workshops)
Politics, associations, civil society	UN Global Compact, industry specific forums and conferences, local engagement, participation in One Young World summit, industry associations, direct governmental contacts (ministries, parliament, etc.)

The purpose of our stakeholder engagement is to foster open dialogue, align expectations and identify risks and opportunities, and ensure diverse perspectives inform Siemens Energy's strategy and business model.

We recognize that the interests and expectations of stakeholders are essential for shaping a resilient and sustainable business model. Their perspective help us to continuously develop our understanding of key sustainability topics. The stakeholder perspectives inform the identification and prioritization of material IROs, and the development of sustainability-related policies, and they support the identification of necessary operational adjustments. Stakeholder's insights help form our strategy in areas such as environmental protection, human rights, responsible supply chain management, and social performance. The exchange of knowledge through stakeholder dialogue creates mutual benefit and reduces risk.

Sustainability is a regular item on the agendas of the Executive Board, the Supervisory Board, and the Sustainability Council. The Vice President of Sustainability and functional leads (e.g., for Compliance, Procurement, EQS (Environment, Quality, and Health & Safety), and Human Rights) report directly to the Executive Board on sustainability matters, considering the outcome of stakeholder engagements. These insights are also integrated into our Enterprise Risk Management (ERM), Risk and Control Framework (RCF), Internal Control System, and ESG due diligence processes.

During the reporting period, there were no material changes to our strategy or business model. Stakeholder feedback has confirmed our strategy.

2.10.1.2.3 Impacts, risks and opportunities

We systematically identify and assess sustainability-related IROs as part of a structured process, supported by our ERM framework. These IROs are integrated into strategic planning, operational decision-making, and our sustainability governance.

The time horizons used for classification purposes are generally aligned with the definitions included in the ESRS:

- Short-term (S): up to 1 year
- Medium-term (M): 1–5 years
- Long-term (L): beyond 5 years

For risks and opportunities arising from climate change, we apply a different approach that more closely reflects the Company's business cycle dynamics. Accordingly, the short-term horizon for climate change risks or opportunities covers three to five years and the mid-to-long term horizon up to 35 years. The exact time horizons used for climate change risks and opportunities are described in **2.10.2.1 Climate change**.

The materiality assessment covers all ESRS topics, subtopics, and sub-subtopics. It includes a comprehensive analysis of ESG factors across our business activities and business relationships. This ensures that our disclosures reflect the full spectrum of sustainability-related impacts and dependencies.

Identified IROs are categorized using a four-tier exposure scale: "Major", "High", "Medium", and "Low". Only IROs classified as "Major" or "High" are considered material for reporting purposes.

The table below presents the IROs that have been identified as material in the context of our materiality assessment:

Standard	Positive impact	Negative impact	Risk	Opportunity
Climate change	Low-carbon portfolio	Contribution to climate change; Energy use	Climate-related transitional risk; Climate-related physical risk	Business growth through low-carbon portfolio
Resource use and circular economy	-	-	Higher raw material costs; Waste management costs	-
Own workforce	Good working conditions; Equal treatment and opportunities for all	Working conditions with potential risks to Health and Safety	-	-
Workers in the value chain	-	Poor working conditions; Working conditions with potential risks to Health and Safety; Lack of work-related rights	-	-
Business conduct	Respectful and ethical employee behavior; Protection of whistleblowers; Promoting compliance culture; Robust regulatory environment for reliable, decarbonized energy markets and industry	Anti-competitive behavior; Corruption and bribery	Antitrust-related risk; Corruption and bribery-related risk	-

Not all risks and opportunities described in **2.8.4 Risks and opportunities** of the **2.8 Report on the internal control and risk management system and material risks and opportunities** ("ERM risks" or "ERM opportunities") appear in the table above. Generally, the risks and opportunities described in **2.8.4 Risks and opportunities** are broader in scope, i.e. an ERM risk may encompass several risks identified in the materiality analysis. If ERM risks are disaggregated across several ESRS topics, individual sub-risks may not be material for the purpose of the Sustainability Statement.

Current and anticipated effects of the identified material IROs on our business model, value chain, strategy and decision-making include the following:

- Strategic and organizational adjustments due to changing market, policy, and technology trends related to decarbonization
- Regulatory costs and product adaptation requirements due to GHG emissions in operations and the supply chain
- Financial and reputational risks associated with non-compliance in areas such as anti-competitive behavior and corruption

Governance-related risks, particularly those linked to corruption and bribery, are addressed through a comprehensive compliance framework. This includes mandatory training, internal control mechanisms, and monitoring systems designed to ensure ethical business conduct and regulatory compliance.

Disclosures on how material impacts affect people or the environment, on whether they originate from our own activities or our value chain, and on their time horizon may be found in the Impacts, risks and opportunities sections of the topical chapters. Disclosures on how they relate to our strategy are made in the **2.10.1.2.1 Business model, value chain and strategy** chapter.

The effects of our material risks and opportunities on our financial performance and cash flows during the reporting year have not been material, nor have any material effects been identified that would affect the Group's financial position as of the reporting date.

The IROs mentioned are embedded in Siemens Energy's business strategy and risk management. We regularly assess the resilience of our business model by conducting various analyses, which are informed by stakeholder consultations, expert interviews, and industry trend reviews. Insights derived from these channels support resource allocation, strategic decision-making, and the development of contingency plans.

Responsible functions—including Risk Management, Compliance, Procurement, and Sustainability—collaborate to ensure that environmental and social risks are identified at an early stage, effectively mitigated, and are taken account of in core business processes. More details can be found in the related topic chapters under **2.10.2 Environmental information, 2.10.3 Social information** and **2.10.4 Governance information**.

2.10.1.3 Impact, risk and opportunity management

2.10.1.3.1 Double materiality assessment process

We apply a structured iterative process across our own operations and value chain to identify, assess, prioritize, and monitor sustainability-related IROs, which is aligned with the double materiality approach set out in ESRS and embedded in our broader ERM and sustainability governance frameworks. The assessment process is led by cross-functional internal experts from various parts of the Company, including representatives from Sustainability, Accounting & Controlling, Risk Management, Compliance, Procurement, Human Resources, and our Business Areas. These experts evaluate sustainability topics based on internal data, regulatory developments, and stakeholder input. Joint workshops and validation sessions

ensure a consistent interpretation of materiality. The resulting shortlist of material sustainability topics is submitted to senior management and supervisory bodies for review.

Potentially material sustainability topics are identified considering the topics, subtopics, sub-subtopics defined in ESRS 1 as a starting point to ensure alignment with ESRS disclosure requirements. The set of identified potentially material topics is then reviewed for missing entity-specific sustainability topics using insights derived from e.g.:

- Internal stakeholder interviews and surveys
- Analysis of past incidents and regulatory compliance reviews
- Benchmarking against peers and industry standards
- Comparison with regulatory and voluntary frameworks (e.g., United Nations Global Compact (UNGC), Organization for Economic Cooperation and Development (OECD) Guidelines)
- Stakeholder expectations gathered through structured engagement processes

Applying the structured process mentioned above, the ESRS topics Pollution, Water and marine resources, Biodiversity and ecosystems, Affected communities and Consumers and end users have not been assessed as material. Further information on the process for identifying material IROs related to Climate change, Resource use and the circular economy and Business conduct can be found in **2.10.2.1.1 Impacts, risks and opportunities** in chapter **2.10.2.1 Climate change,** in **2.10.2.2.1 Impacts, risks and opportunities** in chapter **2.10.2.2 Resource use and circular economy** and in **2.10.4.1.1 Impacts, risks and opportunities** in chapter **2.10.4.1 Business Conduct**.

Pollution and Water and marine resources

We screen our assets and activities to identify actual and potential impacts, risks and opportunities related to pollution and water and marine resources. This screening process integrates the following methodologies and tools:

- **Integrated management system**: Our environmental management system identifies and evaluates Environmental, Health, and Safety (EHS) aspects related to our work activities, products, projects, and services. This management system allows us to assess their associated impacts, including those related to pollution and water resources.
- **Environmental reporting**: We collect and analyze environmental data from our locations using a centralized reporting tool. This includes non-GHG emissions, water consumption, and wastewater discharge. The data informs our understanding of environmental performance and enables timely mitigation.
- **Life Cycle Assessments (LCAs)**: We conduct LCAs for our products, evaluating their environmental impacts throughout their entire lifecycle. This includes assessing pollution and water usage from raw material extraction, through manufacturing in our own operations, to end-of-life within the supply chain.
- **Environmental Impact Assessments (EIAs)**: Our customers perform EIAs to evaluate potential environmental impacts. These assessments consider pollution and water-related impacts, helping to inform project design and mitigation strategies.
- **ESG due diligence**: Our risk management process includes ESG due diligence for customer projects. We screen products, projects, and services against ESG criteria, including pollution control and water management.

Biodiversity and ecosystems

We apply a structured process to identify and assess material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems. This includes:

- We utilize a biodiversity impact questionnaire distributed across our main locations. Answers to this questionnaire help us identify and assess actual and potential impacts on biodiversity and ecosystems at our own sites by analyzing the proximity of our facilities to biodiversity-sensitive areas, including protected areas. We also analyze the activities carried out at these sites to assess their potential impacts on surrounding ecosystems. To date, none of our facilities located near biodiversity-sensitive areas have been assessed to lead to material deterioration or disturbance of natural habitats or species habitats.
- In addition, Environmental Impact Assessments are developed by our customers for new assets, allowing for the assessment of potential impacts on biodiversity and ecosystems at these locations.
- We are monitoring the development of new methodologies to identify and assess potential biodiversity dependencies. Our existing tools currently indicate there are no dependencies.
- The analysis of transition and physical biodiversity risks and opportunities (including systemic risks) is conducted by internal subject matter experts.

Although no material biodiversity-related impacts, risks or dependencies have been identified to date, we aim to enhance data quality and granularity in fiscal year 2026 to support our materiality conclusions in this area.

We support our customers in meeting permitting obligations, including their consultations with affected communities. We also use proxy indicators and third-party data to approximate stakeholder perspectives and assess potential impacts. These include:

- Country-level indices for human rights and environmental risks
- Reports from non-governmental organizations and media monitoring
- Sector-specific risk assessments

This approach ensures that the perspectives of vulnerable groups and affected communities are considered in our risk analysis, even in the absence of direct engagement.

The materiality assessment process is embedded in our governance framework and is subject to continuous improvement. In the current reporting period, the following enhancements were implemented:

- Updated stakeholder surveys to obtain more comprehensive and representative feedback
- Deployment of advanced data analytics tools to evaluate sustainability topics and refine materiality thresholds

The results of the double materiality assessment are aligned with the Sustainability Council and submitted to senior management and supervisory bodies for review, and are confirmed by the Executive Board. Material topics are integrated into board-level discussions and inform the development of policies, targets, and performance indicators.

We maintain a dynamic materiality assessment process that is reviewed at least annually and updated as needed in response to changes in the external environment, stakeholder expectations, or regulatory developments.

Double materiality

Materiality is assessed from two complementary perspectives: the materiality of the impact a sustainability matter has on people and the environment, and the materiality of its financial effect. A matter is deemed material if it meets the threshold under either perspective or both.

A sustainability matter that relates to actual or potential, positive or negative impacts of Siemens Energy's operations, products, or services on people or the environment over the short, medium, or long term is considered material based on the severity of the impact and, for potential impacts, also its likelihood.

The severity of an impact is assessed using the following criteria:

- Scale, or magnitude, of the actual or potential, positive or negative impact
- Scope of the actual or potential, positive or negative impact, including the location of the impact within the value chain (upstream, own operations, downstream)
- Irremediability of negative impacts

The process used to assess the impacts is applied consistently to all sustainability topics, except for the assessment of potential negative human rights. For these impacts, the assessment prioritizes severity over likelihood, in line with international human rights due diligence standards. For all impact assessments, the effectiveness of existing mitigation measures is considered to avoid overstating residual risks.

A matter is financially material if it gives rise to risks or opportunities that because of the magnitude of its effects and their likelihood of occurrence could reasonably be expected to have a material effect on the Group's development, financial position, performance, cash flows, access to finance, or cost of capital over the same time horizons.

The assessment incorporates the following elements:

- Quantitative and qualitative data from internal risk registers and financial reporting systems
- Business relationship exposure, including upstream and downstream dependencies
- Consistency check with the results of Siemens Energy's ERM assessment process

The final list of material IROs is calibrated across sustainability topics and aligned with our ERM system. This ensures consistency in how sustainability-related risks and opportunities are managed alongside non-sustainability-related risks and opportunities.

In line with our sustainability program, due diligence and risk management processes are embedded in core business operations and governed by formalized policies and procedures. These include the Respect for Human Rights and Environmental Protection Policy Statement, the Business Conduct Guidelines (BCG), the Code of Conduct for Suppliers and Third-Party Intermediaries (Code of Conduct), and group-wide procedures for environmental management, supply chain sustainability, and enterprise risk management. These frameworks support the systematic identification, assessment, prioritization, and monitoring of actual and potential sustainability-related IROs.

Due diligence

Human rights due diligence

We conduct the following structured human rights due diligences:

- Customer projects: Mandatory risk assessments are conducted during the sales phase of customer projects that meet predefined risk criteria. These assessments follow a risk-based approach, using external ESG databases to evaluate country-, customer-, and project-specific risks. The due diligence particularly focuses on high-risk geographies and the specific characteristics of the project, supplier, or business partner. This process follows the UN Guiding Principles on Business and Human Rights (UNGP). The results, including recommendations for mitigation measures, guide the project's decision-making.
- Own operations: Annual impact assessments are carried out to identify and evaluate human rights and environmental risks within our operations. The risks associated with own operations are prioritized using key locations data and external data on human rights and environmental risks. High-risk locations undergo in-depth assessments using tools such as questionnaires and stakeholder interviews. Where

necessary, mitigation measures are implemented, and their effectiveness is regularly reviewed. In the event of acute problems and stakeholder concerns, additional ad hoc risk analyses are conducted.

Environmental due diligence

Environmental risks are assessed at an early stage of the customer project lifecycle—from opportunity development through to project execution. This assessment is part of our ESG considerations during the offering phase, which has been embedded into our Sales Project Excellence Guide. We use the following tools:

- External ESG databases to assess geopolitical and environmental risks focusing on country-, customer- and project-related risks
- Tailored "Do no significant harm" questionnaires aligned with customer project phases
- Desktop research that supports us to keep up to date with evolving sustainability issues

These tools support proactive risk mitigation and ensure that environmental considerations are integrated into customer project planning and execution. When critical sales projects or opportunities are identified, a due diligence is performed by designated, internal sustainability experts within the relevant Business Areas. This process also involves stakeholders from the sales organization and the Regional Hubs.

Supply chain due diligence

Siemens Energy's responsible sourcing strategy integrates sustainability into supplier selection and management. Key elements include:

- Supplier adherence to the Code of Conduct and sustainability standards
- Ongoing monitoring and engagement to improve supplier performance
- Stakeholder feedback integration to refine due diligence practices
- Annual risk assessments of the entire supplier base

These efforts are supported by external audits, smelter assessments under the Responsible Minerals Initiative, and a global supplier decarbonization program.

Business partner due diligence

Siemens Energy may be held liable under certain circumstances for actions of business partners. To mitigate risks and meet regulatory and ethical standards, we conduct business partner due diligence. This process includes:

- Risk-based screening and onboarding
- Continuous monitoring using the Third Party Risk Management Tool (COSON)
- Risk analysis supported by dashboards and analytics based on structured data evaluation

The process ensures transparency, proper documentation, and alignment with our compliance framework.

Enterprise risk management

The identification, assessment, and management of sustainability-related risks and opportunities are an integral part of our ERM and governance systems. The outcomes of our risk assessments are processed by the relevant internal functions and integrated into the systems and processes to ensure that these results are taken into account in decision making at all levels of the organization, including sustainability topics.

Siemens Energy's ERM system incorporates sustainability-related risks and opportunities into the overall risk profile. This includes:

- Environmental risks, including climate-related transition risks (from the shift to a low-carbon economy), physical risks (from severe weather events and long-term changes in climate patterns), higher raw material costs (due to depletion of non-renewable resources), and higher waste management costs (due to increasing regulatory requirements for waste reduction)
- Compliance risks, including anti-corruption and antitrust
- Opportunities related to climate resilience and energy transition technologies

The ERM system supports strategic planning by identifying sustainability-related opportunities that contribute to long-term value creation and innovation, particularly in areas such as hydrogen, grid modernization, and decarbonization technologies.

2.10.1.3.2 ESRS disclosure requirements index

For conducting its double materiality assessment, the Company has set thresholds as described in **2.10.1.2.3 Impacts, risk and opportunities**, above which IROs are considered material and subject to reporting. A complete index of ESRS disclosure requirements is provided in **2.10.5.1 Annex 1 List of ESRS Disclosure Requirements covered in the Sustainability Statement**. This index identifies the location within this Statement of each ESRS disclosure made and confirms compliance with applicable ESRS requirements.

In addition, a comprehensive overview of data points originating from other EU legislation relevant to this Statement is provided in **2.10.5.2 Annex 2 List of datapoints that derive from other EU legislation.**

2.10.1.4 Governance

2.10.1.4.1 The role of the Executive Board and Supervisory Board

Siemens Energy AG's two governance bodies with the highest decision-making power are the Executive Board and the Supervisory Board. Their respective roles and responsibilities are described in detail in the table below. The Executive Board is the highest managing body of the Company. It decides on the Company's business policies and strategies and is responsible for the management of the Company. This includes ensuring that the Company operates in compliance with applicable laws and upholding ethical standards in its business activities. In contrast, the Supervisory Board's role is to oversee and advise the Executive Board in its management of the Company. The Supervisory Board appoints the members of the Executive Board but is otherwise generally not authorized to manage the affairs of the Company.

Dr. Christian Bruch, the President and Chief Executive Officer (CEO) of Siemens Energy AG, also serves as the Company's Chief Sustainability Officer (CSO).

As of September 30, 2025, the Executive Board was composed of six executive members. The Supervisory Board consists of twenty non-executive members and comprises an equal number of ten shareholder representatives and ten employee representatives in accordance with the German Co-determination Act. As per the German Co-determination Act, seven of the ten employee representatives must be employees of the Company or its German subsidiaries, while three must be representatives nominated by trade unions represented in the Company or its German subsidiaries.

Diversity

The average ratio of female to male board members was 2:4 (corresponding to 33.33% women on the board) in the Executive Board and 9:11 (corresponding to 45% women on the board) in the Supervisory Board in fiscal year 2025.

Independence

The Supervisory Board considers nine out of its ten shareholder representatives (90%) to be independent. In line with Recommendations C.6, C.7 and C.9 of the German Corporate Governance Code, as amended on April 28, 2022, the Supervisory Board does not include employee representatives in its independence assessment.

Roles and responsibilities of the administrative, management and supervisory bodies, reporting, target setting and monitoring related to material impacts, risks and opportunities

	Mandate, roles and responsibilities	Reporting	Setting and monitoring of targets
Supervisory Board	**Full Supervisory Board**		
	The Supervisory Board oversees and advises the Executive Board in respect of the management of the Company, including the management of sustainability matters. The Supervisory Board resolves, based on the recommendations of the Presiding Committee, on the diversity concepts for the Supervisory Board and the Executive Board. It sets, based on the recommendations of the Remuneration Committee, the variable compensation targets for the Executive Board and determines whether they have been achieved. It considers risks and opportunities when approving the annual budget of the Company.	The Supervisory Board reports to the Shareholders' Meeting on its activities annually.	The Supervisory Board oversees the target-setting by the Executive Board and monitors the progress in relation to these targets, based on the reports it receives from the Executive Board. It defines variable compensation targets for the members of the Executive Board, including sustainability targets.
	Sustainability and Finance Committee		
	The Sustainability and Finance Committee of the Supervisory Board addresses sustainability matters in general and takes them into account when preparing the Supervisory Board's resolutions on the financial situation and resources of the Company, including the annual budget, and when deciding on investments/divestments and financial measures.		
	Audit Committee		
	The Audit Committee reviews the Group Sustainability Statement and oversees its independent audit review.		
	Remuneration Committee		
	The Remuneration Committee prepares the Supervisory Board's resolutions on variable compensation targets for the Executive Board, including its sustainability-related targets, and the Supervisory Board's determination as to whether these targets have been achieved.		The Remuneration Committee makes recommendations to the Supervisory Board in respect of variable compensation targets, including targets related to sustainability matters.
Executive Board	**Full Executive Board**		
	The Executive Board is responsible for the Company's assessment of sustainability matters, such as climate-related impacts, risks and opportunities, and defines the sustainability program and targets. It is likewise responsible for ensuring that the Company operates in compliance with applicable laws, and upholds ethical standards in its business activities. It has delegated certain tasks to the individuals, bodies, businesses, regions and functions described in more details below.	The Executive Board reports to the Supervisory Board at least quarterly. Where necessary, these reports include information on risks and opportunities, and activities to assess, manage and monitor them. In addition, the Executive Board reports to the Supervisory Board on the Company's strategy at least once a year. The Executive Board reports to the Sustainability and Finance Committee at least twice a year specifically on sustainability matters, such as progress against sustainability targets, implementation of the sustainability program and key disclosures. It reports to the Audit Committee at least twice a year on the Company's risk management system and internal control system, which include	The Executive Board defines the Company's strategy and targets, including the Company's sustainability targets.

	Mandate, roles and responsibilities	Reporting	Setting and monitoring of targets
		climate-related risks and opportunities and activities to assess, manage and monitor them.	
	Chief Sustainability Officer		
	Within the Executive Board, the President and CEO, Dr. Christian Bruch, has been appointed Chief Sustainability Officer (CSO) of the Company and has held this role during the reporting period. The CSO is responsible for coordinating and overseeing all activities with respect to sustainability, including for identifying and managing IROs.		
	Chief Inclusion & Diversity Officer		
	The Company's CFO, Ms. Maria Ferraro, has been appointed Chief Inclusion and Diversity Officer (CI&DO) and held this role during the reporting period.	The CI&DO leads the Inclusion & Diversity Decision Board and reports to the Executive Board.	
Human Rights Officer	The Executive Board has appointed a Human Rights Officer. The execution of appropriate due diligence or mitigation activities has been delegated to the business functions. For the supply chain, processes and measures have been implemented as part of the risk and supplier management process.	The Human Rights Officer monitors and reports on human rights compliance to the Executive Board during quarterly meetings of the Compliance Review Boards and on an ad hoc basis. The reporting includes human rights and environmental risks from the Company's risk analysis, findings from complaints received, and information on the effectiveness of the Company's preventive and remedial measures.	
Sustainability Council	The Sustainability Council is chaired by the CSO and coordinates the Company's sustainability activities. It holds three meetings per year and consists of decision-makers representing Business Areas, Regional Hubs, and Functions. The Sustainability Council acts as a sounding board to the CSO and supports Executive Board decisions by agreeing on priorities along operational and regional requirements.	The CEO of the Company chairs the Sustainability Council and reports to the Executive Board.	The Sustainability Council oversees the implementation of the sustainability program, reviews the targets set, and monitors the progress towards these targets, especially in the defined Focus Areas.
Corporate Sustainability Function	The Corporate Sustainability function is headed by the Vice President Sustainability and has responsibility for the sustainability program, sustainability governance, skills development and communication. The Vice President Sustainability also monitors business-relevant sustainability trends, identifies potential sustainability-related risks and business opportunities, and strategically assesses the impact on the Company as well as the Company's influence on the external environment.	The Vice President Sustainability reports to the Executive Board at least quarterly, and on an ad-hoc basis if required.	The Corporate Sustainability function develops the sustainability program, defines Focus Areas, coordinates target setting and monitors the progress towards the targets.

Experience relevant to sectors, products and geographic locations of Siemens Energy

For detailed information about our organization, and operational and regional segmentation see **2.1 Business description**.

All Executive Board members bring significant experience with Siemens Energy's products in the Business Areas of Gas Services, Grid Technologies, Transformation of Industry and Siemens Gamesa due to their longstanding work for Siemens Energy and partially for adjacent industries. All members of the Executive Board have studied and/or worked in more than one of the reporting regions of Siemens Energy and, due to their world-wide responsibility, possess a broad understanding of the other regions as well.

A substantial number of the Supervisory Board members have professional experience in at least one of Siemens Energy's Business Areas. This experience stems either from their current or previous roles within Siemens Energy or from positions held in other companies active in similar fields. Their regional expertise covers all reporting regions of Siemens Energy.

Skills and expertise to oversee sustainability matters

The Supervisory Board regularly assesses the skills and expertise required to discharge its statutory responsibilities. Based on this assessment, it has developed objectives for its composition, including a desired skills profile, which are regularly reviewed and updated. The Nomination Committee and the shareholders' representatives consider these objectives when proposing candidates for the election of shareholders' representatives to the Shareholders' Meeting. In addition, the Supervisory Board defines the required qualifications for Executive Board members, including with respect to sustainability matters. In collaboration with the Executive Board and with support from the Presiding Committee, it conducts long-term succession planning for the Executive Board. When appointing Executive Board members, the Supervisory Board considers the required qualifications, the statutory requirements and the provisions of the German Corporate Governance Code. The Supervisory Board has the right to request reports from the Executive Board on any sustainability matter, and to review documents of the Company, including opinions prepared by external experts. It may also request the Executive Board to provide information on the Company's sustainability strategy and reporting. If required, the Supervisory Board may commission its own external experts on specific sustainability matters, in line with its supervisory role.

The Executive Board may at any time access the expertise available within the organization in general, and in particular within the Sustainability function, headed by the Vice President Sustainability. The Vice President Sustainability is responsible for ensuring that relevant skills and expertise relating to sustainability matters are available within his organization. Additionally, Sustainability Business Partners in the Business Areas and Regional Hubs establish sustainability networks within their respective Business Area or Regional Hub to build sustainability competencies and to create sustainability awareness and a sustainability mindset. If required, the Executive Board and the Sustainability function can commission external experts to complement their expertise.

The Supervisory and Executive Board members' skills and expertise in sustainability matters extend to sustainability-related IROs, which the Company has assessed as material. These matters mainly pertain to the areas of climate change, in particular in respect of the decarbonization of the Company's own products, energy use, resource inflow and use, waste, own workforce, workers in the value chain, and business conduct.

The Executive Board members bring working experience as heads of research, or as chief strategy, innovation or technology officers as well as in the area of public/private partnerships for infrastructure development. The Chief Executive Officer has been holding the position of Chief Sustainability Officer since 2020. Further members of the Executive Board serve as Chief Inclusion & Diversity Officer and Labour Director, respectively. All Executive Board members have substantial experience in overseeing responsible business conduct, drawing on their previous executive or senior management roles. Furthermore, specialist functions support the Executive Board in carrying out sustainability initiatives: the Sustainability Council coordinates the overall sustainability activities of the Company. The Strategy & Sustainability function is in charge of sustainability matters in general and responsible for sustainability governance across the Group. The Legal & Compliance function addresses business conduct matters, including but not limited to corruption and bribery prevention, prevention of anticompetitive behavior, human rights, the protection of whistleblowers, and provides related training. The EHS, Quality, Governance & Security function takes care of health and safety matters.

On the Supervisory Board, various members cover areas such as climate change, energy consumption, resource use and waste management. These members have experience as chief strategy officers, federal minister of environment, board members in energy transition companies, and roles in organizations dedicated to sustainable investments or social issues. Workforce-related matters are primarily addressed by the ten employee representatives on the Supervisory Board, who are well-versed in fair wages, employee representation and participation, skills development, working hours and equal pay for equal work. At least ten Supervisory Board members have long-standing experience in executive and supervisory roles, ensuring comprehensive oversight of responsible business conduct. As outlined above, the Supervisory Board may at any time request reports from the Executive Board on sustainability matters, leveraging the Company's expertise in this area. The Supervisory Board may also appoint an external auditor to audit the Company's sustainability statement and, in specific cases, engage other external experts for advice on sustainability matters.

2.10.1.4.2 Sustainability matters addressed by the Executive Board and the Supervisory Board

The Business Areas, Regional Hubs and Functions report quarterly on their sustainability-related activities to the Sustainability Council and the CSO. The Vice President Assurance provides regular updates to the Executive Board on matters relating to the implementation, operation, and oversight of the risk and internal control system and supports the Executive Board in reporting to the Audit Committee of the Supervisory Board. The Human Rights Officer monitors human rights compliance and reports to the Executive Board during quarterly meetings of the Compliance Review Boards, as well as on an ad hoc basis. This reporting includes findings related to human rights and environmental risks from the Company's risk analysis, findings from complaints received, and information on the effectiveness of the Company's preventive and remedial measures.

The Executive Board manages the affairs of the Company in the Company's best interest. In doing so, it must consider the interests of various stakeholders, including the Company's shareholders, its workforce, and other stakeholders who have an interest in the Company or may be affected by its operations. The interests of these stakeholders differ and may conflict with each other. Determining the Company's best interest therefore requires balancing these interests. Given its relevance to many stakeholders, sustainability is a key consideration. The Executive Board therefore considers IROs when defining the Group's strategy, making decisions on major transactions and defining and overseeing risk management processes.

The Supervisory Board's role is to monitor and advise the Executive Board on managing the Company. The Supervisory Board has defined a catalogue of selected matters for which the Executive Board must obtain its approval. The Supervisory Board must act in the Company's best interests as well and therefore likewise consider the interests of the Company's various stakeholders. This applies equally to the Supervisory Board's committees, to which certain responsibilities may be delegated. Accordingly, the Supervisory Board and its committees consider IROs when overseeing the Company's strategy, and when resolving on matters requiring its approval. During the reporting period, the Supervisory Board, its relevant committees and the Executive Board addressed the following IROs and sustainability matters:

Governance body	Impacts, risks and opportunities, other sustainability matters
Supervisory Board	**Received and discussed reports on:** Inclusion and diversity, including an assessment of the U.S. government's corresponding executive orders; Talent management; Compliance leadership and awareness and compliance trainings; Occupational safety; Emission targets of the Company **Resolved on:** Target achievement in relation to Executive Board stock awards tranche 2021, including target achievement with respect to Scope 1 and 2 decarbonization, the Employee net promoter score and the share of women in top leadership positions; Review of the Non-financial Statement 2024; Update of the sustainability targets for the Executive Board remuneration
Audit Committee	**Received and discussed reports on:** Risk of corruption and anti-competitive behavior; Compliance leadership and awareness and compliance trainings; Opportunities related to development of an environmental-friendly product portfolio; Non-financial Statement 2024; Regulatory developments in respect of sustainability reporting and state of implementation in the Company; Internal audit of data quality regarding decarbonization of the Company **Resolved on:** Preparation of the Supervisory Board's review of the Non-financial Statement 2024
Sustainability and Finance Committee	**Received and discussed reports on:** Status of the preparation of the Sustainability Report 2024, and the Company's sustainability performance with a focus on scope 3 decarbonization; Diversity and equal pay for equal work, health and safety; State and revision of the Company's sustainability program
Remuneration Committee	**Resolved on:** Preparation of the Supervisory Board's resolution on target achievement in relation to Executive Board stock awards tranche 2021, including target achievement with respect to Scope 1 and 2 decarbonization, to the Employee net promoter score and to the share of women in top leadership positions; Update of the sustainability targets for Executive Board remuneration
Executive Board	**Resolved on:** Sustainability Report 2024; Setting of sustainability targets in respect of stock awards 2025; Revision of the Company's sustainability program; Double materiality assessment

2.10.1.4.3 Integration of sustainability-related performance into incentive schemes

The importance of sustainability for Siemens Energy is also reflected in our long-term equity-based compensation. This compensation is granted to the members of the Executive Board and selected senior managers in the form of Stock Awards for reaching financial targets as well as non-financial targets in strategic ESG areas of Siemens Energy operations. The terms of the incentive schemes are regularly approved and updated by the Supervisory Board as well as the Executive Board to ensure alignment with our sustainability objectives and organizational goals.

Financial targets comprise total shareholder return (TSR), with a 40% weighting, and earnings per share (EPS), also with a 40% weighting.

Specific sustainability targets against which performance is measured have a weighting of 20%, broken down as follows:

- Environmental: Decarbonization target set based on GHG emissions that arise directly from sources in the Company's ownership or under its control (Scope 1) or indirectly from the consumption of purchased electrical energy and district heating (Scope 2); weighted 33.34% for senior managers outside the U.S. and 50% for senior managers in the U.S. as well as for the Executive Board;
- Social: Employee engagement target measured as the "Engagement Factor", derived from the results of a global yearly survey of Siemens Energy's employees; weighted 33.33% for senior managers outside the U.S. and 50% for senior managers in the U.S. as well as for the Executive Board; and
- Governance: Governance target refers to the share of women in top leadership positions outside the U.S.; top leadership positions are defined as senior managerial roles with significant functional impact, as determined by Siemens Energy's internal job evaluation system that evaluates the nature of work, hierarchical level and responsibilities; target achievement is measured based on the Company's long-term targets of 25% women in top leadership positions by 2025 and 30% women in top leadership positions by 2030 (outside the U.S.); weighted 33.33% and only applicable to senior managers outside the U.S.

▶ Note: Siemens Energy pursues the goal of an inclusive corporate culture and, in doing so, follows all applicable laws. To the extent any statements, goals, policies, or practices articulated in this Statement conflict with the anti-discrimination laws of the United States ("U.S."), the U.S. entity will follow U.S. law and not the policy or practice. Siemens Energy, Inc. in the U.S. does not make any employment decisions based on race, color, religion, sex, national origin, age, qualified individuals with disabilities, or any other category protected by applicable law. ◀

For fiscal year 2025, the members of the Executive Board waived their right to receive short-term and long-term variable compensation (Stock Awards). This decision aligns with the requirements set forth in the agreement between Siemens Energy and the Federal Republic of Germany on a federal guarantee, which partially secures the guarantee facility concluded with a bank consortium to finance the operating business. Under the terms of the federal guarantee, no Executive Board member may be granted any variable compensation for fiscal years in which one or more guarantees have been issued under the guarantee facility backed by the federal government. Since the federal guarantee was replaced on June 5, 2025, from fiscal year 2026 onwards, variable compensation components can again be granted to the Executive Board members, in accordance with the compensation system. Furthermore, the Stock Awards from the 2021 tranche granted in fiscal year 2021, which were exempt from the compensation restrictions under the federal guarantee, became due and were fulfilled in fiscal year 2025. The performance criteria for the 2021 tranche and the target achievement per performance component can be found in **4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act**.

According to its compensation system, the Supervisory Board does not receive variable compensation, but rather exclusively fixed compensation. As no variable compensation was granted to administrative, management and supervisory bodies members for fiscal year 2025, the proportion of variable compensation linked to sustainability matters was also zero.

For further details on the key elements of the compensation of the Executive Board and the Supervisory Board, please refer to **4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act**.

2.10.1.4.4 Statement on due diligence

The table below shows the chapters in our 2025 Group Sustainability Statement where we provide information on our due diligence process.

Core elements of due diligence	Chapters in the Sustainability Statement
Embedding due diligence in governance, strategy and business model	Sustainability matters addressed by the Executive Board and the Supervisory Board
	Integration of sustainability-related performance into incentive schemes
	Impacts, risks and opportunities
Engaging with affected stakeholders in all key steps of the due diligence	Sustainability matters addressed by the Executive Board and the Supervisory Board
	Interests and views of stakeholders
	Double materiality assessment process
	Policies (Topical standards)
Identifying and assessing negative impacts	Double materiality assessment process
	Impacts, risks and opportunities (General Information and topical standards)
Taking actions to address those negative impacts	Actions (Topical standards)
Tracking the effectiveness of these efforts and communicating	Metrics (Topical standards)

2.10.1.4.5 Risk management and internal controls over sustainability reporting

Our risk management and internal control system is based on an ongoing process designed for identifying and prioritizing risks to the achievement of business objectives and at addressing these risks effectively and efficiently. The system considers the management of sustainability-related risks and opportunities and those with non-sustainability relevance to be equally important. A detailed explanation of the main features of the Company's risk management and internal control systems is provided in section **2.8 Report on the internal control and risk management system and material risks and opportunities.** Sustainability-related risks and opportunities are analyzed through structured internal processes supported by our double materiality assessment, which facilitates their identification, assessment, and prioritization. For further details on our double materiality assessment process, please refer to **2.10.1.3 Impact, risk and opportunity management** chapter. Additionally, information on the key sustainability risks identified by the Company—along with the corresponding mitigation strategies and associated control measures—is presented in the relevant topical standards.

Each risk as being reported through our ERM process is being assigned to a responsible risk owner, who is accountable for its regular monitoring and for successfully executing on adequate risk mitigation measures. Company-wide risks are typically assigned to the respective corporate or global function head. With that, any findings of the risk assessment process are constantly linked directly with relevant processes within our internal functions (including any necessary adjustments to these processes, if deemed appropriate). Similarly, within our internal controls process, each control objective is being accounted for by an assigned company-wide process owner, ensuring that in case of any findings, these can be reflected in an adjusted controls setup.

The results of the risk management and internal controls process are reported regularly to the Executive Board on matters relating to the implementation, operation, and oversight of the risk and internal control system and assist the Executive Board in reporting to the Audit Committee of the Supervisory Board.

2.10.2 Environmental information

2.10.2.1 Climate change

2.10.2.1.1 Impacts, risks and opportunities

Material impacts, risks and opportunities related to climate change

Topic	Type	Description[1]	Time horizon[2]	Value chain
Energy	Negative impact	**Energy Use** (A) Consumption of energy leads to greenhouse gas emissions in our own operations, our supply chain (Scope 3 upstream) and the end-use of our products through the combustion of various types of fuels and the use of electrical consumers, whose energy consumption is impacted by the emission factors applicable to the respective grid mix in fossil-linked markets (Scope 3 downstream).	S, M, L	Entire value chain
Climate change mitigation	Negative impact	**Climate change** (A) The greenhouse gas emissions generated throughout our operations (Scope 1 & 2), result in contributions to climate change, which negatively impacts the environment.	S, M, L	Own operations
	Negative impact	**Climate change** (A) The greenhouse gas emissions generated by our supply chain (Scope 3 upstream) and the end-use of our products in fossil-linked markets (Scope 3 downstream) result in contributions to climate change, which negatively impacts the environment.	S, M, L	Upstream and Downstream
	Positive impact	**Low-carbon portfolio** (A) Investment into and development of a low-carbon portfolio to address climate change and reduce greenhouse gas emissions result in a positive contribution to the energy transition and environmental sustainability.	S, M, L	Downstream
	Risk	**Climate-related transition risks (market, technology, reputation)** The changing market preferences and technological advancements resulting from decarbonization trends, geopolitical shifts and changing customer requirements may lead to reduced demand for certain products and services, reputational damage, or need for premature product adaptation, impacting on our financial performance and business strategy.	S, M, L	Own operations
	Opportunity	**Business growth through low-carbon portfolio** The development of a product portfolio aligned with the market trend towards net-zero emissions resulting from the increasing demand for sustainable solutions and regulatory support for decarbonization may result in accelerated growth and enhanced profitability of our Company.	S, M, L	Downstream
Climate change adaptation	Risk	**Climate-related physical risks (acute and chronic)** Severe weather events may lead to disruptions to our operations, damage to equipment and facilities, and supply chain interruptions, affecting our productivity and financial performance. Long-term changes in climate patterns may lead to the development of new markets and business models. This shift may require adjustments to our product portfolio and project execution strategies.	S, M, L	Own operations

[1] Actual (A), Potential (P), Actual and Potential (A&P)

[2] Short-term (S), Medium-term (M), Long-term (L)

Climate-related risks, opportunities, and impacts are systematically integrated into our strategic concept by defining climate targets, analyzing emissions trajectories, and incorporating applicable regulatory requirements. These elements are embedded across our corporate strategy, product development, innovation initiatives, and risk management processes to ensure resilience of our business model.

Business model resilience

As part of our annual strategic planning process, we conduct a comprehensive assessment of the external environment, with a particular focus on developments related to the energy transition. This includes evaluating market dynamics, competitive positioning, macroeconomic and geopolitical trends, and regulatory changes across our key operating regions. Relevant experts from our Business Areas, Functions, and regions are involved in this process.

To deepen our understanding of climate-related risks and opportunities, we perform an annual resilience analysis. This analysis covers our global business activities, including upstream and downstream value chains, and encompasses operational, market and regulatory dimensions. No material physical or transition risks were excluded from the assessment.

The analysis is based on multiple climate scenarios developed by the International Energy Agency (IEA), S&P Global, and the Intergovernmental Panel on Climate Change (IPCC). These scenarios reflect a range of temperature pathways and policy responses. The short- and medium-term time horizons used are aligned with those applied in our target setting. They are specified in the relevant sections below.

Our strategy's resilience is evaluated by analyzing our adaptive capacity and mitigation measures in response to the material climate-related risks identified.

The analysis identified the following material risks:

- Physical risks: These arise from climate-related events such as precipitation, drought, wind, heat, and thunderstorms. To address these risks, we are implementing adaptation measures including infrastructure retrofitting and flood protection.
- Transition risks: Market and technology shifts resulting from decarbonization trends may reduce demand for fossil fuel-based technologies, particularly affecting our Gas Services and Transformation of Industry Business Areas. To address these risks, we are adapting our business model and portfolio across all time horizons by:
    - Developing low-carbon technologies: These include hydrogen-fired gas turbines, our F-gas-free Blue Portfolio (equipment that uses vacuum switching technology and technical air insulation), industrial waste heat recovery systems, and battery energy storage solutions.
    - Applying decarbonization levers: Developing new products and technologies with zero or significantly reduced emissions, focusing on accelerating renewable power, transforming power plants, strengthening power grids, driving industrial decarbonization, and securing responsible supply chains.
    - Driving innovation: Through five Fields of Action—decarbonized heat and industrial processes, carbon and product circularity, resilient grids and reliability, condition-based service interventions, and 24/7 carbon-free energy—Siemens Energy is positioning itself to lead in the energy transition.

To ensure our strategy remains resilient, we integrate climate considerations into our overall strategic framework through asset management, strategic planning, and workforce development.

The resilience analysis considers uncertainties related to the pace of technological innovation, market adoption of low-carbon solutions, and changing regulatory frameworks. These uncertainties are considered in our strategic planning and investment decisions.

The analysis shows that our business model is resilient to the identified risks and has adaptive capacity and effective mitigation strategies in place to address climate-related challenges.

2.10.2.1.2 Process to identify climate-related IROs

To identify and assess climate-related risks and opportunities, we conduct scenario-based analyses based on scientifically recognized climate models. These include:

- Physical risk scenarios based on the Intergovernmental Panel on Climate Change's (IPCC) Shared Socioeconomic Pathways (SSPs), which assess exposure to acute and chronic climate hazards such as extreme weather events, drought, and heatwaves.
- Transition risk scenarios based on the International Energy Agency (IEA) Stated Energy Policies Scenario (STEPS) and S&P Global, which evaluate policy, market, and technology shifts.

These scenarios are aligned with climate-related assumptions used in our Consolidated Financial Statements and reflect a gradual transition to a lower-carbon economy over several decades.

Identified climate-related risks and opportunities are integrated into Siemens Energy's ERM system. This integration ensures that these risks are assessed using the same methodology as for financial, operational, and compliance risks. The ERM system evaluates risks based on impact, likelihood of occurrence, and time horizon, and supports the prioritization and planning of risk mitigation actions. The system also considers interdependencies between climate-related risks and other risk categories. For example, transition risks may intersect with regulatory compliance risks, while physical risks may affect supply chain continuity and asset resilience. For further details on the ERM methodology and its alignment with the double materiality assessment, refer to the **2.10.1.3.1 Double materiality assessment process** in the **2.10.1 General information** chapter.

Impacts on climate change

Siemens Energy identifies the sources of greenhouse gas (GHG) emissions across all business activities and throughout the value chain in accordance with the GHG Protocol. This includes:

- Scope 1: direct emissions from own or controlled sources.
- Scope 2: indirect emissions from purchased electricity, heat, or steam.
- Scope 3: indirect emissions across 15 categories.

Climate-related physical risks

Siemens Energy conducts a physical risk analysis covering 75% of our major manufacturing locations. These locations are selected based on their area (measured in square meters) to prioritize those with the highest potential exposure to climate-related hazards. The assessment is aligned with the asset life cycles, focusing on the years 2030 (short-term), 2060 (medium/long-term), and 2100 (long-term outlook).

It is based on the IPCC's Shared Socioeconomic Pathways. These pathways model a range of future climate conditions, all of which use pre-industrial temperatures recorded in the period from 1850 to 1900 as a baseline for projected warmings:

- SSP1-2.6: A low-emission scenario assuming ambitious climate change mitigation actions, with projected warming of 1.7°C by 2041–2060 and 1.8°C by 2081–2100. It reflects low physical risks and low adaptation costs.
- SSP2-4.5: A moderate scenario with delayed global action, projecting 2.0°C warming by 2041–2060 and 2.7°C by 2081–2100. It anticipates more frequent and severe weather events.
- SSP5-8.5: A high-emission scenario assuming continued reliance on fossil fuels, with projected warming of 2.4°C by 2041–2060 and 4.4°C by 2081–2100. This scenario is associated with the highest physical risks and adaptation costs.

The selected range of scenarios addresses our potential risks and uncertainties by including both low and high emissions, therefore allowing for an analysis of various potential climate impacts and adaptation challenges. They incorporate key factors such as technological innovation, implementation of regulatory requirements and socioeconomic development (including aspects such as urbanization, demographic trends, and consumption patterns). Inputs include national and regional projections for population, GDP, energy use, and land use. While robust, the scenarios are subject to uncertainties regarding the effectiveness of future regulatory actions and technological and socioeconomic change.

The analysis evaluates physical climate hazards in relation to five categories: precipitation, drought, wind, heat, and thunderstorms. These hazards are based on the classification of climate-related hazards in accordance with EU Regulation 2021/2139. Two parameters are used to determine materiality:

- Hazard Level: Classified as low, medium, high, or very high based on climate projections from Jupiter Intelligence's Climate Score Global v2.6 (August 2023). This dataset provides location-specific projections (based on geocoded coordinates) for climate variables such as annual water stress, number of hot days, and wind intensity, in five-year intervals from 2025 to 2100, and is aligned with IPCC methodologies.
- Exposure: Measured using the Total Insured Value (TIV) of each location, which reflects the potential economic impact of property damage and business interruption.

A climate hazard is deemed material if at least 20% of the Group's total TIV is exposed to high or very high hazard levels. Based on this threshold, the following material hazards have been identified under the SSP5-8.5 scenario:

- Precipitation: Projected to affect 59% of TIV by 2030 and 99% by 2060.
- Drought: Stable exposure, affecting 45% of TIV in 2030 and 46% in 2060.
- Wind: Expected to impact 40% of TIV in both 2030 and 2060.
- Heat: Slight increase over time, affecting 23% of TIV in 2030 and 26% in 2060.
- Thunderstorms: Stable exposure, affecting 23% of TIV in 2030 and 24% in 2060.

Siemens Energy's Insurance function conducts natural hazard risk assessments for all new construction projects, which inform site selection and design. These assessments help identify geographic areas with elevated climate risk and guide the implementation of adaptation measures such as flood protection and infrastructure retrofitting.

To assess physical risks in the upstream value chain, we use a risk analysis tool to assess sustainability risks among suppliers. The analysis tool assesses sustainability risks at the country level using internationally recognized sources such as meteorological data from the United States National Oceanic and Atmospheric Administration (NOAA) or the Royal Netherlands Meteorological Institute and ranks suppliers according to their level of risk. This enables targeted supplier selection and mitigation planning for high-risk supply chain segments.

Climate-related transition risks

Siemens Energy identifies climate-related transition risks through its ERM, which is informed by scenario-based analysis. Transition events are assessed across the entire value chain and include regulatory, technological, market, demographic and reputational developments that may affect the Group's operations, financial performance, and strategic positioning.

To evaluate transition risks, we use a range of climate scenarios, including:

- S&P Global Inflections: Reflects a 2.0–2.4°C trajectory, incorporating moderate policy action and growing market dynamics.
- IEA Stated Energy Policies Scenario (STEPS): Based on the current policy framework, this scenario projects a 2.0–2.4°C outcome and considers planned investments in clean energy.

In addition, for market specific analysis, we use S&P Global Discord, a scenario focused on market fragmentation and geopolitical instability. The range of scenarios used represent the specific understanding and methodologies of these organizations. They cover plausible risks due to the diverse temperature increases and associated socio-economic implications they represent. This allows us to capture a variety of potential outcomes, from strong climate action to scenarios with limited progress. These scenarios are based on national and regional datasets and consider key factors such as macroeconomic trends, energy mix development, policy frameworks, and technology cost trajectories. While robust, they are subject to uncertainties regarding the future implementation of regulatory actions and future technological advances.

Transition risks are assessed over short-term (up to 3 years), medium-term (3–5 years), and long-term (5–20 years) horizons. We evaluate the likelihood, magnitude, and duration of climate-related transition events and their potential impacts on:

- Assets and operations: Including risks from carbon pricing, regulatory compliance costs, and stranded asset exposure.
- Supply chain: Sensitivity to upstream emissions, material availability, and supplier readiness for decarbonization.
- Market position: Shifts in customer demand toward low-carbon technologies and services.

The compatibility of assets and activities with a climate-neutral economy is also assessed using the EU Taxonomy criteria. Assets and activities that do not meet the EU Taxonomy alignment thresholds are not considered compatible.

This analysis informs our strategic planning, capital allocation, and innovation roadmap. It supports the transition to a low-carbon portfolio, including the development of hydrogen-ready gas turbines, SF_6-free transmission equipment, and industrial decarbonization solutions.

2.10.2.1.3 Policies

Siemens Energy's commitment to environmental protection and climate change mitigation is embedded in its Environment, Health and Safety (EHS) Policy, which is implemented worldwide through the Zero Harm Framework. This framework provides a structured approach to managing environmental aspects, ensuring the efficient use of energy and natural resources, and preventing environmental harm. It also supports continuous improvement of environmental management systems across all Business Areas.

The EHS Policy and Zero Harm Framework are aligned with internationally recognized standards, including ISO 14001 (environmental management) and ISO 50001 (energy management), and are designed to meet legal obligations, stakeholder expectations, and the requirements of UN SDG 13 "Climate Action".

To ensure effective implementation, we conduct regular internal reviews and external audits. The reviews help monitor compliance, identify areas for improvement, and ensure that climate-related considerations are integrated into operational and strategic decision-making.

The table below outlines the policies we have implemented to address climate change mitigation and adaptation, energy efficiency, and renewable energy deployment. These policies are reviewed and updated regularly to reflect evolving regulatory requirements, stakeholder expectations, and scientific developments. We maintain a globally accessible platform that enables all employees to access current policies and stay informed about updates. The Code of Conduct for Suppliers and Third-party Intermediaries (Code of Conduct) and the EHS Policy are available on the Siemens Energy website.

Policies adopted to manage material sustainability topics

Policy	Topic addressed	Key contents	Scope	Policy owner
Climate change building block	Climate change mitigation	Understanding of emission sources; Regulatory compliance; Emissions monitoring; Identification of opportunities for reduction; Collaboration with suppliers to develop options for reducing greenhouse gases.	Siemens Energy own operations and supply chain	Head of EHS, Quality Governance & Security
Global benefit cars	Climate change mitigation	Fostering the transition to 100% CO2-neutral benefit cars.	Siemens Energy own operations	Head of Human Resources
Application for capex projects and external leasing	Climate change mitigation	Ensuring that greenhouse gas emissions are considered in capital expenditure decision process according to the guidance of the Sustainability department.	Siemens Energy own operations	Head of Accounting & Controlling
Property protection concept	Climate change adaptation	Development and implementation of appropriate protection measures; Establishment of basic protection with minimum security requirements; Implementation of advanced protection with adaptive measures based on local threats.	Siemens Energy own operations	Head of EHS, Quality Governance & Security
New buildings and major renovations	Climate change adaptation	Guidance on environmental factors associated with buildings; Recommendations on climate risk and vulnerability assessments in accordance with DNSH (Do No Significant Harm) criteria for climate change adaptation.	Siemens Energy own operations	Head of Real Estate
Energy consumption building block	Energy efficiency and renewable energy deployment	Understanding of energy consumption; Using renewable energy; Regulatory compliance; Setting efficiency targets; Promotion of energy conservation practices.	Siemens Energy own operations	Head of EHS, Quality Governance & Security
Environment, Health and Safety policy	Climate change mitigation	Environmental protection commitment by: Identifying and managing environmental aspects and impacts; Ensuring efficient use of energy and natural resources.	Siemens Energy own operations	Head of EHS, Quality Governance & Security
Sustainability management and core responsibilities	Climate change mitigation and adaptation	Establishment and management of corporate sustainability governance; Description and monitoring of sustainability processes and targets.	Siemens Energy own operations	Head of Strategy & Sustainability
Code of Conduct for Suppliers and Third-Party Intermediaries	Energy efficiency and Climate change mitigation	Act in accordance with the applicable statutory and international standards regarding the environment; Minimize environmental pollution and make continuous improvements in environmental protection; Establish an environmental management system.	Suppliers and Third-Party Intermediaries	Head of Procurement

2.10.2.1.4 Targets

We have adopted greenhouse gas targets to address the climate impact of our business activities and to support our climate change mitigation strategy. These targets are aligned with our environmental policies and contribute to the objectives of the Paris Agreement and the EU Green Deal.

We have set the following targets for Scopes 1, 2, and 3:

Scope	Target	Target year	Base year	Baseline value	Fiscal year 2025	Achieved Reductions[1]
Scope 1 and 2[2]	At least 60% absolute reduction in emissions from own operations and carbon credits compensating for the remaining emissions to achieve climate neutrality by 2030	2030	2019[3]	440,363 t CO_2eq	194,460 t CO_2eq	56%
Scope 3 upstream	30% relative reduction in emissions from the supply chain	2030	2018	518 t CO_2eq/ million € spent[4]	392 t CO_2eq/ million € spent	24%
Scope 3 downstream	At least 50% relative reduction in emissions from sold products	2030	2019[3]	46,314 t CO_2eq/ million € order intake[5]	23,507 t CO_2eq/ million € order intake	49%

[1] Compared to the baseline value

[2] The target covers market-based Scope 2 emissions.

[3] Average of fiscal years 2018 and 2019.

[4] The baseline value for Scope 3 upstream emissions has been recalculated to reflect a methodological revision in the calculation of emissions associated with the use of Siemens Gamesa's rotor blades and magnets, harmonizing the calculation approach across Siemens Energy.

[5] This corresponds to 0.046 t CO_2eq/€ order intake.

For Scope 1 and 2, we are committed to achieving climate neutrality by fiscal year 2030. Our primary strategy is to reduce absolute emissions across our own operations. After achieving our previous ambition, we now aim to reduce our Scope 1 and 2 emissions by at least 60% through direct mitigation measures. Any residual emissions that cannot be eliminated through operational improvements will be addressed using carbon credits by fiscal year 2030. Currently, we do not use carbon credits. To support reaching our target, we transitioned to 100% renewable electricity across our own operations in fiscal year 2023 and remain committed to maintaining this through continued sourcing of renewable electricity.

For Scope 3, we address both upstream and downstream impacts:

- Upstream: We aim for a 30% relative reduction in emissions from purchased goods and services, transportation, and distribution per euro spent by fiscal year 2030. While overall business growth may lead to higher absolute emissions, our focus is driving efficiency and reducing emissions intensity across our supply chain.
- Downstream: Starting in fiscal year 2025, we report our Scope 3 downstream target using an intensity-based approach. We aim to achieve at least 50% relative reduction in emissions from the use of sold products per euro order intake by fiscal year 2030. The absolute emissions value is expected to remain broadly stable compared to the base year, subject to market and business developments.

We have already made significant progress toward achieving our reduction target for Scope 1 and 2 greenhouse gas emissions, as well as our intensity target for Scope 3 downstream emissions. Nonetheless, completing the remaining steps to reach the fiscal year 2030 target will require continued effort in light of prevailing market conditions.

Methodology

Our climate targets have been developed in line with the requirements of the GHG Protocol. They cover all relevant greenhouse gases as defined by the GHG Protocol, the IPCC, and the Kyoto Protocol—namely CO_2, CH_4, N_2O, HFCs, PFCs, and SF_6. For Scope 2, the market-based accounting method has been applied. Our targets are designed to reflect actual emission reductions and do not rely on greenhouse gas removals, carbon credits, or avoided emissions.

The organizational boundaries used for target-setting are aligned with those applied in our greenhouse gas inventory. To account for the inherent volatility in annual order intake—due to the long lifecycle and capital intensity of our products—we have selected a base year that averages fiscal years 2018 and 2019 for Scope 1, Scope 2, and Scope 3 downstream targets.

While our current climate targets are not classified as science-based, we are assessing their alignment with internationally recognized climate science and methodologies.

Further information on greenhouse gas emissions and the underlying calculation methodologies is disclosed in section **2.10.2.1.8 Gross Scopes 1, 2, 3 and Total GHG emissions**.

Key assumptions

To take account of future developments, the following key assumptions have been made:

- Accelerated deployment of renewable energy technologies
- Reduced operating hours for fossil fuel-based power plants
- Increased use of hydrogen as a substitute for natural gas
- Regulatory developments under the EU Green Deal and global climate frameworks

Governance and progress monitoring

The Sustainability function leads the target-setting process, ensuring alignment with recognized industry standards and regulatory frameworks. This process involves both internal and external stakeholders. For Scope 1 emissions, internal teams such as Business Areas, Real Estate, and the EQS function were actively engaged. Scope 2 efforts were coordinated by the Procurement function in collaboration with electricity suppliers. For Scope 3 upstream emissions, Procurement worked in collaboration with suppliers, while Scope 3 downstream emissions were addressed through joint efforts by Business Areas, Corporate Strategy, and the Innovation team.

Progress toward greenhouse gas reduction targets is monitored through regular data collection and analysis. We have observed measurable developments aligned with expectations. While some fluctuations have occurred, no significant deviations from the planned trajectory have been identified, and ongoing trend analysis informs strategic adjustments where needed. Key metrics include:

- Greenhouse gas emissions for Scopes 1, 2, and 3
- Share of renewable electricity in total consumption

2.10.2.1.5 Actions and resources

Climate change mitigation actions

To achieve our climate targets, we use a comprehensive range of decarbonization levers that span the entire value chain. These levers are incorporated into our operations, our strategies for engaging suppliers and our product development.

Our climate action plans are intended to achieve our Scope 1, 2, and 3 greenhouse gas emissions targets. Therefore, the expected emissions reductions align with these targets.

Operational decarbonization: own operations

To achieve climate neutrality in our own operations by 2030, we are implementing actions such as improving energy efficiency, reducing SF_6 emissions, and promoting sustainable mobility.

The table below summarizes our decarbonization levers and the key climate change mitigation actions in our operations:

Target[1]	Decarbonization lever	Key actions	Time horizon	Status	Achieved reductions[1]
At least 60% absolute reduction in emissions from own operations (Scope 1 and 2 emissions)	Energy efficiency measures	Building optimization through LED lighting, smart meters, building automation.	2030	Ongoing	56%
		Process optimization through installation of heat recovery systems and vapor phase ovens.			
	Renewable electricity	Increase the proportion of electricity generated from renewable energies on site through additional photovoltaic systems.			
	Reduced SF_6 emissions	Process optimization to reduce SF_6 leakages (e.g: SF_6 handling processes, equipment inspection, testing and maintenance).			
	New mobility concepts	Promotion of electric vehicles through incentive programs.			

[1] Compared to the baseline value

Supply Chain Engagement

Suppliers play a critical role in our decarbonization strategy. Through our Carbon Reduction@Suppliers Program, we engage over 3,400 suppliers—representing more than 75% of our supply chain carbon footprint—in a structured due diligence process to assess and support their carbon reduction efforts.

The table below outlines our decarbonization levers and the key climate change mitigation actions in our supply chain:

Target[1]	Decarbonization lever	Key actions	Time horizon	Status	Achieved reductions[1]
30% relative reduction in emissions from the supply chain (Scope 3 Upstream emissions)	Carbon Reduc-tion@Suppliers Program	As part of the Carbon Reduction@Suppliers Program, increase transparency by introducing an annual reporting format for suppliers regarding implemented and planned actions to reduce carbon emissions.	2030	Ongoing	24%
	Mitigation measures with suppliers	As part of the Carbon Reduction@Suppliers Program, track and assess suppliers' progress based on the reported measures from suppliers to identify alignment with our target achievement. In case of misalignment, request suppliers to put in place improvement measures.			

[1] Compared to the baseline value

Portfolio transformation

The use phase of our sold products accounts for the largest share of our total greenhouse gas emissions. Therefore, we are working on transforming our portfolio to reduce lifecycle emissions. Regarding this transformation, key decarbonization levers include enhancing energy efficiency, expanding electrification, switching to alternative fuels, and developing low carbon products and carbon-neutral technologies. We also support the advancement of emission removal technologies.

These levers are informed by scenario-based planning using a variety of models to anticipate regulatory, technological, and market developments. These include the IEA Stated Energy Policies Scenario (STEPS), S&P Global Inflections and S&P Global Discord. These scenarios support our strategic planning by identifying potential risks and opportunities across different climate futures.

The table below summarizes our decarbonization levers, along with the key climate change mitigation actions within our portfolio:

Target[1]	Decarbonization lever	Key actions	Time horizon	Status	Achieved reductions[1]
At least 50% relative reduction in emissions from sold products (Scope 3 downstream emissions)	Energy efficiency & digitalization	R&D investments to improve the efficiency of existing portfolios (new installations and service).	2030	Ongoing	49%
		Innovation on industrial waste heat recovery, combined heat and power solutions, technologies for future direct current grid networks and grid digitalization.			
	Increasing renewables & electrification	Acceleration of renewable power through the offerings of renewable energy technologies and solutions including energy storage, electric drives, and the growth of grid infrastructure to support electrification, renewable energy deployment and decarbonization e.g., wind power technologies, electrolysis technologies.			
	Fuel shift & low-carbon products	Developing low carbon product offerings and carbon-neutral technologies e.g., H_2-ready gas turbines, green fuels, Blue Portfolio of SF_6-free products.			
	Emission removal technologies	Supporting decarbonization by advancing carbon capture and storage, bioenergy with carbon capture and storage, and direct air capture, as these technologies evolve.			

[1] Compared to the baseline value

Climate change adaptation actions

To adapt to the challenges posed by climate change, we have developed various strategies. The key adaptation actions are shown in the following table:

Scope	Adaptation solution type	Key action	Expected outcome	Time horizon
Site-specific	Other	Conduct climate risk and vulnerability assessments for all new buildings and major renovations.	Identification and management of site-specific climate risks (flood, heat, wind, etc.).	Ongoing
	Engineering	Install or upgrade fire detection and alarm systems.	Accelerated detection and response to fire events, reducing asset damage.	
	Engineering	Evaluate and upgrade insulation materials in roofs/walls.	Reduced fire risk and improved thermal resilience to heatwaves and hailstorms.	
	Engineering / Nature-based solution	Implement stormwater and river flood management measures (e.g., reforestation, rain gardens, vegetated swales, pocket wetlands, porous pavements).	Reduced runoff and flood volumes, enhanced resilience to extreme precipitation and flooding.	
	Other	Apply strategic site selection criteria that incorporate long-term climate resilience.	Minimized exposure to future climate-related physical risks through informed location planning.	
	Other (Financial)	Secure insurance coverage for sites with high exposure to natural hazards.	Financial risk mitigation and improved recovery capacity following climate-related events.	

Resource allocation

While Siemens Energy occasionally makes targeted investments or operating expenditures to achieve specific environmental targets, such instances are infrequent. This is because most expenditures are designed to serve multiple business objectives simultaneously—such as improving operational efficiency, enhancing product performance, and supporting decarbonization. As a result, expenditures made exclusively for the purpose of achieving environmental targets during the reporting period did not constitute a material share of total capital or operating expenditures. Capital and operating expenditures that address business needs while also contributing to sustainability-aligned activities are separately disclosed in 2.10.2.3 EU Taxonomy.

The implementation of climate-related actions is closely linked to the availability of financial and operational resources. Siemens Energy's resource allocation is guided by its R&D strategy, which prioritizes investment in technologies and solutions targeting market growth segments and long-term decarbonization goals.

A key example is our investment in hydrogen technologies. Siemens Energy has entered into a joint venture with Air Liquide to industrialize the production of electrolysis stacks at its Berlin location. This initiative supports both the EU Hydrogen Strategy and the REPowerEU plan and has enabled Siemens Energy to apply for European-level funding to scale up its hydrogen capabilities.

To support our climate strategy, we use a range of sustainability-linked financing instruments, including:

- a syndicated revolving credit facility and a syndicated revolving guarantee facility linked to ESG performance indicators
- a green bond to finance the debt assumed as part of the Siemens Gamesa acquisition
- bilateral guarantee facilities with sustainability-linked terms

These instruments provide access to capital at competitive rates, while demonstrating our commitment to transparency in sustainability matters.

2.10.2.1.6 Transition plan

We currently do not have a climate transition plan in place; however, we are actively evaluating the development of a climate transition strategy.

2.10.2.1.7 Energy consumption and mix

Siemens Energy monitors energy consumption across its own operations for the purpose of reporting greenhouse gas emissions and for tracking climate-related progress. The monitoring covers both primary energy sources (natural gas, diesel, gasoline, liquefied petroleum gas, acetylene, biogas, heating oil, hydrogen) and secondary energy sources (purchased electricity, heat and steam) used in offices, manufacturing facilities, and testing environments.

Energy consumption data is collected using a combination of automated and manual processes:

- Automated data transfers from utility invoices to Siemens Energy's EHS reporting system.
- Manual data entry based on information from invoices and on-site meter readings.

Estimates are applied only in cases where invoice data is unavailable. In such instances, the average consumption of the previous three months or the same value as in the prior-year period is applied to ensure continuity of the data. If neither primary data nor historical estimates are available, we apply coverage calculations (extrapolations). These calculations are based on:

- the type of location (office or industrial)
- the area of the reporting location (measured in square meters)
- the reported consumption values for each fiscal year

The table below details our energy consumption and the energy intensity of our activities:

	Fiscal year
Energy consumption and mix	**2025**
(1) Fuel consumption from coal and coal products (MWh)	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	207,644
(3) Fuel consumption from natural gas (MWh)	406,196
(4) Fuel consumption from other fossil sources (MWh)	212
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	143,482
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**757,534**
Share of fossil sources in total energy consumption (%)	47
(7) Consumption from nuclear sources (MWh)	0
Share of consumption from nuclear sources in total energy consumption (%)	0
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	40,528
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	801,573
(10) Consumption of self-generated non-fuel renewable energy (MWh)	12,104
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**854,204**
Share of consumption from renewable sources in total energy consumption (%)	53
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**1,611,738**
Total energy intensity per revenue (MWh/ € million)	**41**

During the reporting period, our energy production was as follows:

- Non-Renewable Energy Production: 6 MWh
- Renewable Energy Production: 15,929 MWh

All activities over which Siemens Energy has operational control are classified as high climate impact activities. To determine the energy intensity, the following activities defined within the NACE (Nomenclature statistique des activités économiques dans la Communauté européenne) classification system have been considered:

- C25. Manufacture of fabricated metal products, except machinery and equipment
- C27. Manufacture of electrical equipment
- C28. Manufacture of machinery and equipment n.e.c. (not elsewhere classified)
- C30. Manufacture of other transport equipment
- C33. Repair and installation of machinery and equipment
- F42.9 Construction of other civil engineering projects
- F43. Specialized construction activities

All Siemens Energy activities fall within high climate impact sectors. Consequently, the total Group energy consumption and total consolidated revenue are included in the calculation of energy intensity in high climate impact sectors. Revenue can be found in **3.1 Consolidated Statements of Income**.

Energy intensity per revenue in high climate impact sectors (MWh/€ million)	Fiscal year 2025
Total energy consumption from activities in high climate impact sectors per revenue from activities in high climate impact sectors (MWh/€ million)	41

2.10.2.1.8 Gross Scopes 1, 2, 3 and Total GHG emissions

Siemens Energy applies a hybrid approach to define the reporting scope for its sustainability statement. First, all subsidiaries included in the Consolidated Financial Statements are taken into account. In addition, we conduct an assessment of whether joint ventures and associates as well as activities jointly managed through contractual arrangements are under our operational control. The analysis revealed that we do not have operational control over these entities and activities; therefore, the Sustainability Statement covers the same reporting scope as our Consolidated Financial Statements.

Scope 1 and 2 Emissions

We apply a bottom-up methodology to calculate Scope 1 and 2 emissions, collecting activity data at the facility level (e.g., fuel and electricity consumption) from metering systems and invoices. These data are processed using our environmental reporting tool, which converts them into CO_2 equivalent (CO_2eq) emissions using emission factors from recognized sources such as the International Energy Agency (IEA) 2024 and the GHG Protocol's 2024 Cross-Sector Inventory. Emissions are expressed in CO_2 equivalents using the latest Global Warming Potential (GWP) values published by the Intergovernmental Panel on Climate Change (IPCC). Our greenhouse gas inventory includes all gases covered by the Kyoto Protocol —CO_2, CH_4, N_2O, HFCs, PFCs, and SF_6—with the exception of NF_3, which is not relevant to our operations.

Fleet emissions are included within Scope 1 of our greenhouse gas inventory, covering emissions from company-owned, leased, or long-term rented vehicles. Emissions are calculated using a combination of consumption-based and activity-based methodologies. The primary method uses fuel consumption data sourced from fuel card transactions and telematics systems. Where direct fuel consumption data is unavailable, emissions are estimated using activity-based metrics—such as kilometers, fuel expenditures, or contractual mileage. Data is collected and aggregated quarterly and processed through our environmental reporting tool, which applies standardized emission factors aligned with the GHG Protocol. To ensure completeness, extrapolation is performed using historical consumption averages when data is unavailable.

In fiscal year 2025, Siemens Energy's market-based Scope 1 and 2 emissions totaled 194,460 metric tons of CO_2eq [+]. Market-based Scope 2 emissions are calculated using supplier-specific emission factors where available, supported by invoices and meter readings. The origin of energy (e.g., renewable vs. non-renewable) is documented through supplier certificates and procurement records. The entire electricity consumption is covered by renewable instruments, with 34% sourced via bundled electricity agreements and 66% via unbundled renewable energy certificates and guarantees of origin. The percentage of bundled and unbundled electricity is based on the analysis of consumption data and the associated electricity contracts to determine whether renewable electricity is contractually included. In cases where it is not, renewable energy certificates are procured separately to ensure coverage. Emissions intensity, calculated as CO_2eq per revenue, was 5 t CO_2eq/€ million.

The table below presents a detailed breakdown of these emissions by source and reporting scope:

Scope 1 and 2 GHG emissions (entity specific) [+]	Fiscal year 2025
Scope 1 GHG emissions (tCO_2eq)	
thereof natural gas and liquid gas emissions	84,731
thereof fuel oil, gasoline, and diesel emissions	7,134
thereof SF_6 emissions	31,430
thereof fleet emissions	43,603
thereof other emissions	5,569
Scope 2 GHG emissions (tCO_2eq) (market-based)	
thereof district heat emissions	21,992

In line with GHG Protocol guidance, we report biogenic emissions separately:

Biogenic emissions Scopes 1 and 2 (in tCO_2eq)	Fiscal year 2025
Biogenic CO_2eq emissions from the combustion or biodegradation of biomass not included in Scope 1 GHG emissions	7,038
Biogenic CO_2eq emissions from the combustion or biodegradation of biomass not included in Scope 2 GHG emissions	0

Scope 3 emissions

We have assessed all 15 categories of Scope 3 emissions based on the magnitude of estimated emissions. The most significant categories are:

- Purchased goods and services
- Upstream transportation and distribution
- Use of sold products

The use of sold products (Category 11) represents the largest source of emissions, accounting for over 99% of Siemens Energy's total greenhouse emissions.

Upstream Emissions

Our Scope 3 upstream emissions include those resulting from purchased goods and services, as well as transportation and distribution activities within our upstream value chain.

We apply a spend-based approach to calculate upstream emissions. This involves multiplying the economic value of relevant procurement categories by industry-average emission factors. These factors are derived from a specialized tool that integrates data from authoritative sources, including the European Environment Agency, the OECD, the U.S. Environmental Protection Agency, the IPCC, the U.S. Bureau of Economic Analysis, Exiobase, and the World Bank.

The methodology for upstream emissions considers a cradle-to-gate approach for purchased goods and services. For transportation and distribution a minimum boundary is applied in accordance with the GHG Protocol. The assumptions for the calculation have been updated in the fiscal year to reflect emission reduction measures implemented by our suppliers as part of our due diligence process. The baseline value for Scope 3 upstream emissions has been recalculated to incorporate a methodological revision in the calculation of emissions associated with the use of Siemens Gamesa's rotor blades and magnets, harmonizing the calculation approach across Siemens Energy.

In fiscal year 2025, Siemens Energy's Scope 3 upstream emissions totaled 9,779,981 metric tons of CO_2 equivalent. As an entity-specific metric, we also calculate emissions intensity per euro spent, which was 392 t CO_2eq per million € spent in fiscal year 2025.

Currently, all Scope 3 upstream emissions are calculated using secondary data.

Biogenic CO_2 emissions within Siemens Energy's upstream value chain have been analyzed and are considered negligible due to their minimal impact on the overall upstream emissions.

Downstream Emissions

Downstream emissions are calculated based on the expected use phase of newly sold products. Emissions are estimated at the time of order intake, using assumptions about product design, customer use cases, expected lifetime, annual operating hours, and fuel consumption. The lifetime assumption applied reflects the expected operating life of the main plant components and technologies. These parameters are converted into CO_2 equivalents using life cycle emission factors that include well-to-tank emissions. The factors are derived from sources such as the IPCC default emission factors for stationary combustion and the IEA World Energy Outlook global grid mix. Emission factors are reviewed and updated annually.

Siemens Energy calculates Scope 3 emissions from the use of sold products in line with the GHG Protocol, covering both direct and indirect use-phase emissions. The methodology applies to key product categories such as gas turbines, transformers, and compressors, and uses a mix of fact-based data (e.g. installed capacity, fuel type, order intake) and assumption-based inputs (e.g. operating hours, efficiency, lifetime), with conservative estimates used where data is missing.

The methodology for gas turbines considers customer net-zero and hydrogen co-firing commitments, provided they are documented. It also assumes that after 2050, no unabated fossil fuels will be used. The cut-off after 2050 is consistent with the time horizon of most decarbonization scenarios and policy frameworks, including the EU's climate neutrality target. The assumptions used to calculate emissions from gas turbines have been updated in the fiscal year to align with current market conditions, incorporating refined projections of future operating hours and introducing a regional differentiation between OECD and non-OECD countries. Emissions may vary over time, influenced by regional sales dynamics and broader economic conditions (e.g.: type and volume of turbines sold). The updated assumptions do not result in a material impact on the target's baseline value.

In fiscal year 2025, Siemens Energy's Scope 3 downstream emissions totaled 1,385,215,415 t CO_2eq. This corresponds to an emissions intensity of 35,448 t CO_2eq per million € of revenue. As an entity-specific metric, we also calculate emissions intensity per order intake, which amounted to 23,507 t CO_2eq per million € of order intake.

Currently, all calculations of Scope 3 downstream emissions are based on secondary data and rely on modeled assumptions. Estimates of downstream emissions are inherently uncertain due to variability in customer use patterns and fuel types. This uncertainty is mitigated through expert judgement and scenario analysis.

Biogenic emissions generated by customers when using biomass in Siemens Energy equipment are reported separately in accordance with the GHG Protocol guidelines. Biogenic emissions originate from renewable sources and therefore are generally considered part of the natural carbon cycle, unlike fossil-based emissions. Biogenic emissions may increase in the future, as soon as additional customers operate Siemens Energy equipment with biomass and are calculated considering the full lifetime of the equipment.

Biogenic emissions Scope 3 downstream (in tCO_2eq)	Fiscal year 2025
Biogenic CO_2eq emissions from the combustion or biodegradation of biomass not included in Scope 3 GHG emissions	190,868,535

Excluded Scope 3 Categories

While the emissions generated from purchased goods and services, upstream transportation and distribution activities and the use of sold products represent the primary sources of our Scope 3 emissions, the other GHG Protocol emission categories were considered but excluded due to their limited contribution to the overall emissions.

Total GHG emissions

We calculate our total greenhouse gas emissions by summing Scopes 1, 2, and 3 emissions. Total greenhouse gas emissions are provided in the table below:

Total GHG emissions	Base year	Fiscal year 2025		Fiscal year 2030	Annual % target / Base year
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions (tCO_2eq)	265,722	172,468	[+]	*	*
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)[1]		2.77		**	**
Scope 2 GHG emissions					
Gross location-based Scope 2 GHG emissions (tCO_2eq)		281,592		**	**
Gross market-based Scope 2 GHG emissions (tCO_2eq)	174,641	21,992	[+]	*	*
Total Scope 1 and 2 (market-based) (tCO_2eq)	**440,363**	**194,460**	**[+]**	176,145	5%
Significant Scope 3 GHG emissions					
Purchased goods and services (tCO_2eq)	7,314,000	9,001,585		***	***
Upstream transportation and distribution (tCO_2eq)	398,000	778,396		***	***
Use of sold products (tCO_2eq)	1,500,111,422	1,385,215,415		***	***
Total Scope 3 GHG emissions (tCO_2eq)	1,507,823,422	1,394,995,396		***	***
Total GHG emissions					
Total GHG emissions (location-based) (tCO_2eq)		**1,395,449,455**		**	**
Total GHG emissions (market-based) (tCO_2eq)	**1,508,263,785**	**1,395,189,856**		**	**

[1] The EU ETS data is reported on a calendar-year basis and does not align with Siemens Energy's financial year; therefore, data is available but not certified.

* Not disclosed individually as the target covers Scope 1 and 2.

** Not applicable

*** The data is not available considering the nature of intensity target value which is subject to market and business developments.

The table below summarizes the greenhouse gas intensity per revenue. The revenue used to calculate the intensity amounts to 39,077 million € (as reported in the Consolidated Statements of Income):

	Fiscal year
GHG intensity per revenue (tCO_2eq/€ million)	**2025**
Total GHG emissions (location-based) per revenue	35,710
Total GHG emissions (market-based) per revenue	35,704

2.10.2.1.9 GHG removals and GHG mitigation projects financed through carbon credits

In fiscal year 2025, no emissions were offset with greenhouse gas removals or carbon credits. Our decarbonization strategy prioritizes direct emission reductions through operational improvements and increased use of renewable energy sources.

This approach reflects our commitment to achieving climate neutrality in Scope 1 and 2 emissions by 2030. Carbon removals and market-based instruments may play a role in addressing residual emissions, thus complementing our decarbonization efforts.

2.10.2.1.10 Internal carbon pricing

Siemens Energy has implemented a mechanism for internal carbon pricing to support climate-aligned decision-making and incentivize low-carbon investments across its global operations.

A shadow price of €100 per metric ton of CO_2eq is applied to all new investments above €3 million involving emissions generation or energy use that result in Scope 1 or Scope 2 emissions. As the scheme is used solely for future investment decision-making, the emissions reported for the current fiscal year remain unaffected by this mechanism. The shadow price does not represent an actual financial transaction, but rather a theoretical cost used to internalize the environmental impact of greenhouse gas emissions in investment decisions. It is benchmarked against external mechanisms such as the EU Emissions Trading System (EU ETS) and industry ranges published by the CDP.

Although the shadow price is not directly reflected in the carrying amounts reported in the Consolidated Financial Statements, it is incorporated into decision-making processes that affect asset valuation and financial outcomes. These processes include:

- Asset lifetime and residual value: The shadow price supports decisions to replace fossil-based systems with low-carbon alternatives (e.g., heat pumps or biomass-fired systems), thereby extending asset lifetimes and increasing residual values.
- Impairment testing: By integrating carbon costs into investment calculations, we strive to reduce the impairment risk from prematurely decommissioned assets (stranded assets) and enhance the resilience to future regulatory changes.
- Fair value: The shadow price is used in site selection for new lease agreements, with preference given to locations with lower expected emissions.

To complement the global shadow price, Siemens Energy has also introduced a region-specific internal carbon fee in Brazil to drive local decarbonization efforts. Since fiscal year 2021, this fee has been applied to Scope 1 and 2 emissions from manufacturing operations. The fee is intended to send a financial signal without impacting operations. Proceeds are collected in a dedicated fund used to finance local decarbonization projects.

- Fee in fiscal year 2025: €48 /t CO_2eq (the fee is valued in USD and set at 57 USD/t CO_2eq).
- Emissions covered: 2,041 t CO_2eq (1% of Siemens Energy's total fiscal year 2025 Scope 1 and 2 emissions).
- Fee development: Annual increase of 10% until 2030, aligned with Brazil's national decarbonization targets.

This mechanism has proven effective in accelerating energy efficiency improvements at Siemens Energy's largest manufacturing site in Latin America.

2.10.2.2 Resource use and circular economy

2.10.2.2.1 Impacts, risks and opportunities

Material impacts, risks and opportunities related to resource use and circular economy

Topic	Type	Description	Time horizon[1]	Value chain
Resource inflows, including resource use	Risk	**Higher raw material costs** The depletion of non-renewable resources such as steel, aluminum, copper, and rare earths may result in higher material costs and supply chain disruptions, which could negatively impact our production capacity utilization and financial performance.	L	Upstream
Waste	Risk	**Waste management costs** Increasing regulatory requirements for overall waste reduction, especially concerning landfill waste and increased recycling, may necessitate adjustments in waste management practices, potentially leading to increased cost.	L	Own operations

[1] Short-term (S), Medium-term (M), Long-term (L)

To identify material impacts, risks, and opportunities (IROs) associated with resource inflows, outflows, and waste, Siemens Energy applies a structured screening process. This process is integrated into our Product Lifecycle Management (PLM) and supply chain management systems and is supported by three core methodologies: eco-design, life cycle assessment, and waste reporting.

Our eco-design approach is applied in the early stages of product development and the results are incorporated into the PLM process. Products are assessed using a standardized eco-design questionnaire that evaluates design-related topics across multiple dimensions, including resource use and circular economy. The results are used for identifying IROs related to circularity. This approach supports circular economy principles by promoting circular design and reducing environmental impacts across the product lifecycle.

Life cycle assessments are conducted to quantify the environmental impacts of our products across all life cycle stages—from raw material extraction to end-of-life. The SimaPro software tool and the ecoinvent database are used to model environmental impacts, resulting from e.g. material use, energy consumption, and waste generation. Life cycle assessments are essential for identifying environmental impacts and serve as a basis for design improvements, and customer guidance. They also contribute to our double materiality assessment by highlighting the most significant environmental impacts of our products.

Waste reporting focuses on our manufacturing locations and is conducted through our EHS reporting tool for environment, health and safety. This process involves categorizing waste types, quantifying volumes, and documenting disposal methods. The data enables us to monitor waste patterns and identify environmental impacts associated with waste management. This information supports compliance with the EU Waste Framework Directive and informs our strategy to reduce landfill waste, increase recycling rates, and improve resource efficiency. Waste-related insights are also integrated into our double materiality assessment.

To identify material risks related to resource use, circularity, and environmental impacts in our upstream value chain, we use a dedicated system for analyzing supplier sustainability risks. This system evaluates suppliers based on:

- Country-level sustainability risk ratings derived from internationally recognized sources such as meteorological data from the United States National Oceanic and Atmospheric Administration (NOAA) or the Royal Netherlands Meteorological Institute.
- Internal data sources such as PVO (Purchasing Volume) per material field analyses based on controlling data.
- External data sources such as material analyses prepared by third parties using external databases, statistics or studies such as Base pour l'Analyse du Commerce International, United Nations Environment Program, Critical Raw Materials or Global Plastics Flow.

The system enables categorization of suppliers by risk level and supports the prioritization of due diligence and risk mitigation actions. It is integrated into our procurement processes and is regularly updated to reflect changes in environmental conditions.

Our double materiality assessment has identified the depletion of high-demand non-renewable resources—such as steel, aluminum, copper and rare earths—and waste management costs as material sustainability topics. This result was mainly driven by the financial risks associated with resource scarcity and compliance with legal requirements.

Stakeholder representation and community impact

We support our customers in meeting their permitting obligations, including their consultations with affected communities. We also use proxy indicators and third-party data to incorporate stakeholder perspectives and assess potential impacts. These proxies include:

- Country-level indices for human rights and environmental risks
- Reports from non-governmental organizations and media monitoring
- Sector-specific risk assessments

Our approach ensures that the perspectives of vulnerable groups and affected communities are considered in our risk analysis, even in the absence of direct engagement.

2.10.2.2.2 Policies

To address the identified risks, related to resource use and waste, we have integrated the principles of the circular economy into our environmental management system through the Zero Harm Framework. The Zero Harm Framework is aligned with international standards, including ISO 14001, and incorporates applicable legal requirements and stakeholder expectations.

The Zero Harm Framework applies to Siemens Energy's own operations as well as its upstream and downstream value chain. The Zero Harm Framework is structured around several building blocks, some of them specifically designed to reduce resource use, minimize waste, and support the transition to a circular economy. The waste Building Block is in accordance with the waste hierarchy—prevention, reuse, recycling, other recovery, and disposal.

The building blocks are part of our policies, which are outlined in the table below:

Policies adopted to manage material sustainability topics

Policy	Topic addressed	Waste hierarchy layer	Key contents	Scope	Policy owner
Circularity building block	Resource inflows; Waste	Prevention; Reuse; Recycling; Recovery; Disposal	Development of circularity concepts and measures according to the so-called R-strategies (refuse, rethink, reduce, reuse, repair, refurbish, remanufacture, repurpose, recycle and recover) for products and locations and handling location waste according to the waste hierarchy.	Siemens Energy products and own operations	Head of EHS, Quality Governance & Security
LCA building block	Resource inflows; Waste		Identification of environmental impacts throughout a product's life cycle. Reduction of life cycle impacts.	Siemens Energy products and value chain	Head of EHS, Quality Governance & Security
Waste building block	Waste	Prevention; Reuse; Recycling; Recovery; Disposal	Development and implementation of effective practices for managing all types of waste in compliance with regulations, permits and the waste hierarchy.	Siemens Energy own operations	Head of EHS, Quality Governance & Security
Code of Conduct for Suppliers and Third-Party Intermediaries	Resource inflows; Waste	Prevention; Reuse; Recycling	Acting in accordance with applicable legal and international environmental standards. Minimizing environmental pollution and continously improve environmental protection. Establishing an environmental management system.	Supply chain	Head of Procurement

These building blocks are monitored through a combination of internal assessments and annual third-party audits. The internal assessments are conducted by the EHS, Quality Governance & Security (EQS) functions, ensuring adherence to our internal standards. The annual third-party audits are performed by independent auditors as part of our integrated management system audits, specifically within the scope of our ISO 14001 certification.

Environmental requirements for suppliers

The Code of Conduct for Suppliers and Third-Party Intermediaries (Code of Conduct) sets clear requirements for environmental responsibility across the supply chain. Suppliers are required to:

- Comply with applicable environmental laws and regulations
- Implement an environmental management policy that promotes efficient use of energy, water, and raw materials
- Minimize waste generation and continuously improve environmental performance
- Procure materials responsibly and ethically

The Code of Conduct is embedded in supplier management and monitoring processes and aligned with international standards such as ISO 14001 and the UN Global Compact. It also supports Siemens Energy's broader goals of reducing environmental impacts, mitigating supply chain risks, and enhancing transparency and accountability in procurement practices.

2.10.2.2.3 Targets

To address our material risks, we have established absolute targets under our Zero Harm Framework. These targets are designed to minimize waste to landfill, promote recycling, and indirectly increase the availability of secondary materials on the market.

We have set the following targets for our own operations across all regions and locations:

- Zero Waste to Landfill by 2030: This target is designed to eliminate the disposal of operational waste to landfills, aligning with the lowest tier of the EU waste hierarchy.
- ≥90% Recycling Rate by 2030: This target seeks to achieve a recycling rate of at least 90% for operational waste, excluding waste from remediation and construction activities.

These targets are aligned with the principles of the circular economy and the waste hierarchy. While the recycling target does not directly address the circular product design, the circular material use rate, the minimization of primary raw material, or the sustainable sourcing, it contributes indirectly by increasing the availability of recycled materials in the market and therefore reducing demand for virgin raw materials.

The targets are based on sound analysis, including conclusive scientific evidence:

- Circular economy principles and the EU waste hierarchy
- Regulatory developments
- Customer demands and market trends favoring sustainable practices
- Scientific evidence on the environmental benefits of waste prevention and recycling

We have engaged directly with our internal stakeholders and conducted internal workshops with key experts from our Business Areas to align performance expectations and implementation pathways.

Progress toward these targets is monitored through monthly data collection and analysis. Key performance metrics include total waste generated, total waste recycled, and total waste sent to landfill.

These metrics are reviewed at both site and corporate levels to strengthen accountability and continuous improvement. Performance is reported annually and integrated into Siemens Energy's broader sustainability governance system.

The table below summarizes the targets set:

Target	Waste hierarchy layer	Scope	Baseline value	Base year	Target year	Fiscal year 2025	Progress[1]
Zero Waste to Landfill	Disposal	Siemens Energy	24,000 t	2021	2030	20,885 t	13% reduction achieved
90% Recycling Rate[2]	Recycling	Siemens Energy	54%	2021	2030	62%	15% increase achieved

[1] Compared to the baseline value.
[2] without construction and remediation waste.

In addition to waste management costs, we have also identified higher raw material costs due to depletion of non-renewable resources as a long-term risk. We track this risk on a regular basis and have monitoring systems in place that allow us to react in advance. Therefore, no specific target is planned to be set.

2.10.2.2.4 Actions

We have implemented a range of ongoing actions to improve resource efficiency and support the transition to a circular economy. These actions are aligned with our ZH and are designed to reduce environmental impacts across our operations and value chain.

Although additional capital or operating expenditures may occasionally be incurred solely for the purpose of meeting specific environmental objectives, such instances are infrequent. Most expenditures serve multiple business purposes, and consequently, expenditures made exclusively for environmental targets during the reporting period did not represent a material share of Siemens Energy's total expenditures.

The actions outlined below are largely ongoing in nature and not tied to specific time horizons.

Actions related to resource use and circular economy

Key action	Topic addressed	Description	Expected outcome	Scope	Status
Material inventory	Resource inflows	Create and maintain material inventories as basis for further eco-design assessments and life cycle assessments.	Enhanced transparency on raw material use, including primary and secondary materials.	Siemens Energy products	Ongoing
Life cycle assessment	Resource inflows; Waste	Establish life cycle assessment as method to calculate environmental impact as well as assess planned measures according to the circular economy R-strategies (e.g. reduce or recycle).	Enhanced transparency on product environmental performance. Improved decision-making for customers and product design.	Siemens Energy products	Ongoing
EcoTransparency app	Resource inflows; Waste	Develop and mantain a life cycle assessment visualization tool to harmonize communication of environmental performance.	Enhanced transparency on product environmental performance. Improved decision-making for customers and product design.	Siemens Energy products	Ongoing
EcoDesign	Resource inflows; Waste	Analysis of eco-design potentials through our EcoDesign questionnaire.	Enhanced transparency of eco-design status and potentials to improve decision-making early in the design phase.	Siemens Energy products	Ongoing
GreenerTower	Resource inflows	Tower made of greener steel in wind turbines, with steel with a maximum of 0.7 t CO_2eq.	CO_2eq emission reduction of at least 63% in steel production for wind turbine towers by using steel manufactured in a less energy-intensive way and with a higher proportion of secondary material.	Siemens Gamesa products	Ongoing
DecomBlades	Resource inflows	Use of recycled glass fibers from decommissioned blades to manufacture new blades.	Increased proportion of secondary materials in wind turbine blades.	Siemens Gamesa products	Completed in fiscal year 2025
Recycled metal tracking	Resource inflows	Promoting partnerships within the metal supply chain to improve traceability and accelerate the adoption of recycled metals.	Promote cross-industry collaboration in the metal supply chain to enhance transparency and accelerate the use of recycled metals.	Siemens Energy products	Ongoing
Location waste management	Resource outflows; Waste	Segregation and collection of individual waste streams and waste treatment completed by licensed contractors.	Increased recycling rate and reduction of waste to landfill.	Location waste	Ongoing

2.10.2.2.5 Resource inflows

Siemens Energy uses a range of material and non-material resource inflows across its value chain. These include:

- Materials: Key inputs include metals such as steel, aluminum, and copper, biological materials like balsa wood and semi-finished goods.
- Property, plant, and equipment: This category includes machinery, and equipment essential to business operations.
- Water: This is primarily used for sanitary and cooling purposes at the operating sites.

In fiscal year 2025, the total calculated weight of products and technical and biological materials used amounted to 2,859,765 tons. Of this total, 839,686 tons—representing 29%—were secondary (recycled) materials integrated into manufacturing processes.

Among the biological materials used in product manufacturing (specifically balsa wood), 0.70% was sustainably sourced from certified suppliers in fiscal year 2025. Suppliers are required to hold certifications from the Forest Stewardship Council (FSC) or DNV-GL, adhere to the Code of Conduct, and undergo regular monitoring.

To calculate net resource inflows and the share of secondary materials, Siemens Energy uses the "Item+s" tool developed by the consultancy CTRL+S. This tool models supply chain structures by combining global consumption and price data with Siemens Energy's actual purchasing volume (PVO) data at the material field level (ESN codes). The analysis excludes service sectors and ESN categories with unknown material composition. The methodology involves:

- Calculating the total weight of each resource based on purchasing volume, average price per kilogram, and material composition.
- Aggregating weights across ESN codes to determine total resource consumption (e.g., for iron, steel, copper, aluminum, rubber, and plastics).
- Applying global secondary material rates from "Item+s" to estimate the recycled content per resource.

2.10.2.2.6 Waste

We apply a standardized, globally applicable methodology for the collection and reporting of waste data, which is integrated into our EHS reporting tool. This methodology ensures consistent categorization and systematic tracking of waste across all locations where we operate. Waste is classified as hazardous and non-hazardous and sorted into overarching categories, such as Chemicals (e.g.: acids, aerosols, resins), Oil waste (e.g.: grease, oils, fuels) and Municipal and organic waste (e.g.: biodegradable waste, biological waste).

Data collection is primarily based on direct measurements. Where direct measurement is not feasible, waste volumes are estimated based on the average of the previous three months or the prior-year value. All data is entered manually into the EHS reporting system and subsequently reviewed for consistency and completeness. If neither primary data nor historical estimates are available, we apply coverage calculations.

In fiscal year 2025, Siemens Energy generated a total of 151,792 tons of waste from own operations. As an entity-specific metric, we calculate waste intensity, defined as the amount of waste generated per revenue. Based on consolidated revenue for fiscal year 2025, this results in 4 tons per million €. The total non-recycled waste in the reported period amounted to 61,849 tons representing 41% of the total waste generated.

The following table provides details on Siemens Energy's waste generation for the reporting period:

Total Waste generated (in tons)	Fiscal year 2025
Waste diverted from disposal	**123,647**
Hazardous waste diverted from disposal	**10,684**
thereof preparation for re-use	199
thereof recycling	4,030
thereof other recovery operations	6,455
Non-hazardous waste diverted from disposal	**112,963**
thereof preparation for re-use	3,702
thereof recycling	85,913
thereof other recovery operations	23,348
Waste directed to disposal	**28,145**
Hazardous waste directed to disposal	**6,567**
thereof incineration	728
thereof landfill	4,129
thereof other disposal operations	1,709
Non-hazardous waste directed to disposal	**21,579**
thereof incineration	624
thereof landfill	16,756
thereof other disposal operations	4,199

The following waste streams are frequently generated across our operations:

- Metallic Waste: Includes scrap metal and metal residues from manufacturing and maintenance activities
- Electronic Waste: Discarded electronic components and obsolete equipment
- Hazardous Waste: Includes used oils, solvents, batteries, and other materials that require special treatment and disposal
- Packaging Waste: Cardboard, plastic, and wood used in product packaging
- Chemical Waste: Residues from chemical processes, including spent chemicals and contaminated containers
- General Industrial Waste: Waste from manufacturing, maintenance, and other industrial processes

The materials most commonly present in our waste streams include:

- Metals such as steel, copper, and aluminum, primarily from machining, assembly, and dismantling processes
- Plastics used in manufacturing and packaging applications
- Paper and Cardboard generated from administrative and production-related activities
- Electronic components from equipment upgrades, repairs, and decommissioning
- Oils such as used lubricants and hydraulic fluids from machinery and maintenance work

The total amount of hazardous and radioactive waste generated during the reporting period is provided in the table below:

Hazardous and radioactive waste (in tons)	Fiscal year 2025
Hazardous waste	17,251
Radioactive waste	0

2.10.2.3 EU Taxonomy

The EU Taxonomy is a central component of the European Union's Green Deal and Sustainable Finance Action Plan, which aim to achieve climate neutrality in the EU by 2050. To achieve the goals of the Green Deal, capital flows are to be directed specifically into sustainable projects and companies. The Regulation (EU) 2020/852 and the supplementing delegated acts, hereafter referred to as Taxonomy Regulation, serve as a standardized and binding classification system to determine which economic activities are considered "environmentally sustainable" in the EU.

The Taxonomy Regulation distinguishes between "taxonomy-eligible" and "taxonomy-aligned" economic activities. Economic activities are eligible if they can be assigned to at least one of the activity descriptions within the criteria catalog of the Taxonomy Regulation. Economic activities are taxonomy-aligned (and thus environmentally sustainable) if they meet the Taxonomy criteria for the corresponding economic activity by making a substantial contribution to at least one of the six environmental objectives defined by the Taxonomy Regulation ("Substantial contribution criteria"), while not significantly impairing any of the other environmental objectives ("Do no significant harm") and meeting minimum standards regarding occupational safety, social standards, and human rights ("Minimum safeguards").

The EU Taxonomy contains formulations, terms and definitions that are still partly subject to interpretation uncertainties and whose subsequent clarification by the EU could lead to changes in reporting.

Taxonomy-eligible economic activities

Based on the delegated acts of the EU Taxonomy for all six environmental objectives, including the economic activities in the area of natural gas and nuclear energy, an in-depth analysis carried out in fiscal year 2025 revealed that climate change mitigation continues to be the environmental objective considered most relevant for Siemens Energy. In addition, the environmental objective of circular economy (CE) was applicable.

The following economic activities at Siemens Energy constitute the largest shares of taxonomy-eligible economic activities in revenue, capital expenditures and operating expenditures:

- 3.1 Manufacture of renewable energy technologies:
  Essentially, the manufacture and installation of wind turbines for the generation of renewable energy by the Business Area SG is classified under this economic activity,
- 4.9 Transmission and distribution of electricity:
  The solution portfolio of the GT Business Area is included under this economic activity. GT's solution portfolio includes flexible AC transmission systems, offshore wind farm grid connections, high voltage direct current transmission systems and high voltage substations - see also the following explanations,
- 3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation:
  Significant parts of the product portfolio of the GT Business Area are included under this economic activity. GT's product portfolio includes, for example, air- and gas-insulated switchgears, circuit-breakers, capacitors as well as power and distribution transformers - see also the following explanations,
- 4.29 Electricity generation from fossil gaseous fuels:
  This economic activity includes significant parts of the portfolio of the GS Business Area, such as the construction of gas and steam turbines and the associated services and, to a limited extent, the development of hydrogen-capable turbines - see also the following explanations,
- 4.3 Electricity generation from wind power:
  This economic activity includes services such as maintenance to ensure the proper operation of the wind farms provided by the Business Area SG.

Significant parts of the portfolio of the Business Area GS were considered by Siemens Energy to be taxonomy-eligible under the natural gas-related economic activity 4.29 based on a teleological interpretation. For operators of electricity generation facilities that generate electricity from fossil gaseous fuels using gas and steam turbines, the offering by the GS Business Area is a prerequisite. The offering includes the design, production, installation and commissioning of gas and steam turbines as well as services (see also **2.1.2 Business model**). The highly complex turbines are individually produced for the operator and form the basis of the respective power generation facilities. GS ensures full functionality by providing support during installation and commissioning as well as accompanying services. The description of the economic activity 4.29 requires the "construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels". However, the terms "construction" and "operation" are not clearly defined in the activity description. From Siemens Energy's perspective, given the GS business, these terms require an interpretation. In Siemens Energy's understanding, the term "construction" includes activities such as the creation of customer-specific designs, and the production and installation of products and solutions. The term "operation" includes activities such as commissioning, maintenance, and retrofitting, which are necessary for the functionality and performance of the facilities. During the "construction" phase, GS is responsible for the production of turbines and transportation, supervision of installation, and functional testing. During commercial "operation" by the facility operator, GS supports with regard to the commissioning, availability, reliability, and performance of the turbines. GS ensures functionality during the regular warranty phase and by means of long-term service contracts over the entire service life of a turbine. Although the economic activities 4.29 and 4.30 are reported, that would be classified under the fossil fuel sector according to ESRS 2.40d(i), Siemens Energy as an equipment supplier does not fall under this sector.

Large parts of the solution portfolio of the Business Area GT were considered by Siemens Energy to be taxonomy-eligible under economic activity 4.9 by analog interpretation. A portfolio such as that of the Business Area GT is a prerequisite for meeting the requirements of a complex and global network for the transmission and distribution of electricity. The respective products are individually designed according to customer-specific technical requirements and are part of tailor-made systems or solutions, both for high-voltage transmission and for the voltage levels of the

distribution systems. GT offers a wide range of services that enable and ensure stable and efficient operation of the power grid (see also **2.1.2 Business model**). The description of economic activity 4.9 includes the “construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system” as well as the “construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems”. The terms "construction" and "operation" are not clearly defined in the activity description. From Siemens Energy's perspective, given the GT business, these terms require an interpretation. The understanding of the terms explained in the course of the interpretation of economic activity 4.29 also applies to the GT Business Area. The solution portfolio of the Business Area GT includes activities such as the creation of customer-specific designs, the production and installation of products and solutions as well as the commissioning, maintenance and retrofitting necessary for the functionality and performance of an efficient network. Long-term service contracts in particular ensure continuous grid availability.

Assessment of taxonomy alignment

Substantial contribution criteria

To be classified as taxonomy-aligned, the taxonomy-eligible economic activities identified by Siemens Energy first need to make a substantial contribution to at least one of the environmental objectives. For this purpose, the necessary activity-specific criteria used to determine whether an economic activity makes such a substantial contribution are assessed, verified, and documented by appropriate technical and commercial experts on a decentralized basis for each Siemens Energy economic activity.

Do no significant harm (DNSH)

In addition, economic business activities can only be classified as taxonomy-aligned if they do no significant harm to the other environmental objectives. Based on the criteria specified in Article 17 (EU 2020/852) and the annexes to the delegated acts of the Taxonomy Regulation, taxonomy-eligible economic activities that meet the criterion for a substantial contribution are reviewed, verified, and documented regarding compliance with the DNSH criteria based on implemented processes and certifications. Whereas Siemens Energy corporate functions centrally provide governance and monitoring, the implementation and execution of the DNSH assessments is done by the Business Areas.

Essential evidence for the adaptation to the impacts of climate change includes conducting climate risk assessments and deriving measures to address the identified climate risks for relevant Siemens Energy sites. These assessments are based on the Representative Concentration Pathway (RCP)-4.5 and 8.5 scenario from the Intergovernmental Panel on Climate Change (IPCC) with a time horizon of 2060, and the identified physical climate risks are analyzed and addressed in appropriate adaptation plans.

The criteria regarding sustainable use and protection of water and marine resources are essentially implemented in our environmental management system with ISO 14001 certifications, which cover all relevant Siemens Energy sites. Implementation by the Business Areas is supported by our Zero Harm Framework and internal EHS guidelines.

Siemens Energy's environmental management system is an essential component for environmentally sound waste management in production and customer projects on-site. Life cycle analyses are carried out for the relevant portfolio elements, covering the requirements of the criterion for the transition to a circular economy. They also address the prerequisites for the sustainable use of materials and consumables.

Regarding the objective of pollution and prevention control in relation to the use and presence of chemicals, Siemens Energy has implemented guidelines for product design and manufacturing processes with monitoring processes based on existing regulations and directives (e.g., EU Regulation 2019/1021 or 2017/852 and Annex XVII of EC 1907/2006, REACH Directive). This also includes the assessment of substances that may be exceptionally permitted if they cannot be substituted and are used under controlled conditions in accordance with the EU Regulation 2021/2139 Appendix C lit. (f). Siemens Energy uses the Product Lifecycle Management Process to review the products and materials and ensure compliance with relevant standards and regulations from EU Regulation 2021/2139 and EU Regulation 2023/2485. Additionally, we are strengthening our focus on EcoDesign during these design reviews with specific guidelines and checklists.

The requirements for the protection and restoration of biodiversity and ecosystems are also integrated into our environmental management system and Zero Harm Framework. Environmental regulatory requirements and additional requirements from the DNSH criteria have been assessed and defined measures are implemented.

The monitoring systems for the aforementioned requirements include an Integrated Management System with reporting and measurement of essential parameters, as well as internal and external audits.

Minimum safeguards

Finally, compliance with the criteria for minimum safeguards as a requirement for taxonomy-alignment in accordance with Article 18 (EU 2020/852) of the Taxonomy Regulation is assessed across all activities at Group level, taking into account the recommendations of the EU Sustainable Finance Platform of October 2022 on the four core topics of human rights (including employee rights), bribery and corruption, taxation, and fair competition. The minimum safeguards at Siemens Energy are addressed by established processes, documentation and the internal control and risk management system, which includes a compliance system with an established whistleblower system and the implementation of Siemens Energy's Business Conduct Guidelines and the associated guidelines and controls on anti-corruption, antitrust law, data protection, anti-money laundering and export controls. In addition to that, we conduct annual and ad hoc human rights and environmental risk analyses (see also **2.8 Report on the internal control and risk management system and material risks and opportunities**).

Taxonomy-aligned economic activities

The following economic activities at Siemens Energy constitute the largest shares of taxonomy-aligned economic activities in revenue, capital expenditures and operating expenditures:

- 3.1 Manufacture of renewable energy technologies,
- 4.9 Transmission and distribution of electricity,
- 4.3 Electricity generation from wind power,
- 3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation.

The activities of Siemens Energy reported under the identified economic activity 3.1 Manufacture of renewable energy technologies are fully taxonomy-aligned, as the criteria for a substantial contribution are basically identical to the description of the economic activity and there is no violation of DNSH criteria or minimum safeguards.

The economic activity 4.9 Transmission and distribution of electricity was identified as a significant taxonomy-eligible economic activity. The activities of the Business Area GT reported under economic activity 4.9 are for the most part taxonomy-aligned. Supplies and services that are not provided to the interconnected European system (interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems) and/or do not increase the generation or use of electricity from renewable energy sources do not make a substantial contribution to climate change mitigation and are therefore not taxonomy-aligned.

The activities of the Business Area SG reported under the identified economic activity 4.3 Electricity generation from wind power are fully taxonomy-aligned. In accordance with the activity description, the technical screening criteria of activity 7.6 were applied.

The activities of the Business Area GT reported under the identified economic activity 3.20 Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation are taxonomy-aligned only to a lesser extent as the required technical screening criteria are not met in some cases. The products manufactured by GT that are associated with this activity primarily consist of transformers, switchgears and switchboards. For transformers manufactured for the European market, compliance with the mandatory EcoDesign guidelines has been ensured. For transformers destined for markets outside Europe, although there is the possibility of compliance, no verification has been carried out according to EcoDesign guidelines. Switchboards from the SF_6-free portfolio can be classified as taxonomy-aligned because they meet the standards EN 62271-200 or EN 62271-203 and have a Global Warming Potential (GWP) below 10 for the insulating gas. Air-insulated switchgears are not covered by these switchboard-specific standards and therefore cannot be designated as taxonomy-aligned under activity 3.20.

The economic activity 4.29 Electricity generation from fossil gaseous fuels was identified as a significant taxonomy-eligible economic activity. However, only a small proportion of the activities of the Business Area GS reported under economic activity 4.29 are taxonomy-aligned. This applies in particular to activities involving hydrogen. The construction of gas and steam turbines, on the other hand, and the associated services do not currently make a substantial contribution to climate change mitigation according to the Taxonomy Regulation, as the required technical screening criteria are not met.

Determination of taxonomy key indicators

The taxonomy key indicators are based on the consolidated financial statement of Siemens Energy in accordance with IFRS. All fully consolidated Group companies were included in this analysis.

Revenue, capital expenditures, and operating expenditures were allocated to taxonomy-eligible and taxonomy-aligned economic activities on the basis of the information in the financial reporting systems. Various verification steps (including the documentation of data generation and the reconciliation with other financial information) prevent any double counting of economic activities. Revenues were classified in terms of their taxonomy-eligibility or alignment when the order is accepted and parts of the operating expenditures during regular research and development controlling. In the case of non-research and development related operating expenditures (short-term lease, building renovation measures, maintenance and repair), appropriate allocation methods were used on the basis of taxonomy-eligible and taxonomy-aligned revenues or, in the case of real estate related operating expenditures, on the basis of taxonomy-eligible and taxonomy-aligned capital expenditures. With the exception of real estate related capital expenditures, which were classified when the respective investment application was made, all other capital expenditures were classified entirely using appropriate allocation methods. Taxonomy-eligible small-scale activities were shown as taxonomy-non-eligible in the taxonomy tables for reasons of materiality and clarity. In some cases, this led to reported activities in the area of investments and operating expenditures without corresponding revenue.

The **revenue** reported in the consolidated income statement of Siemens Energy amounted to €39,077 million in fiscal year 2025 (2024: €34,465 million, see also **3.1 Consolidated Statements of Income**). €28,753 million (2024: €25,567 million) of revenue was taxonomy-eligible, which corresponds to a share of 73.6% (2024: 74.2%). Thereof, €16,043 million of revenue was taxonomy-aligned in fiscal year 2025 (2024: €14,769 million), representing a share of 41.1% (2024: 42.9%). As in the prior year, all revenues were derived from contracts with customers. The share of taxonomy-eligible and taxonomy-aligned revenue changed only slightly due to a consistent revenue structure.

Capital expenditures under the EU Taxonomy are based on additions to tangible and intangible assets during the fiscal year (before depreciation and any re-measurements for the respective fiscal year), including those resulting from business combinations. Expenditure on acquired goodwill is not included, while acquired rights of use arising from leases are to be included in the EU Taxonomy key figure.

For fiscal year 2025, total capital expenditures to be considered according to the EU Taxonomy amounted to €2,568 million (2024: €2,098 million, see also **3.6 Notes to Consolidated Financial Statements** in **Note 10 Other intangible assets and property, plant and equipment**). €2,025 million (2024: €1,752 million) of capital expenditures were taxonomy-eligible, which corresponds to a share of 78.8% (2024: 83.5%). Thereof, €1,404 million capital expenditures were taxonomy-aligned in fiscal year 2025 (2024: €1,358 million), representing a share of 54.7% (2024: 64.7%). As in the prior year, the taxonomy-aligned capital expenditures are mostly related to additions to property, plant and equipment. The share of taxonomy-eligible and taxonomy-aligned capital expenditures decreased mainly due to lower investments in the economic activity 4.3 Electricity generation from wind power, which comprises services provided by the Business Area SG.

Breakdown of taxonomy-aligned capital expenditures

Economic activity (in € million)	Additions to intangible assets	Additions to property, plant and equipment	*thereof right-of-use assets*	Taxonomy-aligned capital expenditures	*of which expenses incurred within the framework of a capital expenditures plan*
3.1	180	933	*383*	1,113	-
4.9	2	173	*48*	175	-
4.3	0	59	*32*	60	-
3.20	1	57	*16*	57	-
Taxonomy-aligned capital expenditures	**182**	**1,222**	*479*	**1,404**	-

Operating expenditures according to the EU Taxonomy are defined as direct, non-capitalized costs for research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures related to the day-to-day servicing of property, plant and equipment by the company or third parties.

For fiscal year 2025, total operating expenditures to be considered according to the EU Taxonomy amounted to €1,484 million (2024: €1,475 million). €1,231 million (2024: €1,191 million) operating expenditures were taxonomy-eligible, which corresponds to a share of 83.0% (2024: 80.8%). Thereof, €657 million of operating expenditures were taxonomy-aligned in fiscal year 2025 (2024: €619 million), representing a share of 44.3% (2024: 41.9%).

Breakdown of taxonomy-aligned operating expenditures

(in € million)	2025	2024
Short-term leases	49	44
Maintenance and repair	178	135
Research and development costs	430	440
Taxonomy-aligned operating expenditures	**657**	**619**

No operating expenditures were attributable to any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by Siemens Energy or a third party to whom activities were outsourced that were necessary to ensure the continued and effective functioning of such assets or were in relation to capital expenditure plans.

EU Taxonomy indicators – Revenue 2025

	2025			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")								
Economic activities	Code	Revenue	Proportion of revenue 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) revenue 2024[1]	Category enabling activity	Category transitional activity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	7,997	20.5	J	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	22.1	E	-
Transmission and distribution of electricity	CCM 4.9	4,268	10.9	J	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	10.2	E	-
Electricity generation from wind power	CCM 4.3	2,379	6.1	J	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	7.1	-	-
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	1,399	3.6	J	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.4	E	-
Revenue of environmentally sustainable activities (taxonomy-aligned) (A.1)		**16,043**	**41.1**	41,1	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	**42.9**		
Of which enabling (E)		13,664	35.0	35,0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	35.8	E	-
Of which transitional (T)		-	-	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation from fossil gaseous fuels	CCM 4.29	4,653	11.9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								14.2		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	3,685	9.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9.0		
Transmission and distribution of electricity	CCM 4.9	1,233	3.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.6		
Manufacture of other low carbon technologies	CCM 3.6	1,090	2.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.1		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	882	2.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.4		
Electricity generation from nuclear energy in existing installations	CCM 4.28	704	1.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.4		
Repair, refurbishment and remanufacturing	CE 5.1	243	0.6	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.5		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	220	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Revenue of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**12,710**	**32.5**	31.9	-	-	-	0.6	-								**31.3**		
A. Revenue of taxonomy-eligible activities (A.1 + A.2)		**28,753**	**73.6**	73.0	-	-	-	0.6	-								**74.2**		
B. Taxonomy-non eligible activities																			
Revenue of taxonomy-non-eligible activities		10,324	26.4																
Total (A + B)		**39,077**	**100.0**																

Y: Yes, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective; N: No, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective; EL: Eligible, taxonomy-eligible activity for the respective objective; N/EL: Not eligible, taxonomy-non-eligible activity for the respective environmental objective

EU Taxonomy indicators – Capital expenditures (CapEx) 2025

		2025		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")								
Economic activities	Code	CapEx	Proportion of CapEx 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) CapEx 2024[1]	Category enabling activity	Category transitional activity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	1,113	43.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	43.3	E	-
Transmission and distribution of electricity	CCM 4.9	175	6.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.7	E	-
Electricity generation from wind power	CCM 4.3	60	2.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	14.3	-	-
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	57	2.2	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.5	E	-
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	-	-	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.9	E	-
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**1,404**	**54.7**	54.7	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	**64.7**		
Of which enabling (E)		1,345	52.4	52.4	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	50.4	E	-
Of which transitional (T)		-	-	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation from fossil gaseous fuels	CCM 4.29	195	7.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7.1		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	151	5.9	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.9		
Acquisition and ownership of buildings	CCM 7.7	131	5.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.6		
Transmission and distribution of electricity	CCM 4.9	50	2.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2		
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	36	1.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6		
Electricity generation from nuclear energy in existing installations	CCM 4.28	30	1.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7		
Manufacture of other low carbon technologies	CCM 3.6	27	1.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								-		
Construction of new buildings	CCM 7.1/ CE 3.1	-	-	EL	N/EL	N/EL	N/EL	EL	N/EL								0.6		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**620**	**24.2**	24.2	-	-	-	-	-								**18.8**		
A. CapEx of taxonomy-eligible activities (A.1 + A.2)		**2,025**	**78.8**	78.8	-	-	-	-	-								**83.5**		
B. Taxonomy-non eligible activities																			
CapEx of taxonomy-non-eligible activities		544	21.2																
Total (A + B)		**2,568**	**100.0**																

Y: Yes, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective; N: No, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective; EL: Eligible, taxonomy-eligible activity for the respective objective; N/EL: Not eligible, taxonomy-non-eligible activity for the respective environmental objective

EU Taxonomy indicators – Operating expenditures (OpEx) 2025

		2025		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic activities	Code	OpEx	Proportion of OpEx 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) OpEx 2024[1]	Category enabling activity	Category transitional activity
		in € million	in %	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of renewable energy technologies	CCM 3.1	384	25.9	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	24.5	E	-
Transmission and distribution of electricity	CCM 4.9	95	6.4	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5.0	E	-
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	70	4.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.3	E	-
Electricity generation from fossil gaseous fuels	CCM 4.29	52	3.5	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3.0	-	T
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	25	1.7	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.6	E	-
Storage of electricity	CCM 4.10	19	1.3	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.3	E	-
Electricity generation from wind power	CCM 4.3	12	0.8	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2.3	-	-
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**657**	**44.3**	44.3	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	**41.9**		
Of which enabling (E)		593	40.0	40.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	36.7	E	-
Of which transitional (T)		52	3.5	3.5	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	3,0	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Electricity generation from fossil gaseous fuels	CCM 4.29	413	27.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL								28.9		
Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation	CCM 3.20	76	5.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.1		
Manufacture of other low carbon technologies	CCM 3.6	36	2.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.2		
Acquisition and ownership of buildings	CCM 7.7	26	1.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.2		
Transmission and distribution of electricity	CCM 4.9	15	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	8	0.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6		
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**574**	**38.7**	38.7	-	-	-	-	-								**38.8**		
A. OpEx of taxonomy-eligible activities (A.1 + A.2)		**1,231**	**83.0**	83.0	-	-	-	-	-								**80.8**		
B. Taxonomy-non eligible activities																			
OpEx of taxonomy-non-eligible activities		252	17.0																
Total (A + B)		**1,484**	**100.0**																

Y: Yes, taxonomy-eligible activity that is taxonomy-aligned with the relevant environmental objective; N: No, taxonomy-eligible activity that is not taxonomy-aligned with the relevant environmental objective; EL: Eligible, taxonomy-eligible activity for the respective objective; N/EL: Not eligible, taxonomy-non-eligible activity for the respective environmental objective

Proportion of taxonomy-aligned and taxonomy-eligible revenue per environmental objective 2025

Environmental objective	taxonomy-aligned	taxonomy-eligible
Climate change mitigation (CCM)	41.1%	73.0%
Climate change adaptation (CCA)	—	—
Water and marine resources (WTR)	—	—
Circular economy (CE)	—	0.6%
Pollution prevention and control (PPC)	—	—
Biodiversity and ecosystems (BIO)	—	—

Proportion of taxonomy-aligned and taxonomy-eligible capital expenditures per environmental objective 2025

Environmental objective	taxonomy-aligned	taxonomy-eligible
Climate change mitigation (CCM)	54.7%	78.8%
Climate change adaptation (CCA)	—	—
Water and marine resources (WTR)	—	—
Circular economy (CE)	—	—
Pollution prevention and control (PPC)	—	—
Biodiversity and ecosystems (BIO)	—	—

Proportion of taxonomy-aligned and taxonomy-eligible operating expenditures per environmental objective 2025

Environmental objective	taxonomy-aligned	taxonomy-eligible
Climate change mitigation (CCM)	44.3%	83.0%
Climate change adaptation (CCA)	—	—
Water and marine resources (WTR)	—	—
Circular economy (CE)	—	—
Pollution prevention and control (PPC)	—	—
Biodiversity and ecosystems (BIO)	—	—

Complementary Climate Delegated Act (EU) 2022/1214 – Standard templates for the disclosure referred to in Article 8(6) and (7) of the Taxonomy Regulation

Below is supplemental information regarding Siemens Energy's taxonomy-eligible and taxonomy-aligned activities in the areas of nuclear energy and natural gas. The information is presented using the standard templates required by the Complementary Climate Delegated Act (EU) 2022/1214.

EU Taxonomy indicators – Revenue 2025

Template 1 Nuclear and fossil gas related activities – Revenue 2025

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	NO

Template 2 Taxonomy-aligned economic activities (denominator) – Revenue 2025

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
		Amount in millions of €	%	Amount in millions of €	%	Amount in millions of €	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (revenue)**	**16,043**	**41.1**	**16,043**	**41.1**	**—**	**—**
8	**Revenue Siemens Energy**	**39,077**	**100.0**	**39,077**	**100.0**	**—**	**—**

Template 3 Taxonomy-aligned economic activities (numerator) – Revenue 2025

Row	Economic activities	CCM + CCA		Climate change mitigation		Climate change adaption	
		Amount in millions of €	%	Amount in millions of €	%	Amount in millions of €	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (revenue)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (revenue)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (revenue)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-aligned economic activity referred to inSection 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (revenue)	—	—	—	—	—	—
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (revenue)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (revenue)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable indicator (revenue)**	**16,043**	100.0	**16,043**	100.0	—	—
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable indicator (revenue)**	**16,043**	100.0	**16,043**	100.0	—	—

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities – Revenue 2025

Row	Economic activities	CCM + CCA		Climate change mitigation		Climate change adaption	
		Amount in millions of €	%	Amount in millions of €	%	Amount in millions of €	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	704	1.8	704	1.8	—	—
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	4,653	11.9	4,653	11.9	—	—
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	882	2.3	882	2.3	—	—
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (revenue)**	**6,228**	15.9	**6,228**	15.9	—	—
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable indicator (revenue)**	**12,467**	31.9	**12,467**	31.9	—	—

Template 5 Taxonomy non-eligible economic activities – Revenue 2025

Row	Economic activities	Amount in millions of €	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (revenue)	—	—
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (revenue)**	**10,324**	**26.4**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable indicator (revenue)**	**10,324**	**26.4**

EU Taxonomy indicators – Capital expenditures 2025

Template 1 Nuclear and fossil gas related activities – Capital expenditures 2025

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogenproduction, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) – Capital expenditures 2025

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
		Amount In millions of €	%	Amount In millions of €	%	Amount In millions of €	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (capital expenditures)**	**1,404**	**54.7**	**1,404**	**54.7**	**—**	**—**
8	**Capital expenditures Siemens Energy**	**2,568**	**100.0**	**2,568**	**100.0**	**—**	**—**

Template 3 Taxonomy-aligned economic activities (numerator) – Capital expenditures 2025

Row	Economic activities	CCM + CCA		Climate change mitigation		Climate change adaption	
		Amount In millions of €	%	Amount In millions of €	%	Amount In millions of €	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable indicator (capital expenditures)**	**1,404**	100.0	**1,404**	100.0	—	—
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable indicator (capital expenditures)**	**1,404**	100.0	**1,404**	100.0	—	—

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities – Capital expenditures 2025

Row	Economic activities	CCM + CCA		Climate change mitigation		Climate change adaption	
		Amount In millions of €	%	Amount In millions of €	%	Amount In millions of €	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	30	1.2	30	1.2	—	—
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	195	7.6	195	7.6	—	—
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	36	1.4	36	1.4	—	—
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (capital expenditures)**	**360**	**14.0**	**360**	**14.0**	**—**	**—**
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable indicator (capital expenditures)**	**620**	**24.2**	**620**	**24.2**	**—**	**—**

Template 5 Taxonomy non-eligible economic activities – Capital expenditures 2025

Row	Economic activities	Amount in millions of €	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (capital expenditures)	—	—
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (capital expenditures)**	**544**	**21.2**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable indicator (capital expenditures)**	**544**	**21.2**

EU Taxonomy indicators – Operating expenditures 2025

Template 1 Nuclear and fossil gas related activities – Operating expenditures 2025

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogenproduction, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) – Operating expenditures 2025

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
		Amount in millions of €	%	Amount in millions of €	%	Amount in millions of €	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	52	3.5	52	3.5	—	—
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (operating expenditures)**	**605**	40.8	**605**	40.8	—	—
8	**Operating expenditures Siemens Energy according Taxonomie Regulation**	**1,484**	100.0	**1,484**	100.0	—	—

Template 3 Taxonomy-aligned economic activities (numerator) – Operating expenditures 2025

Row	Economic activities	CCM + CCA		Climate change mitigation		Climate change adaption	
		Amount in millions of €	%	Amount in millions of €	%	Amount in millions of €	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (operating expenditures)	52	7.9	52	7.9	—	—
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable indicator (operating expenditures)**	**605**	92.1	**605**	92.1	—	—
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable indicator (operating expenditures)**	**657**	100.0	**657**	100.0	—	—

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities – Operating expenditures 2025

Row	Economic activities	CCM + CCA		Climate change mitigation		Climate change adaption	
		Amount in millions of €	%	Amount in millions of €	%	Amount in millions of €	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	413	27.8	413	27.8	—	—
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—	—	—	—	—
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (operating expenditures)**	**161**	10.9	**161**	10.9	—	—
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable indicator (operating expenditures)**	**574**	38.7	**574**	38.7	—	—

Template 5 Taxonomy non-eligible economic activities – Operating expenditures 2025

Row	Economic activities	Amount in millions of €	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable indicator (operating expenditures)	—	—
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable indicator (operating expenditures)**	**252**	**17.0**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable indicator (operating expenditures)**	**252**	**17.0**

2.10.3 Social information

2.10.3.1 Own workforce

2.10.3.1.1 General information

Siemens Energy is a global employer with a diverse workforce representing approximately 160 nationalities. Our employees are central to delivering value to customers, investors, suppliers, partners, and society. We view our people and our corporate culture as key differentiators in a competitive energy market.

Our workforce strategy—referred to as the "People Agenda"—is fully aligned with our business strategy, values, and leadership behaviors. It is designed to prepare the Company and its employees for future challenges and opportunities. The People Agenda is built on three strategic pillars:

- A Vibrant Workforce: We aim to be the employer of choice in the energy sector by investing in a strong recognition and performance system, competitive remuneration and a comprehensive people development landscape, including a broad portfolio of training, upskilling, and career development programs.
- Game-Changing Leaders: We emphasize adaptability, clarity, and transformation in how we lead. Leaders are expected to guide their teams through change, implement strategic priorities, and exemplify our leadership essentials.
- A Thriving Environment: We are creating a safe, diverse, and participatory environment where employees feel empowered, take accountability, and find purpose in their work. This is supported by our Inclusion & Diversity (I&D) Framework, innovative working practices, and Group-wide collaboration networks.

Siemens Energy's own workforce encompasses employees and non-employees. The term "employee" refers to any natural person in an active employment relationship with a fully consolidated Siemens Energy Company. This includes permanent and fixed-term contractual relationships. The essential basis for the definition of the term "employee" is not the employee's individual contractual working hours, but the active contract status of the employment relationship from a labor law perspective. Apprentices, students, interns and other internal workforce are not included. In addition to its own employees, Siemens Energy also has non-employees. These are temporary agency workers who are mainly used in peak periods or in unforeseen situations. They are not a key part of our business model and therefore they have not been considered in the scope of the following disclosures, policies, actions, metrics or targets, only if specifically mentioned.

Characteristics of our employees

The employee data presented in this chapter is derived from Siemens Energy's Human Resources (HR) and Environment, Health and Safety (EHS) information systems. It includes all individuals in an active employment relationship with a Siemens Energy Group entity classified as "employees" in accordance with the definition above, unless stated otherwise.

The metrics either reflect data as of September 30, 2025, or data for fiscal year 2025, as indicated in each of the tables.

Employees by gender **Headcount**	**Sep 30** **2025**
Male	81,377
Female	21,586
Other	-
Not reported	22
Total	**102,985**

The gender categories are based on information provided by Siemens Energy's employees through its HR systems. The category "other" refers to other gender identities while the category "not reported" includes individuals who have not provided consent to disclose their gender. Employees in the categories "other" and "not reported" are captured according to the availability of these categories in our local systems.

The average number of employees during the fiscal year 2025 was 101,414 , please refer to **Note 24 Personnel costs** in **3.6 Notes to Consolidated Financial Statements**.

Employees in significant countries Headcount	Sep 30, 2025
Germany	27,479
United States	12,605

The table presents the number of employees in countries classified as "significant". A country is considered significant if, at the reporting date, it employs 50 or more employees representing at least 10% of Siemens Energy's total number of employees.

Employees by region Headcount	Sep 30, 2025
EMEA	69,358
Americas	21,198
Asia, Australia	12,429
Total	**102,985**

The regional structure used by Siemens Energy for reporting purposes is EMEA (Europe, Commonwealth of Independent States (C.I.S), the Middle East and Africa), Americas (Canada, the United States, Central and South America), Asia, and Australia (the remaining countries of the Asian continent, as well as Australia and New Zealand).

2.10.3.1.2 Impacts, risks and opportunities

Material impacts, risks and opportunities related to own workforce

Topic		Type	Description[1]	Time horizon[2]	Value chain
Working conditions	Secure employment	Positive impact	(A) Social protection against income loss due to major life events reduces and prevents social vulnerability, which has a positive impact on the well-being of employees and on enhancing stability across their life cycle.	S, M, L	Own operations
	Adequate wages	Positive impact	(A) Adequate wages ensure a decent standard of living for our employees, which has a positive impact on their individual well-being, satisfaction and motivation.	S, M, L	Own operations
	Employee representation and participation[3]	Positive impact	(A) Established and successful social partner dialogue with trade unions and employee representatives ensure that employee interests are thoroughly considered when defining working conditions, ultimately enhancing employee satisfaction.	S, M, L	Own operations
	Health and safety	Negative impact	(A) High-risk activities being performed under various conditions on own operations and at customer sites negatively impact the health and safety of our employees, non-employees, and contractors (value chain workers) involved at these locations.	S, M, L	Own operations and downstream
Equal treatment and opportunities for all	Diversity	Positive impact	(A) A diverse and inclusive workplace enhances creativity, innovation and problem-solving, which has a positive impact on our employees by fostering a sense of belonging and increased engagement.	S, M, L	Own operations
	Equal pay for equal work	Positive impact	(A) Equal pay for equal work eliminating wage gaps lead to increased employee morale and motivation.	S, M, L	Own operations
	Training and skills development	Positive impact	(A) By providing comprehensive training and development opportunities, employees gain valuable expertise and competencies, leading to increased job satisfaction, allowing for professional growth and continued employability.	S, M, L	Own operations

[1] Actual (A), Potential (P), Actual and Potential (A&P)

[2] Short-term (S), Medium-term (M), Long-term (L)

[3] "Employee representation and participation" include collective bargaining, including rate of own workforce covered by collective agreements, freedom of association, the existence of works councils and the information, consultation and participation rights of workers and social dialogue. This applies to all tables and sections hereinafter in which reference to "employee representation and participation" is made.

A material actual negative impact identified in relation to our workforce concerns occupational health and safety. While not systemic, work-related incidents have occurred and remain a key concern over short-, medium-, and long-term horizons. These incidents are primarily associated with

operations such as manufacturing, installation, and servicing, where our workforce may be exposed to risks including hazardous energy, heavy lifting, confined spaces, working at heights, adverse weather, and vehicle operation. We maintain a robust EHS management system aligned with our Business Conduct Guidelines (BCG) and international standards, and we are committed to continuous improvement in this area.

Employees working in field operations face elevated exposure to physical risks. We mitigate these risks through rigorous training, mandatory safety protocols, and continuous monitoring. Our EHS Policy is integrated into all operational processes and is subject to regular review and audit.

We have not identified further negative impacts on our employees which arise from our business practices in areas such as IT, sales, administration or procurement.

To foster positive impacts for our employees, we have implemented a comprehensive range of activities:

- **Social protection**: Employees are supported in major life events covering illness, occupational accidents, parental leave, and retirement, in accordance with national legislation and internal policies.
- **Employee representation and participation**: We uphold the right to collective bargaining and freedom of association and engage in social dialogue to foster labor relations.
- **Adequate wages**: Our compensation structures are regularly reviewed for internal equality and external competitiveness. In fiscal year 2025, our pay levels were assessed to be adequate worldwide, with many employees covered by industry-level collective agreements that exceed national minimum wage levels.
- **Equal treatment and equal opportunity** are guaranteed without regard to ethnic origin, culture, religion, age, disability, skin color, gender, sexual identity or orientation, or worldview. These principles are embedded in our BCG.
- **Training and skills development**: We promote lifelong learning and upskilling through structured development programs, career planning, and digital learning platforms that support both current performance and future career of our employees.

In line with the European Green Deal and the principles of a Just Transition, we are committed to ensuring that the shift toward a climate-neutral economy is inclusive and socially fair for all employees. We recognize that the energy transition, particularly the move from fossil-based to renewable energy systems, entails a structural evolution in the job market. To address this, we have embedded strategic workforce planning across our global operations to anticipate evolving skill requirements and ensure organizational transparency regarding future workforce needs.

The transition to cleaner technologies can lead to safer working environments and enhanced employee well-being, by reducing exposure to hazardous substances and pollutants commonly associated with fossil fuel extraction and combustion.

2.10.3.1.3 Policies

Siemens Energy has implemented a set of policies to manage, assess, and remediate material impacts on its employees. These policies are designed to promote a responsible, respectful, and inclusive workplace. No significant changes were made to these policies during the reporting year. However, they are regularly reviewed and adapted as necessary in response to changing circumstances or regulatory requirements.

We regard employee representation and participation as cornerstones of responsible business conduct. The interests of key stakeholders, including all employee representatives, are considered when developing and updating workforce-related policies. This process is conducted in accordance with national laws and collective bargaining agreements applicable in the countries where we operate.

All employees have access to current policies and procedures via a global digital platform. Regular communications ensure that employees are informed of any updates.

Policies adopted to manage material sustainability topics

Policy	Topic addressed
Business Conduct Guidelines	Adequate wages Employee representation and participation Diversity Equal pay for equal work
Global Framework Agreement	Adequate wages Employee representation and participation Diversity Equal pay for equal work Training and skills development
Global Life Event Leave Policy	Secure employment
Environment, Health and Safety Policy	Health and safety
Inclusion and Diversity Policy	Diversity Equal pay for equal work
My Performance and My Growth	Training and skills development

Business Conduct Guidelines

The BCG set out the basic principles that guide the decisions and actions of our employees. In this way, we foster fair cooperation among management, employees, and employee representatives, and protect the fundamental rights of our employees:

- Freedom of association and collective bargaining: Siemens Energy recognizes the legal rights of employees to form or join existing trade unions and to engage in collective bargaining. Members of employee organizations or trade unions are neither disadvantaged nor preferred.
- Working hours: The Company adheres to all applicable working-hours regulations globally.
- Adequate compensation: Siemens Energy pays fair wages for labor and adheres to all applicable wage and compensation laws globally. Siemens Energy observes "equal pay" principles and does not discriminate on the basis of gender.
- We respect each other: We respect the personal dignity, privacy, and rights of each individual. We believe diversity enriches our workplace.
- Prohibition of child and forced labor: Siemens Energy strictly prohibits child labor and all forms of forced labor.
- Data protection and privacy: We collect and process personal data confidentially, only for legitimate, predetermined purposes, and in a transparent manner.

Further information on the BCG can be found in **2.10.4.1.2 Business conduct policies and corporate culture** in the **2.10.4.1 Business conduct** chapter.

Global Framework Agreement

The Global Framework Agreement is a comprehensive agreement between Siemens Energy and its social partners. It outlines our commitment to social dialogue and sets global guidelines for social responsibility. It is based on the core labor standards of international conventions such as the International Labor Organization (ILO) and the UN Global Compact and comprises the following aspects: free choice of employment, prohibition of discrimination and principle of equal treatment, prohibition of child labor, freedom of association and collective bargaining, equal pay for equal work, compliance with working hours laws, occupational health and safety and employee qualification & development.

The agreement reinforces our broader sustainability and governance commitment and is supported by national-level employee representation structures.

The Global Framework Agreement applies to all employees. The Labor Director is responsible for implementing the policy Company-wide and has delegated this task to the Head of Human Resources. We monitor the implementation of the Global Framework Agreement via the grievance mechanism, the annual global employee engagement survey and external arbitration pursuant to local and national regulations.

Global Life Event Leave Policy

We are committed to fostering a family-friendly working environment and to providing social protection for employees during major life events. The Global Life Event Leave Policy is designed to be inclusive, accessible and supportive to meet the diverse needs of our employees. It provides structured support in the following situations:

- Childbirth or adoption
- Death of a close family member
- Serious medical reasons of a close family member requiring caregiving or support

The policy applies to own employees. The Head of Human Resources is responsible for implementing the policy across the Company. We monitor the implementation through the HR information systems.

Environment, Health and Safety Policy

At Siemens Energy, the health, safety, and well-being of our own workforce are core values and an integral part of our risk management and internal control systems. Our commitment is anchored in our BCG and operationalized through our EHS Policy. The scope of the EHS Policy covers own workforce (employees and non-employees) as well as contractors (value chain workers). These efforts directly support our contributions to the two UN SDGs SDG 3 "Good Health and Well-Being" and SDG 8 "Decent Work and Economic Growth".

Siemens Energy aims to be an industry leader in environmental, health, and safety performance. Our EHS Policy is guided by our values—Caring, Agility, Respect, and Accountability—and is implemented through the Zero Harm Framework.

The EHS Policy emphasizes our commitment to:

- identifying, assessing, and managing hazards and risks
- empowering employees to speak up and intervene in unsafe situations
- preventing injuries and ill health through incident reporting, investigation, and corrective action
- promoting physical and mental well-being
- ensuring safe and healthy working environments
- protecting the environment and using natural resources efficiently

The Zero Harm Framework further operationalizes these goals through principles, behaviors, essentials, and building blocks. Further details can be found in **2.10.1.2.1 Business model, value chain and strategy** in the **2.10.1 General information** chapter.

The Zero Harm Framework defines corporate minimum standards based on legal requirements and best practices covering a range of health and safety topics. Some examples include:

- Risk Assessment behavior to ensure every activity and workplace is properly assessed for hazards to identify controls
- Emergency preparedness plan building block to guarantee that everyone is informed, trained, and ready to respond effectively in case of an emergency through regular drills, inspections, and updates
- Permit to work building block to ensure hazardous work is authorized through a formal permit process and guarantee that all health and safety risks are assessed, controlled, and clearly communicated before, during, and after the execution of any high-risk work activity
- Hand tools building block to ensure that all hand tools are used safely and correctly to prevent injuries and maintain a hazard-free work environment
- Manual handling of tools building block to prevent injuries by promoting proper lifting techniques, posture, and risk assessments before handling loads
- Fit for work building block to contribute to the protection of health and safety by requiring risk assessments, certification procedures, and ongoing documentation management for all those involved in high-risk activities
- Safe from workplace exposure building block to identify and mitigate risks from chemical, physical, and biological stressors in the work environment

All Business Areas within Siemens Energy maintain an integrated management system certified to ISO 45001 (Occupational Health and Safety). In fiscal year 2025, we continued consolidating standalone systems into a unified, multi-site certificate to enhance consistency and efficiency.

The Head of EHS, Quality Governance & Security is responsible for implementing EHS governance across the Company.

In developing our EHS Policy, we consulted with employees, management, regulatory bodies, and local communities. These consultations ensured that the policy reflects operational realities, legal compliance, and broader societal expectations for a safe and healthy work environment.

Inclusion and Diversity Policy

Siemens Energy's Inclusion and Diversity (I&D) Policy defines the principles and guidelines for fostering an inclusive work environment in which all employees feel respected, empowered and able to speak up and be themselves. The I&D Policy also helps to remove barriers and create opportunities under which employees can participate on equal terms in a non-discriminatory environment. To emphasize the strategic importance of I&D, Maria Ferraro, our Chief Financial Officer, also serves as Chief Inclusion & Diversity Officer and chairs the I&D Decision Board.

We believe that inclusion and diversity are not only moral imperatives but also business necessities. As outlined in our I&D Policy, our work environment is open to all individuals, regardless of ethnic origin, culture, religion, age, disability, skin color, gender, sexual identity or orientation, or worldview. Discrimination, harassment, or any form of inappropriate behavior toward individuals or groups is not tolerated.

Siemens Energy is committed to conducting its business in a way that benefits society and protects human rights. Our I&D Policy is informed by the following international standards and principles:

- UN Women's Empowerment Principles
- UN Standards of Conduct for Business Tackling Discrimination against LGBTI People
- UN Global Compact Principle 6: Elimination of discrimination in respect of employment and occupation
- UN Sustainable Development Goals (UN SDGs): SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities)
- ILO International Labor Standards on Equality of Opportunity and Treatment

We have clear procedures to prevent and address workplace discrimination, including defined expectations for both leaders and employees, formal guidelines, awareness initiatives, and an allyship concept encouraging employees to actively support and advocate for one another. Any reasonable suspicion of a violation can be reported confidentially through our grievance mechanism. We seek to investigate all reports in a fair, respectful, objective, and diligent manner, and to take appropriate remediation measures as needed.

The policy applies to all employees. The Chief Inclusion & Diversity Officer is responsible for implementing the policy Company-wide and has delegated this task to the Head of Human Resources. We monitor the implementation of the policy via the grievance mechanism and the annual global employee engagement survey.

As we move forward, our commitment continues to grow. We have made a conscious decision to place greater emphasis on belonging—the sense of safety and acceptance that arises when individuals feel free to be their authentic selves. To reflect this evolution, we will extend our approach towards Inclusion & Belonging:

- Representation remains our foundation—ensuring our people reflect the diverse backgrounds, experiences, and perspectives of the communities we serve.
- Inclusion ensures that every voice is invited, heard, and valued.
- Belonging deepens this commitment by fostering an environment where everyone feels safe, accepted, and empowered to thrive.

We aim to promote representation, inclusion, and belonging as part of our commitment to build a diverse, inclusive, and future-ready workplace.

▶ Note: Siemens Energy pursues the goal of an inclusive corporate culture and, in doing so, follows all applicable laws. To the extent any statements, goals, policies, or practices articulated in this Statement conflict with the anti-discrimination laws of the United States ("U.S."), the U.S. entity will follow U.S. law and not the policy or practice. Siemens Energy, Inc. in the U.S. does not make any employment decisions based on race, color, religion, sex, national origin, age, qualified individuals with disabilities, or any other category protected by applicable law. ◀

My Performance and My Growth

At Siemens Energy, people development is a strategic priority that supports both individual growth and also drives the Company forward. Our approach is designed to equip employees with the skills and capabilities they need to actively shape the energy transition and foster innovation throughout the Company.

To support this goal, we have implemented two interlinked frameworks: My Performance and My Growth.

- **My Performance** focuses on setting clear goals, defining responsibilities, and fostering continuous dialogue between employees and their managers. The emphasis is on performance alignment, coaching, and feedback as part of a structured performance management process.
- **My Growth** builds on this foundation by enabling employees to define and pursue development goals that align with their individual career aspirations and business needs.

The frameworks generally apply to all employees. However, due to ongoing integration activities with Siemens Gamesa, they have not yet been implemented for approximately 8,000 employees. Until the frameworks are implemented, these employees will continue to follow a comparable performance management process.

The Head of Human Resources is responsible for implementing the frameworks across the Company. We monitor the implementation through specific questions in the annual global employee engagement survey.

2.10.3.1.4 Engaging with employees and their representatives

We are committed to fostering engagement with our employees and their representatives. We believe that an environment where employees feel heard, valued, and empowered enhances innovation, productivity, and overall business performance. Through regular engagement and ongoing dialogue with our employees and their representatives, we strive to understand the positions, concerns and expectations of our employees. Our commitment is demonstrated through a number of initiatives designed to give employees a voice and an impact.

Siemens Energy maintains an environment of open dialogue and continuous employee engagement through both formal and informal channels. This is intended to ensure that employees have a voice in shaping the Company's direction and corporate culture.

Global employee engagement survey

A holistic approach of gathering employees' feedback is our annual global employee engagement survey that encourages all employees worldwide to anonymously share their perspectives on our corporate culture, leadership, collaboration, and the work environment.

Following the survey, teams reflect on their survey results and jointly develop action plans to address key improvement areas through the "Team Up for Action" process. The insights gained also inform targeted actions at higher organizational levels, ensuring insights are part of decision-making. Equal participation of all team members is encouraged to ensure diverse perspectives are represented.

Dialogue formats between Executive Board, leaders and employees

Beyond the global employee engagement survey and other internal surveys, we maintain a robust portfolio of interactive formats to connect employees directly with leadership:

- Global Town Halls: Held quarterly, these sessions provide updates from the Executive Board and offer employees the opportunity to ask questions, anonymously if preferred. They promote transparency and two-way communication.
- "Coffee with..." Sessions: Informal, small-group conversations (10-12 participants) with Executive Board members and senior leaders, offered quarterly with priority for first-time participants, fostering open dialogue and personal connection.
- "Ask Me Anything" Sessions: These topic-focused forums allow employees to engage with leaders at all levels of the Company, including the members of the Executive Board, either. They provide a platform for open dialogue, where leaders share insights and employees can raise concerns or ideas directly.

These dialogue formats are part of our broader commitment to a corporate culture of belonging and purpose.

Multi-channel communication and recognition

We engage our employees through a multi-channel communication strategy to provide information and to promote transparency and engagement:

- Newsletters, Board Member videos and digital factory screens provide regular and consistent updates to all employees.
- Interactive platforms such as the Intranet and Viva Engage enable idea-sharing, peer support, and cross-organizational collaboration.

Recognition is embedded in our corporate culture:

- STAR (Share Thanks And Recognition) platform empowers peer-to-peer appreciation among all organizational tiers.
- Passion for Energy Awards honors outstanding contributions in distinct categories, celebrating achievements that embody our purpose and values.

Engagement with employee representatives

We place great importance on structured dialogue with employee representatives worldwide. In fiscal year 2024, the Executive Board of Siemens Energy and the employee representatives in the Supervisory Board signed the Global Framework Agreement to further promote and support the social dialogue on a global level. At the European level, employee representation is governed by the Siemens Energy European Works Council Agreement, which is based on the German Act on European Works Councils. This agreement covers all employees in the European Economic Area (EEA) and the UK.

At the national level, employee representation is aligned with the respective laws and regulations:

Germany: In Germany, employee representation is ensured through various works councils on local, legal entity and group level under the German Works Constitution Act (Betriebsverfassungsgesetz). Pursuant to statutory competencies, our works councils are informed and consulted on social, economic and personnel matters. Numerous collective agreements on different levels provide a sophisticated framework for all employees. A significant part of the German employees is covered by Collective Bargaining Agreements, concluded between the trade union IG Metall and the employers' associations.

Europe: We explicitly support the rights of our employees in the European Union and the UK. Works councils and other forms of employee representation have been established in most European countries; Collective Bargaining Agreements are applicable in most of our locations and sites. We encourage an open and transparent dialogue with the local and national trade unions and their representatives. In countries where works councils have not been established or Collective Bargaining Agreements do not apply, we remain committed to upholding the rights of our employees to freedom of association and collective bargaining in accordance with our BCG. European employee representatives are given the opportunity to engage with senior management at least twice a year through the European Works Council.

Non-European Countries: Employee representation has been established in several non-EEA countries in our locations and Collective Bargaining Agreements apply, ensuring the right to freedom of association and collective bargaining in accordance with our BCG. In countries where works councils have not been established or Collective Bargaining Agreements do not apply, we remain committed to upholding the rights of our employees to freedom of association and collective bargaining in accordance with our BCG.

Sustainability, including impacts of emission reduction efforts, is a standing topic on the agenda of the Supervisory Board's Sustainability and Finance Committee in which both, IG Metall and the German Siemens Energy works councils are represented.

Integration of own workforce interests and views in the Strategy and Business Model

We integrate the interests and views of our employees into strategic and operational decision-making through continuous engagement and structured feedback mechanisms. Insights from the global employee engagement survey, employee resource groups, and direct dialogue with employee representatives are integrated into our due diligence processes and double materiality assessments. These insights are also used to adjust and reprioritize elements of our workforce strategy—known as the "People Agenda".

The effectiveness of our employee engagement initiatives is assessed through our global employee engagement survey, which provides all employees with the opportunity to provide anonymous feedback and to share their perceptions of the Company, including aspects such as corporate culture, leadership, team collaboration, and the work environment. In fiscal year 2025, the survey was conducted once and achieved a response rate of 83%, with approximately 148,000 comments submitted. The engagement factor is an entity-specific metric and is calculated as the weighted average of the favorable scores of four key indicators: pride in the organization, willingness to stay, motivation, and taking action. In fiscal year 2025 it remained stable at 79%.

To better understand and represent the perspectives of specific groups of our employees, we have established employee resource groups. These include networks for gender diversity, LGBTQIA+ employees, persons with disabilities, and individuals from diverse ethnic, cultural and social backgrounds. Each network is open to all employees—regardless of gender, background, or any other personal characteristics. Employee resource groups serve as platforms for learning, personal growth, advocacy, and team building, and are central to our I&D strategy.

The Human Resources function is led by Executive Board Member Tim Holt, who also serves as Labor Director. Operational responsibility lies with the Head of Human Resources, who is accountable for HR governance at Siemens Energy. The management of material impacts is supported by a network of Global and Regional HR Business Partners and Global HR Competence Centers, which oversee key areas such as compensation, benefits, and learning.

The EHS governance model at Siemens Energy is designed to ensure accountability and embedded close to business operations. The Vice President of EHS, Quality Governance & Security (EQS) is responsible for implementing EHS governance requirements across the Company and supports the Executive Board in fulfilling its oversight duties. Business Area EQS or EHS functions are responsible for supporting their respective Executive Vice Presidents in executing EHS responsibilities. This decentralized yet coordinated approach ensures that EHS principles are embedded in day-to-day operations while remaining aligned with corporate standards and strategic objectives.

2.10.3.1.5 Processes to remediate negative impacts and channels for own workforce to raise concerns

Processes to remediate negative impacts

We are committed to providing a safe and healthy work environment that forms the foundation for employee well-being and business resilience. Risks are systematically identified and assessed, preventive measures are implemented, and a culture of continuous improvement is promoted through our Zero Harm Framework and EHS Policy.

All incidents in the area of EHS, including near misses and high-potential events, are recorded in the global EHS reporting tool. This tool enables real-time tracking, root cause analysis, and assignment of corrective actions. Each case is managed locally in accordance with standardized escalation protocols and documented in a central repository accessible to all employees.

Risk assessment is a mandatory practice embedded in our Zero Harm culture. Employees are required to conduct a risk assessment before initiating any work activity. No task may begin without an approved assessment and a clear understanding of the associated control measures.

A global review process ensures that all recordable near misses and high-potential incidents are analyzed. Lessons Learned are evaluated for relevance across Business Areas and may trigger company-wide actions. These Lessons Learned are stored in a centralized, searchable repository to ensure knowledge sharing and organizational learning.

To support transparency, accountability, and compliance with international standards, we have implemented a global software solution that integrates environmental, health, safety, security, and product safety incident reporting.

Employees have multiple options to raise health and safety-related concerns, including the EHS reporting tool, local safety officers, and digital platforms such as Viva Engage. These mechanisms ensure that all employees have a voice in identifying and eliminating workplace risks.

Channels for own workforce to raise concerns

Siemens Energy provides confidential and anonymous reporting channels for employees and external stakeholders to report potential compliance violations. For further information refer to **2.10.4.1.2 Business conduct policies and corporate culture** in the **2.10.4.1 Business conduct** chapter.

2.10.3.1.6 Working conditions

Secure employment

Targets

We are committed to protecting the fundamental rights of our employees and to promoting fair, respectful, and inclusive working conditions across the organization. In doing so, we foster collaboration between management, employees, and employee representatives.

Our employees are supported throughout the stages of their professional and personal lives. This includes offering benefit programs that are competitive, inclusive, and tailored to local market practices. These programs are designed to be accessible to a diverse workforce and to offer meaningful assistance during major life events, such as parental leave, illness, or caregiving responsibilities. Major life events are very personal and vary significantly from one individual to another. While we are committed to supporting our employees during these moments, we do not set quantitative targets in this area. The decision to make use of such leave is shaped by each person's individual circumstances and preferences.

Actions

Actions to deliver positive impact	Status	Scope
Implementation of a Global Life Event Leave Policy, that grants all employees worldwide a minimum number of days off in the case of the following life events: childbirth or adoption, death of a close family member, an employee's close family member requiring care or support for serious medical reasons.	Ongoing	All employees
Implementation and provision of retirement plans in almost 60 countries to around 97,000 employees.	Ongoing	Around 97,000 employees

Siemens Energy systematically evaluates the effectiveness of its workforce-related actions and initiatives using both quantitative and qualitative measures. These mechanisms are designed to ensure continuous improvement:

- A centralized Workforce Dashboard offers insights into key workforce metrics, including headcount, employee turnover, and demographic trends. This dashboard enables leadership to make informed, data-driven decisions across regions, functions, and employee segments.
- Exit interviews conducted in many countries provide valuable insights into the reasons for voluntary exits, informing strategies for retention and talent development.
- Employee turnover and fluctuation rates are regularly analyzed and benchmarked against external industry standards to identify trends and determine potential areas for action.
- The annual global employee engagement survey collects feedback on different topics used to identify areas for improvement and develop action plans based on these results.

The effectiveness of our actions has also been recognized externally. For example, Siemens Energy was awarded the "Top Company" seal on kununu.com. The kununu "Top Company" seal is a highly regarded employer distinction in the DACH region (Germany, Austria, Switzerland), recognizing the top 5% of companies on the platform.

Metrics

Permanent and temporary employees		Sep 30, 2025
Headcount	**Permanent**	**Temporary**
Male	78,206	3,171
Female	20,767	819
Other	-	-
Not reported	22	-
Total	**98,995**	**3,990**

The number of temporary and permanent employees refers to the type of employment contract. Employees who have a fixed-term employment contract are temporary employees. All other employees are permanent employees.

Number of employees who have left Siemens Energy Headcount	Fiscal year 2025
Number of employees who have left Siemens Energy	7,449

The reported figure considers employees who left Siemens Energy voluntarily and involuntarily, including dismissals, separations by mutual consent, retirements and early retirements, death and the expiration of temporary contracts.

Employee turnover in %	Fiscal year 2025
Employee turnover	7.4%

The employee turnover rate is calculated as the ratio of total employee exits during the fiscal year to the average number of employees over the same period. The formula used is: (Number of total exits in the fiscal year / Average number of employees in the fiscal year) × 100.

Adequate wages

Targets

Siemens Energy is committed to fair, competitive, and performance-linked compensation to attract, retain, and develop talent globally. Our compensation philosophy is based on the principles of internal pay equity, external market competitiveness, and a strong link between pay and performance. These principles are embedded in our corporate culture and values and are reviewed annually through the structured Global Merit Process. They are a key factor in employee satisfaction, motivation, and long-term engagement. Siemens Energy also upholds the principle of equal pay for equal work. Further details on equal pay for equal work can be found in section 2.10.3.1.7 Equal treatment and opportunities for all.

As outlined in the BCG, it is our policy to pay adequate wages to all our employees, and we take significant actions designed to ensure that this policy is implemented properly. Accordingly, we have not set a quantitative target for adequate wages.

Actions

Actions to deliver positive impact	Status	Scope
During the global Merit Round, the salaries of the employees are reviewed in a structured process to identify potential needs for adjustment.	Occurs annually	All employees
Variable pay in Siemens Energy is governed by a global framework, which defines five incentive schemes, leveraging key performance indicators (KPIs) from our external financial reporting and a performance multiplier. The target setting occurs annually, with the annual incentive calculated based on the percentage achievement of the KPIs after the fiscal year.	Implemented Occurs annually	Senior Managers and other eligible employees

The competitiveness of our compensation practices is regularly assessed, both in terms of compensation levels and compensation structure. These reviews are conducted globally and benchmarked against external market data. In fiscal year 2025, the review confirmed that Siemens Energy's compensation levels remain competitive across all regions.

Compensation structures depend on local market practices and the respective position value or class.

Metrics

At Siemens Energy, all employees are paid at least an adequate wage. By this, we reinforce our dedication to fair labor practices and equitable treatment across our global operations. This commitment is implemented through a structured wage analysis process designed to verify compliance with both international and local wage benchmarks. To assess wage adequacy, Siemens Energy evaluates each employee's hourly total guaranteed cash compensation against applicable minimum wage laws and standards, using the lowest wage benchmark. When no benchmark is available, the average wage is calculated for EEA countries, while the Anker Methodology is used to obtain benchmarks for countries outside the EEA. The total guaranteed cash compensation is converted into hourly pay based on employment percentage and contractual working hours. We define the total guaranteed cash compensation as the sum of base salary and fixed, guaranteed allowances, excluding variable pay. This assessment is conducted in all countries where we operate and is regularly reviewed to ensure alignment with current legal requirements and market conditions.

Employee representation and participation

Targets

Siemens Energy recognizes the importance of collective bargaining, freedom of association, and social dialogue as key elements in promoting a fair and equitable working environment. We maintain constructive cooperation with employees, employee representatives, and trade unions across

all regions. We neither disadvantage nor favor members of employee organizations or trade unions. The choice to engage in such representation is left to each individual. Accordingly, we have not established a quantitative target.

Actions

We are committed to maintaining a high level of employee participation across the organization. This includes regular dialogue with employees, employee representatives, and engagement through structured feedback mechanisms. These actions are implemented on an ongoing basis.

We closely monitor the status of collective bargaining coverage and disclose coverage rates transparently. Collective agreements are negotiated with trade unions and employee representatives to jointly determine working conditions.

Metrics

At Siemens Energy, we identify the share of the employees covered by collective bargaining agreements globally. This analysis is regularly reviewed to ensure alignment with regulatory requirements and reporting conventions. As of September 30, 2025, about 65% of employees worldwide were covered by collective bargaining agreements.

Collective bargaining coverage and social dialogue **Sep 30, 2025**

Coverage rate	Collective bargaining coverage: Employees – EEA (for countries with >50 employees representing >10% total employees)	Social dialogue: Employees covered by workers' representatives (EEA only) (for countries with >50 employees representing >10% total employees)
0-19%	-	-
20-39%	-	-
40-59%	-	-
60-79%	-	-
80-100%	Germany	Germany

The percentage of employees covered by collective bargaining agreements is calculated using the following formula: (Number of employees covered by collective bargaining agreements / Number of employees) x 100. The percentage of employees covered by workers' representatives is calculated using the following formula: (Number of employees working in establishments with workers' representatives / Number of employees) x 100.

Social dialogue at the European level is ensured through the Siemens Energy European Works Council, which was established in accordance with the German Act on European Works Councils and is governed by the Siemens Energy European Works Council Agreement.

Health and Safety

Targets

At Siemens Energy, we go beyond regulatory compliance by fostering a corporate culture in which health, safety, and well-being are embedded in every aspect of our business operations. Rather than setting isolated health and safety targets, we focus on promoting a Zero Harm culture—a culture in which every employee is empowered and expected to act with care, respect, and accountability.

The Zero Harm culture is operationalized through the Zero Harm Framework, which defines mandatory behaviors, essentials, and building blocks. These elements are tailored to local risks and conditions and are supported by structured training, incident reporting, and continuous improvement processes.

Actions

Actions to prevent or mitigate negative impact	Status	Scope
We have implemented ISO 45001 certification which involves regularly reviewing and improving the systems and policies that manage workplace health, safety, and the environment. The goal is to ensure these systems continue to be effective in preventing accidents and promoting a safe working environment.	Ongoing	Own workforce
We have implemented a training platform that provides employees with the opportunity to develop individual and team-based EHS skills and knowledge to meet regulatory requirements associated with their job roles and the minimum standards established by the Zero Harm Framework. EHS training has been aligned to provide a core set of courses directly corresponding with the EHS elements of the Zero Harm Framework.	Ongoing	Own workforce
We have implemented a reporting app to help us identify unsafe situations before an incident even happens.	Ongoing	Own workforce
We have implemented our Zero Harm Day to Zero Harm Week, with webinars, local events and skill training for Health and Safety at Work.	Ongoing	Own workforce
Siemens Energy is currently in the second year of its Zero Harm Champions League program—an internal initiative designed to promote and acknowledge the application of Zero Harm best practices across the organization. Participating teams share the preventive and corrective actions they have implemented.	Ongoing	Own workforce
We carried out the annual global health management survey, providing transparency on the health management status in each country as well as areas for improvement.	Occurs annually	Own workforce
We promote health and resilience, with training such as exercise, nutrition, stress, physical well-being, mental health, and work-life balance.	Ongoing	Own workforce

Siemens Energy uses a global EHS reporting tool to record and address concerns raised by employees. This system enables structured reporting of incidents, near misses, workplace hazards, and other EHS-related events. Each reported case is reviewed and managed locally in accordance with Siemens Energy's standardized reporting and escalation procedures. Appropriate corrective and preventive actions are implemented based on the nature of the impact and local legal requirements.

The reporting process includes root cause analysis, documentation of Lessons Learned, and assignment of follow-up actions. All incidents are logged in a centralized repository, promoting transparency, accountability, and continuous improvement. The system also facilitates real-time tracking of key metrics such as the Total Recordable Injury Rate (TRIR) and enables proactive risk management.

In January 2025, Siemens Energy launched an upgraded version of our EHS reporting tool to unify reporting across all Business Areas. The new platform enhances usability, data integration, and responsiveness to high-impact incidents.

Metrics

The scope of "employees" for all health and safety metrics additionally includes apprentices, students, interns, and other internal workforce.

Siemens Energy maintains a comprehensive global occupational health and safety management system that applies to 100% of our own workforce through an umbrella certificate. This system is certified to ISO 45001 and embedded within the Company's Integrated Management System (IMS), which also includes ISO 9001 (Quality) and ISO 14001 (Environmental Protection) standards. The IMS serves as the operational framework for implementing Siemens Energy's EHS policies and is managed by the EQS function. This governance ensures consistent application of safety standards across all business activities and locations. The umbrella certificate covers all organizational units globally. Any exemptions or additional certifications (e.g., ISO 50001, ISO 27001) are documented and managed by the respective execution units based on specific requirements.

All work-related incidents, including injuries, near misses, workplace hazards, and environmental events, must be reported through the global reporting tool. This tool enables detailed documentation and categorization of incidents and supports both proactive risk identification and the recognition of safe behaviors.

The metrics for the health and safety focus areas are as follows:

Fatalities and work-related accidents	Fiscal year 2025
Number of fatalities as a result of work-related injuries and work-related ill health	**5**
Employees	2
Non-employees	2
Other workers on site (Contractors)	1
Number of recordable work-related accidents (TRI)	**496**
Employees	336
Non-employees	65
Contractors[1]	95
Rate of recordable work-related accidents (TRIR)	**1.91**
Employees	1.66
Non-employees	2.50
Contractors[1]	3.10

[1] Entity specific disclosure

Although workers in the value chain are not part of our own workforce, we include their injury related metrics under the category of "contractors". Contractors are service providers carrying out work activities in a work environment under the control of Siemens Energy, particularly those involved in projects exceeding €5 million and classified as complex during the bid phase. This approach supports our commitment to comprehensive occupational health and safety monitoring for all individuals involved in our operations.

The number of fatalities includes fatalities from work-related injuries and work-related ill health, subject to legal restrictions on data collection.

To monitor and improve occupational health and safety performance, Siemens Energy applies the Total Recordable Injury Rate (TRIR) as a key metric. This internationally recognized indicator is calculated by dividing the number of recordable cases by the total number of hours (including overtime hours) worked by people in our own workforce and multiplied by 1,000,000. The TRIR thus represents the number of recordable cases per one million working hours. Fatalities resulting from work-related injury incidents are included in the calculation of the number and rate of recordable work-related injuries. This metric enables us to identify patterns across multiple worksites and enhance transparency in safety performance reporting.

Occupational illnesses and days lost	Fiscal year 2025
Number of cases of recordable work-related ill health	**60**
Employees	60
Number of days lost to work-related injuries and fatalities[1] from work-related accidents, work-related ill health and fatalities from ill health	**5,776**
Employees	5,776

1 Fatalities are calculated at 180 Lost Days

The number of cases of recordable work-related ill health is subject to legal restrictions on the collection of data. The metric refers to any abnormal condition or disorder resulting from exposure to health hazards in the work environment associated with employment at Siemens Energy.

The number of days lost is calculated using calendar days. This includes both the first full day of absence and the last day of absence. Days on which the affected individual is not scheduled to work, such as weekends, public holidays, or scheduled leave, are also counted as lost days. This approach ensures consistency and comparability across reporting periods and geographic regions.

2.10.3.1.7 Equal treatment and opportunities for all

Diversity

Targets

We are committed to fostering an open, inclusive, and respectful workplace environment in which all employees feel valued and can realize their full potential. Our approach is based on the principles of equality, non-discrimination, and mutual respect, as outlined in our BCG and I&D Policy.

In fiscal year 2020, we set a target to increase the share of women in top leadership positions to 25% by September 30, 2025, and to 30% by September 30, 2030. Due to local legal requirements, U.S. is excluded from the scope of this target, effective fiscal year 2025. At the time the target was set, the baseline was 21%. This target aligns with our strategic sustainability objectives and is developed through internal assessments, industry benchmarking, and consultations with the Supervisory Board.

As of fiscal year 2025, we have reached 25% representation of women in top leadership positions globally, but due to the exclusion of U.S. - based on local legal requirements - the adjusted figure is 24% and the Company target is formally not met. Siemens Energy remains committed to an inclusive corporate culture while complying with applicable anti-discrimination laws, including those in the U.S. Progress toward gender targets is regularly monitored through a dedicated I&D dashboard and reviewed by the Executive Board, the Sustainability Council, and the Supervisory Board. This consistent approach enables effective performance monitoring, identification of areas for improvement, and data-driven decision-making to support long-term outcomes. It also contributes to operational efficiency and reinforces our commitment to excellence.

▶ Note: Siemens Energy pursues the goal of an inclusive corporate culture and, in doing so, follows all applicable laws. To the extent any statements, goals, policies, or practices articulated in this Statement conflict with the anti-discrimination laws of the United States ("U.S."), the U.S. entity will follow U.S. law and not the policy or practice. Siemens Energy, Inc. in the U.S. does not make any employment decisions based on race, color, religion, sex, national origin, age, qualified individuals with disabilities, or any other category protected by applicable law. ◀

Actions

Actions to deliver positive impact	Status	Scope
I&D Learning Landscape developed to increase awareness and understanding on topics like unconscious bias, allyship, and inclusive leadership.	Ongoing	All employees
Annual I&D Calendar launched, featuring events and discussions focused on disability inclusion, LGBTQIA+ visibility, and gender and ethnicity equality, to celebrate the diverse backgrounds, experiences, and abilities within Siemens Energy.	Ongoing	All employees
Inclusive Communications Guide published promoting the use of language that is free from prejudice, bias, or discrimination.	Ongoing	All employees
Guidelines published to support gender transitions of employees.	Ongoing	All employees
Female Talent Pipeline and Placement Program aimed at boosting female representation across the Company.	Ongoing	All female employees
Expanded international, national and Siemens Energy internal women networks to support women's careers.	Ongoing	All female employees
Support of the International Women's Day conducted globally to create awareness, increase allyships and support women empowerment and accelerate action.	Occurs annually	All employees
Mandatory diverse interview panels to reduce bias in the hiring process.	Ongoing	All employees and future employees
Pride celebrations, with several events hosted to address bias and provide tools for better allyship.	Occurs annually	All employees

To assess how employees perceive our progress in I&D, we have integrated an I&D factor into Siemens Energy's annual global employee engagement survey. This enables us to track sentiment, implement targeted actions, and continuously improve the inclusiveness of our corporate culture.

To effectively manage material impacts related to I&D, we have implemented a multi-tiered governance framework that ensures strategic alignment, accountability, and regional responsiveness:

- I&D Decision Board: Comprising senior executives, this board sets the strategic direction and ensures implementation at the Business Area level.
- I&D Global Advisory Council: Composed of global I&D leaders, subject matter experts, and business partners who represent the diverse markets in which Siemens Energy operates. The Council plays a key role in adapting global I&D strategies to regional realities and in facilitating cross-regional knowledge sharing.
- I&D Regional Councils: Responsible for implementing the I&D strategy within their respective regions. The councils provide feedback on local priorities, monitor progress, and relay employee insights back to the I&D Global Advisory Council to achieve continuous improvement.

The overall coordination of the I&D program is led by the Human Resources function, which ensures integration with broader people and culture strategies. This governance structure enables consistent and measurable progress on I&D across all levels of the Company.

▶ Note: Siemens Energy pursues the goal of an inclusive corporate culture and, in doing so, follows all applicable laws. To the extent any statements, goals, policies, or practices articulated in this Statement conflict with the anti-discrimination laws of the United States ("U.S."), the U.S. entity will follow U.S. law and not the policy or practice. Siemens Energy, Inc. in the U.S. does not make any employment decisions based on race, color, religion, sex, national origin, age, qualified individuals with disabilities, or any other category protected by applicable law. ◀

Metrics

Gender distribution at top management level	Sep 30, 2025 Number	%
Female	53	25%
Male	158	75%
Other	-	-
Not reported	-	-
Total	**211**	**100%**

The gender distribution at top management level in percent is calculated by dividing the number of women or men in top leadership positions by the total number of top leadership positions and multiplying by 100. Top leadership positions are defined as senior managerial roles with significant functional impact, as determined by Siemens Energy's internal job evaluation system that evaluates the nature of work, hierarchical level and responsibilities.

Equal pay for equal work

Targets

We are committed to ensuring equal pay for equal work across all global operations. This commitment is embedded in our BCG and I&D Policy. While we have not set a specific quantitative target, we remain dedicated to further reducing our gender pay gap, which is already low compared to the benchmark.

Actions

Actions to deliver positive impact	Status	Scope
A standardized methodology is conducted to identify potential gender differences in pay among employees across Siemens Energy.	Occurs annually	All employees

In addition to diversity metrics, we regularly track the development of the gender pay gap and implement initiatives to address it proactively. Our methodology has been externally certified by the Fair Pay Innovation Lab (fpi) in December 2023, which granted Siemens Energy the status of "Fair Pay Analyst". In February 2025, the certification was renewed.

Metrics

Gender pay gap

In our analysis, we focus on two metrics: the adjusted gender pay gap and the unadjusted gender pay gap.

Gender Pay Gap (%)	Sep 30, 2025
Adjusted pay gap	3.67%
Unadjusted pay gap	2.89%

The analysis for both metrics is based on annual total direct compensation, which includes:

- Base salary
- Allowances
- Short-term variable compensation (Bonus)
- Long-term variable compensation (Stock Awards)

The adjusted gender pay gap quantifies the portion of the earnings difference between male and female employees that is attributable solely to gender. To determine this, we use established statistical methods that account for a variety of influencing factors such as job family, geography, relative impact of a position, seniority, age and gender, thereby isolating the impact of gender on pay.

The unadjusted gender pay gap refers to the difference in average earnings between male and female employees, without controlling for influencing factors. It is calculated using the following formula: [(Average gross hourly pay level of male employees – Average gross hourly pay level of female employees)/Average gross hourly pay level of male employees] x 100.

The data is compiled from local HR systems and automatically transmitted through an interface for further processing in centralized global systems, followed by consolidation and final evaluation. To ensure comparability, the annual total direct compensation is converted into hourly pay based on employment percentage and contractual working hours. A positive gender pay gap indicates a gap in favor of men, a negative gender pay gap indicates a gap in favor of women.

Annual total remuneration ratio

As of September 30, 2025, the annual total remuneration ratio of the highest-paid individual to the median annual total remuneration for all employees is 34. The highest-paid individual is a member of the Executive Board. This ratio is calculated as the annual total remuneration of the highest-paid individual, divided by the median employee annual total remuneration (excluding the highest-paid individual). The annual total remuneration includes base salary, allowances, short-term (Bonus) and long-term variable compensation (Stock Awards), benefits and pensions.

Training and skills development

Targets

We are committed to building and retaining a resilient, future-ready workforce that actively contributes to shaping the global energy transition. This commitment is embedded in our strategic People Agenda and implemented through structured frameworks such as My Performance and My Growth. We take meaningful steps to support continues learning. However, participation is shaped by individual roles, career paths, and personal aspirations and thus, we have not set a quantitative target. Our people development strategy is guided by the belief that a growth mindset not only enhances individual development but also drives innovation and operational excellence across the Company. This approach ensures that Siemens Energy remains competitive and adaptive in a rapidly evolving energy landscape.

Actions

Actions to deliver positive impact	Status	Scope
My Performance framework consists of the following key elements: having constant dialogue and feedback, setting individual goals and responsibilities, and conducting regular check-ins throughout the year. It is designed to accelerate individual development and create high-performing teams.	Occurs annually	All employees
The Siemens Energy learning platform offers employees worldwide access to e-learning and trainer-led learning options in various languages.	Ongoing	All employees
Functional learning academies provide targeted learning opportunities. Training courses are selected and developed with internal experts from the Businesses and Functions and offered on the learning platform.	Ongoing	All employees
Siemens Energy leadership development landscape with several programs, targeting leaders at different stages of their career. All programs are designed around our values, behaviors, and leadership essentials.	Ongoing	Leaders at different stages of their career
Further integration of strategic workforce planning into the overall strategic planning process to ensure that crucial roles and future-relevant skills are distributed appropriately across all levels and locations. It intends to close skills gaps and build a robust workforce.	Ongoing	All employees
Talent development program to build a robust talent pipeline and prepare for critical roles in the Company within two years. Employees were identified based on their potential, ambition, and readiness to accelerate their development as either specialists or leaders.	Ongoing	All employees
My Growth framework offers a range of self-reflection tools for employees, from simple checklists and skill assessments to multi-source feedback. It also provides offerings like coaching or mentorship programs to support our employees on their personal development journey.	Ongoing	All employees

We systematically monitor the performance and effectiveness of our training and development programs to ensure alignment with our workforce strategy and to support continuous improvement.

To assess the implementation of performance and growth dialogues, we have integrated targeted questions into our annual global employee engagement survey. This enables us to evaluate the progress of these dialogues across the workforce and identify areas for reinforcement.

Additionally, a central dashboard has been developed to track progress in learning and development activities. This includes regular monitoring of training hours completed by employees.

To assess the quality and impact of training programs, we conduct structured participant feedback and training evaluations. These evaluations help identify strengths and areas for improvement, ensuring that learning offerings remain relevant, effective, and aligned with employee needs and business priorities.

This multi-layered approach supports our commitment to fostering a culture of continuous learning and development in line with its strategic goals for the energy transition.

2.10.3.1.8 Incidents, complaints and severe human rights impacts

In fiscal year 2025, we received 205 Human Resources complaints related to working conditions, equal treatment and opportunities for all and other work-related rights concerning our own workforce. Complaints received can mainly be categorized as follows: harassment, discrimination, inappropriate management behavior, workplace violence, and other.

No confirmed incidents of discriminatory treatment on the grounds of gender, ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination, including discriminatory harassment, were identified during the reporting period. Accordingly, no related fines, penalties, or compensation payments were incurred.

Furthermore, there were no confirmed severe human rights incidents affecting Siemens Energy's own workforce in the reporting period, and consequently, no associated sanctions or compensation were issued.

We manage all human rights, discrimination, and workplace-related complaints through formal channels, primarily our confidential and anonymous "Speak-Up" whistleblower channel. These channels are open to employees and third parties and are supported by policies designed to prevent such incidents. For more details refer to **2.10.4.1.2 Business conduct policies and corporate culture** in chapter **2.10.4.1 Business conduct**.

2.10.3.2 Workers in the value chain

2.10.3.2.1 Impacts, risks and opportunities

Material impacts, risks and opportunities related to workers in the value chain

Topic	Type	Description[1]	Time horizon[2]	Value chain
Working conditions	Negative impact	(P) The absence of collective bargaining and restrictions on freedom of association can lead to inadequate compensation, poor working conditions and other socio-economic challenges. Our business activities, especially through suppliers or partners, can contribute to these effects, exacerbating financial instability and poverty and ultimately hindering the ability of workers and their families to live with dignity.	S, M	Upstream
Working conditions related to health and safety	Negative impact	(P) As an industrial manufacturer, our business model may be linked to hazardous conditions, accidents and occupational diseases that impact the health and safety of workers in the upstream value chain, and can lead to operational disruptions and fatalities.	S, M	Upstream
Other work-related rights and equal treatment and opportunities for all	Negative impact	(A & P) Due to the complexity of its supply chain, Siemens Energy may be linked to negative impacts on human rights, particularly on vulnerable groups, which may also lead to wider human rights violations and hinder economic and social development. In particular, the sourcing of minerals—especially from high-risk or conflict areas—may contribute to these human rights concerns.	S, M	Upstream

[1] Actual (A), Potential (P), Actual and Potential (A&P).

[2] Short-term (S), Medium-term (M), Long-term(L).

Siemens Energy is committed to upholding responsible labor standards and promoting ethical sourcing practices throughout its global value chain. These principles are embedded in the Company's strategy and are designed to identify, prevent, and mitigate negative impacts on workers, with a particular focus on upstream value chain segments.

Our supply chain comprises a diverse network of suppliers and business partners that are critical to the smooth operation of our business. At the same time, this network presents inherent risks related to working conditions, human rights, and occupational health and safety. To address these risks, Siemens Energy requires all suppliers and third-party intermediaries to adhere to its Code of Conduct for Suppliers and Third-party Intermediaries (Code of Conduct), which explicitly prohibits human rights violations, forced labor, child labor, and discriminatory practices.

Sustainability criteria are systematically integrated into supplier selection, evaluation, and development processes. These criteria are designed to identify, prevent, and mitigate potential negative impacts on workers in the value chain.

The most significant areas of concern are associated with the sourcing of raw materials in our supply chain, where limited oversight or subcontracting practices may result in labor rights violations to which we may be connected.

Insights derived from supply chain analysis are continuously incorporated into the refinement of our procurement strategy. For example, information on working conditions may lead to adjustments or even termination of supplier contracts, as well as changes in sourcing strategies.

In the downstream value chain, Siemens Energy primarily works with large, reputable utility and infrastructure companies that themselves place high requirements on their suppliers. Therefore, IROs in this area are currently assessed as non-material.

Our approach reflects our broader commitment to responsible business conduct. Implementation and oversight are the responsibility of our Procurement function, which reports regularly to the Executive Board and the Sustainability Council.

Workers in the value chain

Siemens Energy includes in its disclosures all workers in the value chain who may be materially affected by its operations, products, services, or business relationships. The assessment focuses on upstream activities, particularly in sectors and regions with an increased risk of labor rights violations.

Workers involved in raw material extraction and processing may be exposed to hazardous working conditions, limited labor rights, and discriminatory practices. Transport workers may face excessive working hours, low wages, and insufficient protection against exploitation. In the manufacturing sector – especially among subcontractors - unsafe working conditions and restricted labor rights may also be present.

We acknowledge the risk of child and forced labor in the upstream value chain, particularly in the mining sector. This risk is especially relevant in the sourcing of critical raw materials such as cobalt, copper, gold, tin, tantalum, tungsten, mica, and rare earth elements. These materials are often sourced from high-risk regions with significant labor rights and other human rights issues, particularly in Asia and Africa where labor rights concerns are widespread.

To address these risks, Siemens Energy engages in several multi-stakeholder initiatives:

- OECD Responsible Minerals Multi-Stakeholder Steering Group
- Responsible Minerals Initiative
- European Partnership for Responsible Minerals
- Global Battery Alliance
- Copper Mark Assurance Framework

These initiatives support the identification of systemic risks, promote responsible sourcing practices, and enhance transparency in mineral supply chains. Through our active involvement, we gain a better understanding of how workers, particularly those with certain characteristics or working in certain contexts, may be at higher risk of negative impacts. Siemens Energy applies the Responsible Minerals Assurance Process to assess smelters and refiners. Results from these assessments are incorporated into procurement decisions.

While systemic impacts have not been identified in our value chain, specific incidents - such as industrial accidents - can have significant local consequences.

Health and safety remain a key concern for us, particularly in high-risk sectors such as mining and heavy industry. People in mining communities are especially vulnerable. They may be subject to exploitation, exposed to hazardous substances, and have limited access to education and healthcare. Siemens Energy's due diligence processes are designed to identify and mitigate such risks, guided by international human rights standards and its Code of Conduct.

2.10.3.2.2 Policies

Siemens Energy is committed to working with suppliers that uphold responsible business practices and comply with all applicable laws and internationally recognized environmental, social, and governance standards. This commitment is embedded in our procurement strategy and implemented through a set of binding policy instruments, including our Code of Conduct, our Respect for Human Rights and Environmental Protection Policy Statement and our Responsible Minerals Sourcing Policy.

These policies form the foundation for supplier engagement and due diligence processes. Suppliers are required to acknowledge and implement the Code of Conduct as a condition of doing business with Siemens Energy. Compliance is monitored through risk-based assessments, audits, and corrective action plans, particularly in regions or sectors with elevated sustainability risks.

This approach supports Siemens Energy's overarching objective of ensuring that its upstream value chain contributes positively to sustainable development and does not cause or contribute to negative impacts on people or the environment.

Policies adopted to manage material sustainability topics

Policy	Topic addressed
Code of Conduct for Suppliers and Third-party Intermediaries	Working conditions Working conditions related to health and safety Other work-related rights
Respect for Human Rights and Environmental Protection Policy Statement	Working conditions Working conditions related to health and safety Other work-related rights
Responsible Minerals Sourcing Policy	Other work-related rights
Environment, Health and Safety Policy	Working conditions related to health and safety

Code of Conduct for Suppliers and Third-party Intermediaries

The Siemens Energy or Siemens Gamesa Renewable Energy Code of Conduct for Suppliers and Third-party Intermediaries, which are identical in content, sets binding expectations for sustainability performance in all countries in which Siemens Energy operates. It defines the fundamental responsibilities of suppliers toward their stakeholders and the environment and underscores Siemens Energy's commitment to ethical and sustainable business practices.

The Code of Conduct covers a broad range of human rights and labor standards, including:

- Ensuring adequate wages and fair working conditions
- Prohibition of child labor, forced labor or compulsory labor trafficking in human beings
- Promotion of gender equality and equal pay for work of equal value
- Respect for freedom of association and the right to collective bargaining
- Inclusion of people with disabilities and promotion of workforce diversity

Regarding child labor, suppliers must not employ individuals younger than the age at which compulsory schooling ends in the country of employment, and under no circumstances younger than 15 years. In countries covered by the developing country exception under Convention 138 of the International Labor Organization, the minimum age is 14 years.

Our business partners and suppliers are required to comply with the Code of Conduct. The Head of Procurement and the Group Compliance Officer jointly oversee the implementation of the Code of Conduct.

We support international organizations that promote and strengthen responsible business practices. Therefore, the Code of Conduct is based on the Business Conduct Guidelines (BCG), reflects the ten principles of the UN Global Compact and is grounded in our commitment to the following conventions:

- Universal Declaration of Human Rights
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development

Respect for Human Rights and Environmental Protection Policy Statement

The Respect for Human Rights and Environmental Protection Policy Statement outlines Siemens Energy's human rights commitments with respect to workers in the value chain. Together with the Code of Conduct and BCGs, it forms the foundation of the Company's responsible business conduct framework. Details on our human rights commitments relevant to value chain workers can be found in **2.10.4.1.2 Business conduct policies and corporate culture 2.10.4.1 Business conduct**.

As part of its human rights due diligence, Siemens Energy contractually obliges its suppliers to comply with internationally recognized human rights and environmental standards. Suppliers are contractually required to implement corrective actions when violations are identified.

To ensure the effectiveness of these contractual obligations, Siemens Energy initiates external sustainability audits that include direct interviews with supplier employees. These engagements help us understand the experiences of potentially affected workers and inform the design of targeted mitigation measures.

Common issues identified through these audits include:

- Inadequate occupational health and safety measures
- Lack of documented grievance mechanisms to protect workers
- Insufficient monitoring of working conditions, particularly in subcontracting arrangements

The implementation of corrective actions is monitored by the Procurement and Compliance functions through a structured follow-up process.

Several complaints related to suppliers were received in the reporting period through our reporting channels, of which fewer than ten were classified as relevant. The complaints concerned allegations of human rights violations, in particular disregard for occupational health and safety standards in relation to working hours and labor exploitation at suppliers. In the majority of cases, the allegations were not confirmed.

Following a thorough investigation, we concluded to have sufficient evidence for a human rights violation (child labor), unresolved health and safety concerns, and ongoing collaboration challenges with a supplier in India, leading to the termination of the business relationship.

It was alleged that a warehouse leased to Siemens Energy in Saudi Arabia was used to accommodate supplier personnel, raising health and safety and management oversight concerns. A compliance review confirmed the allegations that local supplier provided inappropriate housing conditions. The matter was promptly remediated and the unauthorized use of facilities ceased.

Responsible Minerals Sourcing Policy

The Responsible Minerals Sourcing Policy is designed to prevent the use of minerals from conflict-affected and high-risk areas that are associated with severe human rights violations and environmental harm. It is aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and specifically addresses the risks outlined in Annex II of the Guidance. These include forced labor, child labor, human trafficking, and other forms of exploitation.

The policy is binding for all Siemens Energy employees involved in procurement activities and is integrated into supplier onboarding and contract management. Suppliers are required to comply with this policy as part of their contractual obligations under the Code of Conduct.

Responsibility for implementation lies with the Head of Procurement, who ensures that supply chain due diligence processes are embedded across the Company.

Through this policy, Siemens Energy reaffirms its commitment to ethical sourcing and the prevention of negative impacts on people and the environment in its upstream value chain.

Environment, Health and Safety Policy

A description of the Environment, Health and Safety Policy (EHS policy) can be found in **2.10.2.1 Climate change** and **2.10.3.1 Own workforce** chapters.

The Code of Conduct, Respect for Human Rights and Environmental Protection Policy Statement, Responsible Minerals Sourcing Policy, and EHS Policy are available on the Siemens Energy website.

2.10.3.2.3 Engaging with value chain workers about impacts

Siemens Energy engages with workers in its supply chain to promote fair labor practices, as well as to ensure safe working conditions, and uphold human rights. Feedback from these workers is incorporated into the ongoing development of our supply chain due diligence processes and supplier engagement strategies. We collaborate closely with suppliers and participate in multi-stakeholder initiatives such as the Responsible Minerals Initiative, which provides tools like the Responsible Minerals Assurance Process to assess smelters and integrate sustainability aspects into procurement processes.

Key internal initiatives include:

- A dedicated due diligence team that conducts global supply chain assessments and reviews thousands of suppliers annually
- On-site Sustainability Conferences held with all procurement organizations of Siemens Energy to align local practices with global standards and strengthen supplier relationships

External sustainability audits are conducted by internationally recognized firms and include direct interviews with supply chain workers, including those from vulnerable groups, to gather insights into working conditions. They are prioritized based on supplier risk profiles and include assessments of labor practices, occupational health and safety, and compliance with human rights standards. Operational responsibility lies with the Head of Procurement, supported by the Legal & Compliance function as needed to ensure compliance with applicable labor laws and international frameworks.

These audits are complemented by:

- Supplier sustainability self-assessments
- Quality audits with integrated sustainability questions
- Due diligence assessments for responsible minerals sourcing with relevant direct suppliers
- Smelter assessments via RMI

Siemens Energy also maintains anonymous reporting channels that allow workers to raise concerns without fear of retaliation. The reporting channels are part of the Company's broader grievance mechanism and are essential for identifying and addressing potential human rights violations. These reporting channels are accessible at any time and in different languages through our global Siemens Energy website or by telephone and are described in detail in **2.10.4.1 Business conduct.**

The effectiveness of the processes described above is regularly assessed. When issues are identified, suppliers are required to implement corrective action which are monitored and tracked within an agreed timeframe. Siemens Energy assesses supplier performance against these actions to ensure that improvements are both sustainable and verifiable.

2.10.3.2.4 Processes to remediate negative impacts

We apply a structured sustainability risk analysis system designed to ensure transparency and to systematically identify potential negative impacts in our supply chain. This process takes into account geopolitical tensions, international conflicts, and global crises such as pandemics. Responsibility for this process lies with the Head of Procurement. It is built on two key pillars:

- Commodity-specific risk assessment, which evaluates the nature of goods, services, and raw materials and their associated industry-specific risks
- Country-level risk assessment, which uses sustainability indicators from international organizations and other recognized sources to assess risks related to areas such as collective bargaining, occupational safety, and human rights

When material negative impacts on value chain workers are identified, a corrective action plan is developed in collaboration with the supplier. This plan includes clearly defined remediation steps and strict implementation timelines. Where appropriate, Siemens Energy also engages with relevant stakeholders and industry associations to support the remediation process. If the supplier fails to implement the agreed corrective actions within the specified timeframe, Siemens Energy reserves the right to terminate the business relationship.

To manage material impacts on value chain workers, Siemens Energy has established a global governance structure supported by cross-functional collaboration. The Procurement function, led by the Head of Procurement, plays a central role in overseeing supply chain sustainability-related key performance indicators, including audits, self-assessments, and corrective actions. These activities are supported, where necessary, by other corporate functions including Compliance and Environment, Quality, and Safety.

Based on risk sources identified by the EU, which cover armed conflicts, weak governance, and human rights abuses, Siemens Energy also conducts a specific mineral risk assessment to identify other relevant minerals apart from 3TG (tin, tantalum, tungsten, and gold). We now include cobalt, mica, copper, rare earths, nickel, lithium, natural graphite, and iron ore in our due diligence processes. These efforts are implemented in accordance with the OECD Due Diligence Guidance's five-step framework.

All relevant suppliers for Supply Chain Due Diligence as part of the Responsible Minerals Sourcing Program are identified through a risk-based approach. We use the RMI's Conflict Minerals Reporting Template to collect data on smelters that refine 3TG+. These smelters are screened for eligibility and conformance under the Responsible Minerals Assurance Process and uncertified eligible smelters will be encouraged to participate in RMI assessments to become conformant and not to contribute to the risks defined in Annex II of the OECD Due Diligence Guidance. All newly reported smelters are shared with RMI for further evaluation of eligibility.

Siemens Energy takes systematic steps to determine the origin and use of relevant minerals and collaborates closely with direct suppliers to implement these measures.

2.10.3.2.5 Actions and metrics

We have taken various actions to address specific material sustainability topics related to workers in the upstream value chain. The table shows the key actions, their status and their scope of application:

Actions designed to mitigate potential negative impacts	Status	Scope
Sustainability self-assessments	Regular basis within a short time period	Upstream
Quality audits with integrated sustainability questions	Regular basis within a short time period	Upstream
External sustainability audits (including mitigation measures for high-risk suppliers)	Regular basis within a short time period	Upstream

By regularly conducting sustainability self-assessments, supplier quality audits and external sustainability audits we comply with the Code of Conduct requirements.

Sustainability self-assessments: This metric reflects the number of completed sustainability self-assessments across operational regions within a fiscal year. Suppliers with an annual order volume exceeding €10,000 are required to complete a self-assessment before receiving "Ready-for-Business" status. These self-assessments cover all key elements of the Code of Conduct and are updated regularly. New suppliers need to meet the qualification criteria, and existing suppliers are re-evaluated every three years. If responses are insufficient or do not meet requirements, suppliers must take corrective actions – otherwise, cooperation will be refused.

	Fiscal year
Number of sustainability self-assessments (entity specific)	2025
EMEA	5,044
Americas	2,070
Asia, Australia	1,611
Total	**8,725**

Regular supplier quality audits: The metric reflects the number of quality audits conducted across operational regions within a fiscal year. These audits include sustainability-related questions and cover major aspects and requirements of the Code of Conduct.

Number of regular supplier quality audits (entity specific)	Fiscal year 2025
EMEA	258
Americas	204
Asia, Australia	164
Total	**626**

External sustainability audits and incident-driven inspections: This metric reflects the number of external audits conducted across operational regions within a fiscal year. Based on an annual risk assessment of the entire supplier base, in-depth assessments are performed for suppliers classified as potentially high-risk, which could lead to an external sustainability audit. These audits support the identification and remediation of potential sustainability violations. Additionally, in cases of suspected non-compliance with the Code of Conduct, incident-driven inspections may be conducted. These inspections are carried out after prior notification.

Number of external sustainability audits executed (entity specific)	Fiscal year 2025
EMEA	19
Americas	15
Asia, Australia	58
Total	**92**

External sustainability audits and incident-driven inspections are conducted by internationally recognized auditing firms authorized by Siemens Energy, in accordance with the principles of the Code of Conduct. In addition, we endorsed 979 further external sustainability audits or equivalent assessments that were initiated by our suppliers and later validated by us.

We promote occupational health and safety standards for contractors and have made these standards mandatory in procurement contracts. The implementation of universal standards supports human rights and advances environmental, labor, and economic conditions, especially in low-cost countries. To support compliance, Siemens Energy provides specific training to suppliers on ad-hoc basis. In addition, we offer free web-based information that is available to all our suppliers.

We are committed to respecting human rights and safeguarding the environment across our global operations and value chain. This commitment is embedded in the Company's core governance documents, including the Respect for Human Rights and Environmental Protection Policy Statement, BCGs and Code of Conduct.

2.10.3.2.6 Targets

To mitigate the negative impacts on value chain workers, we have implemented a target that relies on the results of external sustainability audits. It is our goal to further strengthen the management of high-risk suppliers and monitor progress towards that goal. The key metric used for measuring target achievement is the "Managed High Risk Supplier Coverage Rate", which is a measure of the proportion of managed risks in the total supplier population. This metric relies on Sustainability Risk Scores as an input, the risk scores considering specific risk factors including child labor, forced labor, remuneration, safety, discrimination, social dialogue / collective bargaining, land rights, environmental pollution, environmental regulation, and the use of security forces. These risk factors collectively determine the overall risk score, or risk profile, of each supplier.

Suppliers whose overall risk level or Sustainability Risk Score exceeds a defined threshold are classified as potentially high-risk. Our risk analysis has shown that only a limited number of our suppliers exhibit such high-risk scores.

Suppliers classified as potentially high-risk are subject to targeted risk mitigation actions. Mitigation measures are implemented for a particular supplier, we consider the risk of that supplier as "managed" and the case is counted toward the Managed High-Risk Supplier Coverage Rate.

The coverage rate is calculated using the following formula: (sum of Sustainability Risk Scores for "managed" high-risk suppliers / sum of Sustainability Risk Scores for the entire supplier base * 100).

The target is to achieve an 80% coverage rate within the five-year period from 2024 to 2028, reinforcing our commitment to ensuring that ultimately all suppliers comply with the standards for ethical business conduct and sustainability outlined in the Code of Conduct. This target was established in fiscal year 2024, with a baseline value of 25%.

The Managed High Risk Supplier Coverage Rate target is monitored at Group level and supported by external auditing partners to establish transparency and accountability in execution. These measures are part of our broader strategy to embed responsible business practices throughout our global supply chain.

For fiscal year 2025, our target was to cover 55% of the aggregate Sustainability Risk Score for the entire supplier base and we achieved a coverage rate of 58.30%, exceeding the target by 6% This improvement reflects enhanced risk mitigation effectiveness and strengthens compliance along the supply chain. The target-setting process incorporated stakeholder feedback and was aligned with the requirements of the German Supply Chain Due Diligence Act (Supply Chain Act). Performance against the targeted Managed High-Risk Supplier Coverage Rate is tracked monthly.

To support continuous improvement, we conduct an annual "Sustainability in the supply chain" Lessons Learned Workshop. These workshops evaluate the effectiveness of existing procedures, identify performance gaps, and address emerging challenges. Insights from these workshops inform the refinement of our due diligence processes and the implementation of targeted actions to strengthen supplier oversight.

2.10.4 Governance information

2.10.4.1 Business conduct

2.10.4.1.1 Impacts, risks and opportunities

Material impacts, risks and opportunities related to business conduct

Topic	Type	Description[1]	Time horizon[2]	Value chain
Corporate culture	Positive impact	(A) Corporate culture shapes employee behavior and attitudes, thereby influencing overall performance, ethics, and organizational success.	S, M, L	Own operations
	Negative impact	(P) Anti-competitive behavior restricts consumer choices and drives up prices, ultimately harming market efficiency.	S, M, L	Downstream
	Risk	Non-compliance with antitrust laws and regulations could result in debarment from public tenders, penalties, civil litigation, and reputational damage.	S, M	Downstream
Protection of whistleblowers	Positive impact	(A) Promotion of a positive corporate culture by encouraging the reporting of misconduct without fear of retaliation, thereby fostering transparency and strengthening accountability within the organization.	S, M, L	Entire value chain
Corruption and bribery	Positive impact	(A) Training and awareness initiatives foster a positive compliance culture by equipping employees with the knowledge and confidence they need to act ethically.	S, M, L	Own operations
	Negative impact	(P) Corruption and bribery undermine trust, distort economic systems, and hinder social and political development, which can lead to widespread negative consequences for society.	S, M, L	Entire value chain
	Risk	Corruptive behavior exposes the Company to significant risks, including sanctions, fines, exclusion from tenders, and reputational damage.	S, M	Entire value chain
Political influence and lobbying activities	Positive impact	(A&P) A beneficial regulatory environment through political engagement and lobbying supports the development of a reliable and decarbonized energy market and the decarbonization of industry.	S, M	Own operations and downstream

[1] Actual (A), Potential (P), Actual and Potential (A&P)

[2] Short-term (S), Medium-term (M), Long-term (L)

The Company has assessed the material impacts, risks and opportunities associated with its business conduct applying the double materiality assessment process outlined in 2.10.1.3 Impact, risk and opportunity management. The assessment covered the entire Group and all its business activities.

2.10.4.1.2 Business conduct policies and corporate culture

Policies adopted to manage material sustainability topics

Policy	Topic addressed
Business Conduct Guidelines	Corporate culture Protection of whistleblowers Corruption and bribery Political influence and lobbying activities
Code of Conduct for Suppliers and Third-Party Intermediaries	Corporate culture Protection of whistleblowers Corruption and bribery
Respect for Human Rights and Environmental Protection Policy Statement	Corporate culture Protection of whistleblowers

Siemens Energy is committed to responsible business conduct, recognizing the global impact of its operations. We seek to establish, develop, promote, and evaluate our corporate culture by adhering to established guidelines and processes that integrate responsible business conduct into our values, as described in the following. The Executive Board is responsible for the implementation of these policies at Siemens Energy.

Business Conduct Guidelines

Siemens Energy's approach to responsible business conduct is governed by the Siemens Energy or Siemens Gamesa Business Conduct Guidelines (BCG) which are identical in content. These guidelines establish an ethical and legal framework for all business activities. They set out fundamental principles and rules for conduct, both for interaction within the Company and for interactions with external stakeholders, covering key areas such as human rights, labor standards, anti-corruption, anti-bribery, antitrust as well as whistleblower channels and protection.

The BCG rules, available on the Siemens Energy website, are mandatory for all employees and have been aligned with and approved by the General Works Council. To enforce the BCG commitment employees are trained in the respective requirements of the BCG and are requested to acknowledge them as part of their conditions for employment. The Company's values – caring, agile, respectful, and accountable – shape its corporate culture and aim to ensure employees feel valued and respected. Regular employee surveys evaluate employee confidence in ethical conduct and comfort in reporting unethical behavior. Insights from these surveys are incorporated into the continuous development of communication and training strategies. For more information on the yearly global employee engagement survey, refer to **2.10.3.1.4 Engaging with employees and their representatives** in **2.10.3.1 Own workforce**.

Code of Conduct for Suppliers and Third-Party Intermediaries

Siemens Energy requires its business partners and suppliers to adhere to its Code of Conduct for Suppliers and Third-Party Intermediaries (Code of Conduct). The Code of Conduct is based on the BCG, the principles of the United Nations Global Compact and the core conventions of the International Labour Organization. It also includes additional requirements covering areas such as the conduct of security forces, fair competition, conflicts of interest, anti-money laundering, data privacy and cybersecurity, foreign trade regulations and responsible minerals sourcing. For more information on the Code of Conduct, refer to **2.10.3.2.2 Policies** in **2.10.3.2 Workers in the value chain**.

Respect for Human Rights and Environmental Protection Policy Statement

Siemens Energy's commitment to respecting human rights and protecting the environment is formally expressed in our Respect for Human Rights and Environmental Protection Policy Statement. We are committed to identifying and minimizing potential adverse human rights and environmental impacts of our global business activities and to preventing, ending, or minimizing actual violations of human rights or negative environmental impacts. These principles are anchored in our BCG and Code of Conduct as guidelines for our employees, suppliers, business partners, and customers. Representatives of the General Works Council were involved prior to the publication of the policy statement. The policy statement has been communicated to employees via our intranet and is available on the Siemens Energy website in German, English, and Spanish. It is also shared with identified high-risk suppliers as part of the risk validation process.

Further commitments

We support international organizations that promote and strengthen responsible business conduct. Our efforts go beyond compliance with applicable laws and regulations, as they are based on our commitment to the following conventions and principles and reflected in our business conduct policies and corporate culture:

- United Nations Convention against Corruption
- Anti-Bribery Convention of the OECD
- International Bill of Human Rights, consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social, and Cultural Rights
- European Convention on Human Rights
- International Labour Organization (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
- ILO Declaration on Fundamental Principles and Rights at Work, in particular on the following topics: elimination of child labor, abolition of forced labor, prohibition of discrimination, freedom of association, the right to collective bargaining, and fundamental freedoms

- UN Sustainable Development Goals (SDG), specifically SDG 8 "Decent Work and Economic Growth," which we have defined as one of our priority SDGs
- United Nations Guiding Principles on Business and Human Rights (UNGP)
- OECD Guidelines for Multinational Enterprises
- Principles of the United Nations Global Compact (UNGC), to which we are a signatory
- Global Framework Agreement (GFA) on fundamental rights of workers

While we remain dedicated to promoting ethical business conduct, instances of violations may occur. When such violations are identified, we take prompt action to address the situation and mitigate its impacts. Remedial measures are implemented on a case-by-case basis. We consider the interests of affected individuals and, where feasible, incorporate their perspectives into the resolution process. Where useful, we also engage with stakeholders and industry trade organizations. For example, we maintain regular exchanges with networks such as econsense, a German sustainability network of internationally operating companies, particularly regarding new legal developments such as the European Corporate Sustainability Due Diligence Directive (CSDDD).

Protection of whistleblowers

Siemens Energy provides confidential and anonymous reporting channels for employees and any third party to report potential compliance violations. These include concerns related to anti-corruption and anti-bribery, anti-money laundering, antitrust, collective action, data privacy, export control, and human rights. The purpose of these channels is to identify misconduct, protect whistleblowers, and safeguard the Company from potential harm. The reporting options are available in multiple languages via the global Siemens Energy website and telephone and are promoted internally through the intranet and compliance training programs, including the BCG training.

As outlined in our BCG, we do not tolerate retaliation against complainants or whistleblowers; any breach of this prohibition will be punished as a compliance violation. The compliance organization is the designated recipient of reports submitted through the reporting channels. It is responsible for processing and, if necessary, further investigating the information received, in accordance with applicable local laws.

Reporting channels are:

- "Speak Up" whistleblower channel
- Ombudsperson
- Within the European Union: Local representatives
- Compliance organization: Group Compliance Officer, compliance officers and any other compliance employee
- Any other Company representative or manager

The entity-specific metric for the number of compliance cases received through our reporting channels were as follows:

Compliance indicators	Fiscal Year 2025
Compliance cases reported	159
Disciplinary sanctions	38
thereof	
warnings	*17*
dismissals	*21*
others	*0*

We respond to any alleged violation of internal or external rules and regulations through established company-wide processes. This involves the receipt and confirmation of reports, a plausibility check, defining the scope of investigation, and conducting the investigation in compliance with laws and internal regulations. Once we have completed a compliance investigation and identified a compliance violation, appropriate actions are determined and implemented in accordance with our internal processes. Further, we evaluate and define appropriate consequences through disciplinary processes and systematically monitor their implementation.

Reported compliance cases include, but are not limited to, matters related to our focus areas of anti-corruption and anti-bribery, anti-money laundering, antitrust, collective action, data privacy, export control, and human rights. Disciplinary sanctions are categorized as warnings, dismissals, and others (e.g., loss of variable and discretionary compensation components, transfer, and suspension). The numbers for disciplinary sanctions in a given fiscal year do not necessarily correspond to cases reported during that same period: sanctions are frequently not implemented in the same year in which the case was reported or the investigation, which follows a defined process, was completed. In addition, a single case may result in multiple sanctions, or none.

The compliance system is regularly reviewed in terms of its structure and effectiveness. This review is based on insights from compliance investigations and audits conducted by our Internal Audit function, as well as the evaluation of case statistics. Given the nature of the Company's operations, the environment in which we operate, and our global presence, we do not regard the number of incidents as unusual.

We do not set targets for compliance cases reported because the number of cases – whether high or low – is not a reliable indicator of the effectiveness of our compliance system. Instead, we follow a "Zero Tolerance for Non-compliance" approach. Establishing specific targets for reported cases could compromise the integrity of our reporting culture and discourage individuals from reporting potential violations. By fostering a safe environment for reporting allegations, we reaffirm our commitment to upholding the values and reputation of Siemens Energy.

2.10.4.1.3 Prevention and detection of corruption and bribery

Siemens Energy's compliance strategy is embedded in a systematic framework and distinguishes into three levels of action: prevention, detection, and response. Responsibility for these areas lies with our Compliance Officers. This structured approach is based on management's responsibility and addresses the focus areas anti-corruption and anti-bribery, anti-money laundering, antitrust, collective action, data privacy, export control, and human rights, all of which are also reflected in the BCG. Preventive measures include the Siemens Energy training program, whistleblower and reporting channels, our compliance risk management system, and the BCG. We have determined that additional actions are not required. We are committed to high compliance standards and will review our practices as needed.

Dedicated compliance and integrity topics are communicated throughout the Group via continuous messaging on corporate social media (e.g., Viva Engage) and through integrity dialogue events. These events offer managers a forum to discuss current compliance topics with their teams. Additionally, a web-based training course that explains Siemens Energy's approach to ethical business conduct in the supply chain is available on Siemens Energy's website for suppliers and other external stakeholders.

Internal investigations, including both regular and ad hoc audits, are essential for detecting and clarifying misconduct such as corruption and bribery. Misconduct is met with appropriate remedial measures, e.g., disciplinary, process-related, legal or financial actions. We continuously refine our compliance system to mitigate challenges and risks arising from changing market conditions and our business activities.

Within the scope of the reporting and complaints processes, the compliance organization is independent of instructions. The Legal & Compliance function reports directly to the CEO. The Siemens Energy Group Compliance Officer (GCO), who also serves as our Human Rights Officer, reports on compliance matters, including compliance cases, and human rights, to the Executive and Supervisory Boards on a quarterly and ad hoc basis. The GCO aims to ensure that employees of the compliance organization are bound by a special duty of confidentiality, are impartial, and have the necessary expertise in dealing with complaints. Siemens Energy applies a systematic and objective approach in addressing complaints and allegations in accordance with its established rules of procedures. Our GCO also conducts personal onboarding meetings with each new Executive Board and Supervisory Board member when they join the respective board. These training sessions cover all focus areas of our compliance program and provide detailed guidance tailored to each board member's role and responsibilities.

Furthermore, in its aim to ensure employee commitment to the BCG, Siemens Energy mandates web-based training on BCG requirements and requires formal acknowledgment as part of employment conditions. The BCG training covers a wide range of topics, including anti-corruption, anti-bribery, and ethical guidelines. New employees receive BCG introduction training during onboarding, and all employees must complete a refresher course on a regular basis. In addition, our employees are also required to participate in web-based training on antitrust and export control. In fiscal year 2025, 92% of assigned employees (constituting the group of "functions-at-risk") completed the BCG training.

We recognize the significant role of employee training in preventing corruption and bribery. While we aim for a high completion rate among assigned employees, we acknowledge that training timelines may not always align with our fiscal year, making a 100% completion rate within a specific reporting period challenging. Therefore, we have not set specific targets in this regard but remain committed to high completion rates.

2.10.4.1.4 Incidents of corruption or bribery

There were no convictions of Siemens Energy and no related fine orders for violations of anti-corruption and anti-bribery laws in fiscal year 2025. The Legal & Compliance function reports on material compliance cases on a quarterly basis. As part of that process, Siemens Energy reviews all relevant compliance cases from the quarter and, to the extent applicable, reports on the number of convictions and fines stemming therefrom.

2.10.4.1.5 Political influence and lobbying activities

Siemens Energy engages at global, national, and local levels to strategically align with political stakeholders and help shape consistent and forward-looking frameworks. This includes collaboration with multinational organizations, governments, and public stakeholders through direct advocacy, participation in conferences and events, and regular dialogue with policymakers and officials. In addition to these direct efforts, Siemens Energy also contributes indirectly to policy development through active involvement in industry associations and cross-sector alliances, aiming to ensure that the Company's long-term competitiveness and strategic direction are supported by a stable regulatory environment.

Aligned with our strategy, the Government & Executive Affairs function advises and supports the Executive Board in its engagement with public stakeholders. It provides guidelines to regional experts to ensure global consistency in local outreach efforts, including financial and in-kind political contributions. Siemens Energy maintains a stance of political neutrality and does not favor any partisan political ideology over others. Contributions that support partisan political purposes or represent partisan political interests are prohibited. However, support for non-partisan and/or party-related organizations is permissible, provided they align with our strategic goals and general requirements. In fiscal year 2025, Siemens Energy's financial and in-kind political contributions were minimal and hence not material.

We engage with political stakeholders through targeted lobbying activities that promote consistent regulatory framework conditions for the Company. These efforts focus on securing appropriate regulatory frameworks, capacity mechanisms, strategies for decarbonization and guarantee instruments. We also engage via associations to promote our positions together with like-minded companies.

As part of our lobbying efforts, we support events to share and explain our positions. These encompass global or international events, such as the Munich Security Conference or the World Economic Forum, as well as national events and those specifically targeted to our energy market environment. These activities are carried out within the framework of partnership or sponsorship agreements and must adhere to the official sponsoring process overseen by the Legal & Compliance function and comply with the legal guidance for supplier contracts. All these activities are conducted in accordance with our BCG. For the European Union and Germany, relevant financial information regarding lobbying activities for Siemens Energy is available in the EU Transparency Register (reference number 974875639237-65) and in the German lobby register (registration number R001501).

Our lobbying efforts are primarily centered on Europe and the United States, where we engage in shaping the legislative environment relevant to our industry, committed to influencing policies and regulations that are consistent with our values and strategic objectives. In Germany, Siemens Energy engages directly with the relevant ministries and via the large associations such as the Mechanical Engineering Industry Association ("Verband Deutscher Maschinen- und Anlagenbau", VDMA) and the German Electrical and Electronic Manufacturers' Association ("Verband der Elektro- und Digitalindustrie", ZVEI). These efforts are aimed at contributing to a robust national power plant strategy, the creation of a dependable framework for the necessary grid expansion as well as the ongoing expansion of wind energy. In addition, they focus on the effective further development of the export promotion scheme and securing financing for the energy transition.

Outside of Europe and the United States, our lobbying activities focus on building relationships and targeted policy or content engagement depending on the specific political environment and our respective business strategy. We prioritize establishing and maintaining strategic relationships with key stakeholders to support our global operations and promote the decarbonization of the energy sector.

Siemens Energy is a member of over one hundred energy related associations at global, regional, and national level. Through these memberships, we contribute to policy recommendations and consultation responses on regulatory initiatives and legislative proposals, advancing the agenda for the decarbonization of global energy systems.

We advocate especially in the following areas:

- **Wind:** We actively endorse ambitious capacity goals, streamlined permitting processes, fair competition and risk-sharing. We promote auction designs that incorporate non-price criteria and eliminate negative bidding, push for introducing inflation compensation, and support public funding and financing to support wind energy adoption for a sustainable energy future.
- **Power plants:** We address the lack of incentives for new power plants and advocate for a change to a capacity market mechanism in Germany and Europe. We support the shift from coal-to-gas and call for targeted innovation funding to advance the development and commercialization of clean fuel usage in turbines.
- **Grids:** We aim to make functional tenders the new standard in the grid sector, intending to maximize project delivery with existing manufacturing capacities. We also advocate for framework conditions that facilitate necessary capacity extensions by seeking stronger political and financial commitment to the 2050 grid planning (European Grid Action Plan).
- **Future of Industry:** We advocate for political frameworks that promote electrification, fuel switching, and digitalization, ensuring reliable and diversified energy supply to foster clean industry growth.
- **Resilient Framework Conditions:** We address the need for diversified, reliable and sustainable supply chains, fair and free trade and international collaboration. Likewise, we work on optimized financial and funding frameworks for development and deployment of key technologies and on simplifying bureaucracy, regulatory compliance and reducing the amount of new regulation.

No Executive Board or Supervisory Board member held a comparable position in public administration in the two years preceding their appointment.

2.10.5 Annexes

2.10.5.1 Annex 1 List of ESRS Disclosure Requirements covered in the Sustainability Statement

Standard	Disclosure Requirement	Page
ESRS 2 General disclosures		
BP-1	General basis for preparation of sustainability statements	47
BP-2	Disclosures in relation to specific circumstances	
	Time horizons	52
	Value chain estimation	47
	Sources of estimation and outcome uncertainty	47
	Incorporation by reference	48
SBM-1	Strategy, business model and value chain	48
SBM-2	Interests and views of stakeholders	52
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	52
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	53
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statements	56
GOV-1	The role of the administrative, management and supervisory bodies	57
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	60
GOV-3	Integration of sustainability-related performance in incentive schemes	62
GOV–4	Statement on due diligence	63
GOV-5	Risk management and internal controls over sustainability reporting	63
ESRS E1 Climate change		
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	62
E1-1	Transition plan for climate change mitigation	72
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	64
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	65
E1-2	Policies related to climate change mitigation and adaptation	67
E1-3	Actions and resources in relation to climate change policies	70
E1-4	Targets related to climate change mitigation and adaptation	69
E1-5	Energy consumption and mix	73
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	74
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	77
E1-8	Internal carbon pricing	77
ESRS E5 Resource use and circular economy		
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities	78
E5-1	Policies related to resource use and circular economy	79
E5-2	Actions and resources related to resource use and circular economy	81
E5-3	Targets related to resource use and circular economy	80
E5-4	Resource inflows	82
E5-5	Resource outflows	82

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ESRS S1 Own workforce		
ESRS2 SBM-2	Interests and views of stakeholders	52
ESRS2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	108
S1-1	Policies related to own workforce	109
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	113
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	114
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	
	Secure employment	115
	Adequate wages	116
	Employee representation and participation	117
	Health and safety	118
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S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
	Secure employment	115
	Adequate wages	116
	Employee representation and participation	117
	Health and safety	117
	Diversity	120
	Equal pay for equal work	121
	Training and skills development	122
S1-6	Characteristics of the undertaking's employees	107, 115
S1-8	Collective bargaining coverage and social dialogue	117
S1-9	Diversity metrics	121
S1-10	Adequate wages	116
S1-14	Health and safety metrics	118
S1-16	Remuneration metrics (pay gap and total remuneration)	121
S1-17	Incidents, complaints and severe human rights impacts	123
ESRS S2 Workers in the value chain		
ESRS2 SBM-2	Interests and views of stakeholders	52
ESRS2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	123
S2-1	Policies related to value chain workers	124
S2-2	Processes for engaging with value chain workers about impacts	126
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	126
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	127
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	128
ESRS G1 Business conduct		
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	57
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	53

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G1-1	Business conduct policies and corporate culture	130, 132
G1-3	Prevention and detection of corruption and bribery	132
G1-4	Incidents of corruption or bribery	131, 132
G1-5	Political influence and lobbying activities	132

2.10.5.2 Annex 2 List of datapoints that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not Material/ Not applicable (NA)	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1	-	Commission Delegated Regulation (EU) 2020/1816 (27), Annex II	-	Material	57
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	-	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	57
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1	-	-	-	Material	63
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013;Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	-	NA	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II	-	NA	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1	-	Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	-	NA	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	-	-	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	-	NA	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	-	-	-	Regulation (EU) 2021/1119, Article 2(1)	Material	72
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	-	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		No transition plan	
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	-	Material	69

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not Material/ Not applicable (NA)	Page
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1	-	-	-	Material	73
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1	-	-	-	Material	73
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1	-	-	-	Material	73
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	-	Material	74
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	-	Material	77
ESRS E1-7 GHG removals and carbon credits paragraph 56	-	-	-	Regulation (EU) 2021/1119, Article 2(1)	Material	77
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	-	-	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	-	NA	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	-	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.	-	-	NA	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	-	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	-	-	NA	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not Material/ Not applicable (NA)	Page
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	-	-	Delegated Regulation (EU) 2020/1818, Annex II	-	NA	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1	-	-	-	Not Material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1	-	-	-	Not Material	
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1	-	-	-	Not Material	
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1	-	-	-	Not Material	
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1	-	-	-	Not Material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1	-	-	-	Not Material	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not Material/ Not applicable (NA)	Page
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1	-	-	-	Material	82
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1	-	-	-	Material	83
ESRS 2- SBM3 - S1 Risk of incidents of forced labor paragraph 14 (f)	Indicator number 13 Table #3 of Annex I	-	-	-	Not Material	
ESRS 2- SBM3 - S1 Risk of incidents of child labor paragraph 14 (g)	Indicator number 12 Table #3 of Annex I	-	-	-	Not Material	
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I	-	-	-	Material	109
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21		-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	109
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I	-	-	-	Not Material	
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I	-	-	-	Material	110
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I	-	-	-	Material	115
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I	-	Delegated Regulation (EU) 2020/1816, Annex II		Material	119
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I	-	-	-	Material	119

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not Material/ Not applicable (NA)	Page
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I	-	Delegated Regulation (EU) 2020/1816, Annex II		Material	121
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I	-	-	-	Material	122
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I	-	-	-	Not Material	123
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	-	Not Material	123
ESRS 2- SBM3 – S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I	-	-	-	Material	124
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1	-	-	-	Material	125
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1	-	-	-	Material	124
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	-	Material	125
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	-	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	125
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1	-	-	-	Material	125
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1	-	-	-	Not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO	Indicator number 10 Table #1 Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Not material	

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not Material/ Not applicable (NA)	Page
principles or OECD guidelines paragraph 17			Delegated Regulation (EU) 2020/1818, Art 12 (1)			
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1	-	-	-	Not material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1	-	-	-	Not material	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	-	Not material	
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1	-		-	Not material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1	-		-	Material	130
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1	-		-	Material	NA
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II)	-	Material	132
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1	-	-	-	Material	131

2.11 Takeover-relevant information

(pursuant to Sections 289a and 315a of the German Commercial Code) and explanatory report

2.11.1 Composition of common stock

As of September 30, 2025 the Company's common stock amounted to a total of €861,104,914. The capital stock is divided into 861,104,914 ordinary registered shares with no par value. The shares are fully paid in. All shares confer the same rights and obligations. The shareholders' rights and obligations are governed in detail by the provisions of the German Stock Corporation Act, in particular by Sections 12, 53a et seq., 118 et seq. and 186 of the German Stock Corporation Act.

2.11.2 Restrictions on voting rights or transfer of shares

At a Shareholders' Meeting, each share of stock has one vote and accounts for the shareholders' proportionate share in the Company's net income. An exception to this rule applies with regard to treasury shares held by the Company, which do not entitle the Company to any rights. Under Section 136 of the German Stock Corporation Act the voting right of the affected shares is excluded.

Under the Siemens Energy Share Ownership Guidelines, the Executive Board Members shall be obligated to continually hold Siemens Energy AG shares of an amount equal to a multiple of their base salary – 300% for the CEO and 200% for the other Members of the Executive Board – during their term of office. An initial build-up phase allows Executive Board Members to acquire the necessary shares over a period of several years.

Under the Direct Match Program, members of executive bodies (Organmitglieder) and employees of Siemens Energy in Germany may invest part of their income in Siemens Energy AG shares, whereby they will receive in respect of an investment of €100.00 for every acquired Siemens Energy AG share, additionally two further shares (matching shares) and, in the case of a further investment of €160.00 for every acquired Siemens Energy share, additionally one further matching share; the acquired and the additional matching shares are not subject to any holding or vesting period. In respect of any investment beyond that and in respect of members of the executive bodies and employees who are employed on the relevant effective dates by any Group company with its registered office abroad and participating in the programs, they will receive one additional matching share for every three Siemens Energy AG shares acquired; in this regard, both the acquired and the additional matching shares are subject to a holding period of one year.

The von Siemens-Vermögensverwaltung GmbH (vSV) has, on a sustained basis, powers of attorney allowing it to exercise the voting rights for 4,448,480 shares (as of September 30, 2025) on behalf of members of the Siemens family. These shares are part of the total number of shares held by the family's members. The powers of attorney are based on an agreement between the vSV and, among others, members of the Siemens family. The shares are voted together by vSV, taking into account the suggestions of a family partnership established by the family's members or of one of this partnership's governing bodies.

2.11.3 Shareholdings in the Company that represent more than 10% of the voting rights

As of the reporting date, Siemens Beteiligungen Inland GmbH, Munich, a wholly owned subsidiary of Siemens AG, Berlin and Munich, held more than 10% of the voting rights in Siemens Energy AG. Pursuant to Section 34 German Securities Trading Act, the voting rights held by Siemens Beteiligungen Inland GmbH are attributable to Siemens AG, so that Siemens AG indirectly held more than 10% of the voting rights in Siemens Energy AG as of the reporting date. Siemens Energy AG has not been notified of any other direct or indirect interests in the share capital of Siemens Energy AG that exceed 10% of the voting rights, nor is it aware of any other such interests.

2.11.4 Legislation and provisions of the Articles of Association applicable to the appointment and removal of members of the Executive Board and governing amendment to the Articles of Association

The appointment and removal of members of the Executive Board is subject to the provisions of Sections 84 and 85 of the German Stock Corporation Act and Section 31 of the German Codetermination Act. Pursuant to Section 5 para. 1 of the Articles of Association, the Executive Board is comprised of several members, the number of which is determined by the Supervisory Board.

Pursuant to Section 179 of the German Stock Corporation Act, any amendment to the articles of association requires a resolution of the Shareholders' Meeting. The authority to adopt purely formal amendments to the Articles of Association was transferred to the Supervisory Board under Section 9 para. 4 of the Articles of Association. In addition, by resolution of the Shareholders' Meeting, the Supervisory Board has been

authorized to amend Section 4 of the Articles of Association in accordance with the utilization of the Authorized and Conditional capital, and after expiration of the authorization period applicable at the time.

Resolutions of the Shareholders' Meeting require a simple majority vote, unless a greater majority is required by law or by the Articles of Association. Pursuant to Section 179 para. 2 of the German Stock Corporation Act, amendments to the Articles of Association require a majority of at least three quarters of the capital stock represented at the time of the casting of the votes, unless another capital majority is prescribed by the articles of association. The Articles of Association of Siemens Energy AG do not prescribe another majority.

2.11.5 Powers of the Executive Board to issue and repurchase shares

The Shareholder's Meeting of the Company, by resolution of February 26, 2024, authorized the Executive Board to increase, with the approval of the Supervisory Board, the capital stock until February 25, 2029 by €399,654,856 through the issuance of 399,654,856 ordinary registered shares with no par value against cash contributions and (or) contributions in kind (Authorized Capital 2024). Simultaneously, the Authorized Capital 2023 was cancelled. The Shareholders' Meeting further authorized the Executive Board, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the event of capital increases against cash contributions in certain cases, amongst others if the issue price of the new shares is not significantly lower than the stock exchange price of the Company's listed shares. Under the authorization, the computational share of the capital stock relating to shares that are issued with exclusion of subscription rights under the Authorized Capital 2024 is limited in total to 10% of the capital stock at the time the authorization becomes effective or – if it is lower – at the time the authorization is utilized. Further details of the authorization and its limitations are specified in Section 4 para. 5 of the Articles of Association. As of September 30, 2025, this authorization had not been utilized.

Simultaneously cancelling the existing authorization of February 7, 2023, the Shareholders' Meeting of the Company, by resolution of February 26, 2024, authorized the Executive Board to issue until expiry of February 25, 2029 convertible bonds/ warrant bonds in the total nominal amount of up to €4 billion and, in this context, to grant/ impose conversion and (or) option rights and conversion obligations in respect of ordinary registered shares with no par value in Siemens Energy AG representing a pro rata amount in its capital stock totaling to €79,930,971. The convertible bonds/ warrant bonds may be issued against contribution in cash and (or) in kind. Generally, the convertible bonds/ warrant bonds must be offered for subscription to the shareholders. However, the Shareholders' Meeting authorized the Executive Board, with the approval of the Supervisory Board, to exclude the subscription rights of the shareholders (i) provided that the convertible bonds/ warrant bonds are issued against cash payment and the issue price of a convertible bond/ warrant bond is not significantly lower than its theoretical market price computed in accordance with generally accepted actuarial methods, (ii) to the extent necessary for fractional amounts resulting from the subscription ratio, (iii) in order to grant holders/ creditors of conversion or option rights to shares of the company or of conversion obligations under convertible bonds/ warrant bonds issued or guaranteed by Siemens Energy AG or any of its Group companies subscription rights as compensation against effects of dilution in the amount in which they would be entitled to such rights upon exercising such conversion or option rights or fulfilling any conversion obligations, and (iv) if the Bonds are issued against contributions in kind, particularly in connection with business combinations or the direct or indirect acquisition of companies, businesses, parts of companies, equity interests or other assets or rights to acquire assets, including receivables against the Company or its Group companies. Further details of the authorization and its limitations are specified in the Shareholders' resolution. Together with the aforementioned authorization and simultaneously cancelling the Conditional Capital 2023, on February 26, 2024 the Shareholders' Meeting resolved to conditionally increase the capital stock by up to €79,930,971 (Conditional Capital 2024) for the purpose of meeting option or conversion rights, or fulfilling conversion obligations under these bonds. The details are set out in Section 4 para. 6 of the Articles of Association. Until September 30, 2025, no use has been made of such authorization.

The Company may not repurchase its own shares unless so authorized by a resolution duly adopted by the shareholders at a general meeting or in other very limited circumstances set forth in the German Stock Corporation Act. On February 26, 2024, the Shareholders' Meeting authorized the Company – under cancellation of the existing authorization granted by the Shareholders' Meeting on February 7, 2023 – to acquire until the end of February 25, 2029 for any permissible purpose treasury shares in an amount of up to 10% of the capital stock existing at the time this authorization takes effect or – if this amount is lower – of the capital stock existing at the time the authorization is exercised. The aggregate of shares of Siemens Energy AG repurchased under this authorization and any other Siemens Energy AG shares previously acquired and still held in treasury by the Company or attributable to the Company pursuant to Sections 71d and 71e of the German Stock Corporation Act may at no time exceed 10% of the then existing capital stock. Any repurchase of Siemens Energy AG shares shall be accomplished at the discretion of the Executive Board either (i) by acquisition over the stock exchange, (ii) through a public share repurchase offer, or (iii) through a public offer to swap Siemens Energy AG shares for shares in a listed company within the meaning of Section 3 para. 2 of the German Stock Corporation Act.

In addition to selling shares over the stock exchange or through a public sales offer to all shareholders in the proportion of their shareholdings or for the purpose of retiring the shares without further shareholders' resolution, the Executive Board is authorized by resolution of the Shareholders' Meeting on February 26, 2024, to also use Siemens Energy AG shares repurchased on the basis of this authorization, or on the basis of earlier authorizations, for every permissible purpose, in particular as follows, whereby the shareholders' subscription rights are excluded:

- The shares may be issued in connection with share-based compensation programs and (or) employee share programs of the Company or any of its group companies to individuals currently or formerly employed by the Company or any of its group companies as well as to Executive Board members of any group companies.
- The shares may be sold with the approval of the Supervisory Board to third parties against payment in cash if the price at which such Siemens Energy AG shares are sold is not significantly lower than the market price of Siemens Energy stock. The notional pro rata amount of the capital stock attributable to shares used in this way must not exceed 10% of the capital stock.

- The shares can be used to service or secure obligations or rights to acquire Siemens Energy AG shares specifically under or in connection with convertible bonds and warrant bonds issued by the Company or its Group companies.
- With the approval of the Supervisory Board, they may be offered and transferred in exchange for considerations in kind, particularly in connection with business combinations or the direct or indirect acquisition of companies, businesses, parts of companies, equity interests or other assets or rights to acquire assets, including receivables against the Company or its Group companies.
- The shares may be used to float shares of the Company on foreign stock exchanges on which they are currently not listed.

Furthermore, the Supervisory Board is authorized, under exclusion of the shareholders' subscription rights, to use shares acquired on the basis of the authorization to meet obligations or rights to acquire Siemens Energy AG shares that were or will be agreed with members of the Executive Board within the framework of rules governing Executive Board compensation.

The details on the authorizations referred to above, especially with the restrictions to exclude subscription rights, are set out in the relevant resolution and in Section 4 of the Articles of Association.

Using the Shareholders' Meeting's authorization given on February 26, 2024, between May 12, 2025, and June 26, 2025, the Company purchased 2,030,920 own shares for a total consideration of about €170 million (excluding incidental transaction costs). The buyback had the exclusive purpose of issuing shares to employees and members of the Executive Board of the Company, as well as to employees and board members of affiliated companies in the framework of share-based compensation or employee share programs. As of September 30, 2025, the Company held 5,760,701 shares of stock in treasury.

2.11.6 Significant agreements which take effect, alter or terminate upon a change of control of the Company following a takeover bid

Siemens Energy AG derives its right to use the name "Siemens Energy" as well as further names and brands owned by Siemens AG from a trademark license agreement entered into between its subsidiary Siemens Energy Global GmbH & Co. KG and Siemens AG. The trademark license agreement provides for a termination right exercisable by Siemens AG if a material competitor of Siemens AG directly or indirectly, acting solely or jointly with a third party, acquires 15% or more of Siemens Energy Global GmbH & Co. KG's capital or voting rights, or if any other third party directly or indirectly, acting solely or jointly with a third party, acquires 25% or more of Siemens Energy Global GmbH & Co. KG's capital or voting rights. Subject to graded transitional periods, the right to use the name "Siemens Energy" as well as further names and brands ceases to exist upon termination of the trademark license agreement.

On February 23, 2024, two consolidated subsidiaries of Siemens Energy AG with Siemens Energy AG as guarantor and additional borrower agreed on a line of credit in an amount of €4 billion. On June 5, 2025, a consolidated subsidiary of Siemens Energy AG with Siemens Energy AG as guarantor agreed on a guarantee facility in an amount of €9 billion. The above credit lines and guarantee facilities provide each lender with a right to cancel its credit commitment and to request for prepayment of loans in the event that (1) Siemens Energy AG becomes a subsidiary of any other company or (2) any person or group of persons acting together acquires control over Siemens Energy AG (Art. 3(2) of Council Regulation (EC) 139/2004).

In April 2023, a consolidated subsidiary of Siemens Energy AG issued bonds with Siemens Energy AG as guarantor for €1.5 billion, to finance its purchase of outstanding shares in Siemens Gamesa Renewable Energy S.A. and to refinance the existing debt of Siemens Gamesa Renewable Energy S.A.. The above bonds provide each noteholder with the option to require that the notes are redeemed at 101% of the principal amount in the event that (1) any person or persons acting in concert at any time directly or indirectly acquire(s) or come(s) to own (i) more than 50% of the issued ordinary share capital of Siemens Energy AG or (ii) such number of the shares in the capital of Siemens Energy AG carrying more than 50% of the voting rights and (2) within 90 days of such change of control the rating of Siemens Energy AG is downgraded (as defined) in respect of such change of control.

No other significant agreements of Siemens Energy AG which are subject to a change of control clause upon a takeover bid existed as of September 30, 2025.

2.11.7 Other takeover-relevant information

There are no shares with special rights conferring powers of control. Shares of stock issued by Siemens AG to employees under its employee share program and (or) as share-based compensation are transferred to the employees. The beneficiary employees who hold shares of employee stock may exercise their control rights in the same way as any other shareholder in accordance with applicable laws and the articles of association. The Company has not entered into any compensation agreements with Members of the Executive Board or employees in the event of a takeover bid.

2.12 Further information

Corporate Governance Statement

The corporate governance declaration in accordance with Sections 289f and 315d of the German Commercial Code is a component of the Combined Management Report and is published on our website **www.siemens-energy.com/german-corporate-governance-code**.

The corporate governance declaration in accordance with Sections 289f and 315d of the German Commercial Code can also be found in **4.5 Corporate Governance pursuant to Sections 289f and 315d of the German Commercial Code**.

Consolidated Financial Statements

3.1 Consolidated Statements of Income

(in millions of €, earnings per share in €)	Note	Fiscal year 2025	2024
Revenue	7, 26	39,077	34,465
Cost of sales		(32,498)	(29,962)
Gross profit		**6,579**	**4,503**
Research and development expenses		(1,210)	(1,209)
Selling and general administrative expenses		(3,492)	(3,388)
Other operating income	5	86	92
Other operating expenses	5	(394)	(84)
Income (loss) from investments accounted for using the equity method, net	4	580	2,210
Operating income (loss) [1]		**2,149**	**2,125**
Interest income		265	204
Interest expenses		(293)	(332)
Other financial income (expenses), net		92	(175)
Income (loss) before income taxes		**2,213**	**1,822**
Income tax (expenses) benefits	6	(527)	(487)
Net income (loss)		**1,685**	**1,335**
Attributable to:			
Non-controlling interests		271	150
Shareholders of Siemens Energy AG		1,414	1,184
Basic earnings per share	25	**1.63**	**1.37**
Diluted earnings per share	25	**1.60**	**1.35**

[1] Includes impairment losses from financial instruments of €105 million (2024: impairment losses of €41 million) (see Note 20).

3.2 Consolidated Statements of Comprehensive Income

(in millions of €)	Note	Fiscal year 2025	2024
Net income (loss)		**1,685**	1,335
Remeasurements of defined benefit plans	14	77	(159)
therein Income tax effects		*(15)*	*30*
Remeasurements of equity instruments	20	65	—
Income (loss) from investments accounted for using the equity method, net		(1)	0
Items that will not be reclassified to profit or loss		**142**	**(159)**
Currency translation differences		(591)	(592)
Derivative financial instruments		259	75
therein Income tax effects		*(116)*	*10*
Income (loss) from investments accounted for using the equity method, net		(26)	23
Items that may be reclassified subsequently to profit or loss		**(358)**	**(494)**
Other comprehensive income (loss), net of income taxes		**(216)**	**(653)**
Total comprehensive income (loss)		**1,469**	**682**
Attributable to:			
Non-controlling interests		272	133
Shareholders of Siemens Energy AG		1,197	550

3.3 Consolidated Statements of Financial Position

(in millions of €)	Note	Sep 30, 2025	2024
Assets			
Cash and cash equivalents	20	9,162	6,363
Trade and other receivables	20	7,571	7,072
Other financial assets	20, 21	1,031	882
Contract assets	7	4,295	4,190
Inventories	8	10,377	9,792
Income tax assets	6	418	360
Other assets	11	1,212	1,295
Assets classified as held for disposal	3	386	126
Total current assets		**34,453**	**30,079**
Goodwill	9	9,037	9,461
Other intangible assets	10	2,450	2,811
Property, plant and equipment	10	7,140	6,220
Investments accounted for using the equity method	4	703	767
Other financial assets	20, 21	1,531	473
Deferred tax assets	6	904	692
Other assets		419	372
Total non-current assets		**22,184**	**20,795**
Total assets		**56,637**	**50,874**
Liabilities and equity			
Debt	13	1,528	479
Trade and other payables	12	5,993	6,293
Other financial liabilities	20, 21	782	606
Contract liabilities	7	22,321	18,867
Provisions	15	2,778	3,163
Income tax liabilities	6	523	380
Other liabilities	11	4,332	3,681
Liabilities associated with assets classified as held for disposal	3	233	—
Total current liabilities		**38,491**	**33,471**
Debt	13	2,438	3,287
Provisions for pensions and similar obligations	14	406	600
Deferred tax liabilities	6	634	415
Provisions	15	3,065	2,880
Other financial liabilities	20, 21	401	364
Other liabilities		528	494
Total non-current liabilities		**7,471**	**8,040**
Total liabilities		**45,962**	**41,511**
Equity	16		
Issued capital		861	799
Capital reserve		14,465	14,512
Retained earnings		(3,990)	(5,578)
Other components of equity		(807)	(514)
Treasury shares, at cost		(228)	(144)
Total equity attributable to shareholders of Siemens Energy AG		**10,301**	**9,075**
Non-controlling interests		375	289
Total equity		**10,675**	**9,364**
Total liabilities and equity		**56,637**	**50,874**

3.4 Consolidated Statements of Cash Flows

(in millions of €)	Fiscal year 2025	2024
Cash flows from operating activities		
Net income (loss)	1,685	1,335
Adjustments to reconcile net income (loss) to cash flows from operating activities		
Amortization, depreciation and impairments	1,781	1,511
Income tax expenses (benefits)	527	487
Interest (income) expenses, net	28	129
(Income) loss related to investing activities	(539)	(2,180)
Other non-cash (income) expenses	68	172
Change in operating net working capital		
Contract assets	(284)	(132)
Inventories	(900)	(1,221)
Trade and other receivables	(722)	(824)
Trade and other payables	(130)	(147)
Contract liabilities	3,976	3,216
Change in other assets and liabilities	628	859
Income taxes paid	(566)	(483)
Dividends received	28	25
Interest received	239	142
Cash flows from operating activities	**5,821**	**2,889**
Cash flows from investing activities		
Purchase of intangible assets and property, plant and equipment	(1,724)	(1,514)
Acquisitions of businesses, net of cash acquired	(101)	16
Purchase of investments and financial assets	(80)	(162)
Disposal of intangibles and property, plant and equipment	61	27
Disposal of businesses, net of cash disposed	125	261
Disposal of investments and financial assets	101	2,623
Cash flows from investing activities	**(1,618)**	**1,250**
Cash flows from financing activities		
Purchase of treasury shares	(170)	(130)
Other transactions with non-controlling interests	2	4
Issuance (repayment) of notes and bonds	—	(426)
Repayment of lease liabilities	(392)	(338)
Change in debt and other financing activities	(208)	(924)
Interest paid	(221)	(332)
Dividends attributable to non-controlling interests	(146)	(112)
Cash flows from financing activities	**(1,135)**	**(2,258)**
Effect of changes in exchange rates on cash and cash equivalents	**(183)**	**(106)**
Change in cash and cash equivalents	**2,886**	**1,775**
Cash and cash equivalents at beginning of period	**6,363**	**4,588**
Cash and cash equivalents at end of period	**9,249**	**6,363**
Less: Cash and cash equivalents of assets classified as held for disposal at end of period	87	—
Cash and cash equivalents at end of period (Consolidated Statements of Financial Position)	**9,162**	**6,363**

3.5 Consolidated Statements of Changes in Equity

(in millions of €)	Issued capital	Capital reserve	Retained earnings	Currency translation differences	Equity instruments	Derivative financial instruments	Treasury shares at cost	Total equity attributable to shareholders of Siemens Energy AG	Non-controlling interests	Total equity
Balance as of October 1, 2023	799	14,475	(6,583)	(40)	—	6	(154)	8,503	285	8,787
Net income (loss)	—	—	1,184	—	—	—	—	1,184	150	1,335
Other comprehensive income (loss), net of income taxes	—	—	(155)	(558)	—	78	—	(635)	(18)	(653)
Total comprehensive income (loss)	—	—	1,029	(558)	—	78	—	550	133	682
Dividends	—	—	—	—	—	—	—	—	(130)	(130)
Share-based payment	—	166	(0)	—	—	—	—	165	—	165
Purchase of treasury shares	—	—	—	—	—	—	(130)	(130)	—	(130)
Re-issuance of treasury shares	—	(129)	(11)	—	—	—	140	—	—	—
Other transactions with non-controlling interests	—	—	(6)	—	—	—	—	(6)	7	1
Other changes in equity	—	—	(7)	—	—	—	—	(7)	(5)	(12)
Balance as of September 30, 2024	799	14,512	(5,578)	(598)	—	84	(144)	9,075	289	9,364
Balance as of October 1, 2024	**799**	**14,512**	**(5,578)**	**(598)**	**—**	**84**	**(144)**	**9,075**	**289**	**9,364**
Net income (loss)	—	—	1,414	—	—	—	—	1,414	271	1,685
Other comprehensive income (loss), net of income taxes	—	—	76	(621)	65	263	—	(217)	1	(216)
Total comprehensive income (loss)	—	—	1,490	(621)	65	263	—	1,197	272	1,469
Dividends	—	—	—	—	—	—	—	—	(148)	(148)
Share-based payment	—	190	(0)	—	—	—	—	190	—	190
Purchase of treasury shares	—	—	—	—	—	—	(170)	(170)	—	(170)
Re-issuance of treasury shares	—	(175)	88	—	—	—	86	—	—	—
Conversion of mandatory convertible note	62	(62)	—	—	—	—	—	—	—	—
Other transactions with non-controlling interests	—	—	15	—	—	—	—	15	(31)	(16)
Other changes in equity	—	—	(6)	(0)	—	—	—	(6)	(8)	(14)
Balance as of September 30, 2025	**861**	**14,465**	**(3,990)**	**(1,219)**	**65**	**347**	**(228)**	**10,301**	**375**	**10,675**

3.6 Notes to Consolidated Financial Statements

NOTE 1 Basis of presentation

The accompanying Consolidated Financial Statements as of September 30, 2025, present the operations of Siemens Energy AG with registered office at Otto-Hahn-Ring 6, 81739 Munich, Germany (registry number HRB 252581, local court Munich), and its subsidiaries ('Siemens Energy,' 'the Group,' 'the Company,' or 'we').

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as applicable in the European Union (EU), and the additional requirements of German law pursuant to Section 315e para. 1 German Commercial Code ("Handelsgesetzbuch"). The Consolidated Financial Statements also comply with IFRS as published by the International Accounting Standards Board (IASB). The Consolidated Financial Statements were authorized for issue by the Executive Board on December 4, 2025.

The Consolidated Financial Statements are prepared and published in millions of euros (€ million). Rounding differences may occur in respect of individual amounts or percentages.

Siemens Energy, as a supplier of technology in the energy and electricity sector, is active along the entire energy technology and service value chain with comprehensive and differentiated products, solutions and service offerings. It provides a portfolio in both conventional and renewable energy along the entire energy value chain, from power generation to power transmission, complemented by a comprehensive set of training and service offerings, aimed at both the public- and private sector.

In fiscal year 2025, the reporting structure which corresponds to the internal organizational and reporting structure and is based on the differences between products, consists of the following components:

- The **Gas Services** (GS) Business Area as a reportable segment consolidates all the business activities relating to gas and large steam turbines, large generators, and heat pumps, as well as the associated control technology. The GS portfolio includes products, solutions, and services for central and distributed power generation. The business is focused on servicing the installed fleet of gas and steam turbines. The wide-ranging service portfolio includes maintenance, performance enhancements, digitalization (e.g., cybersecurity), and consulting.
- The **Grid Technologies** (GT) Business Area as a reportable segment provides high-voltage transmission technologies, solutions and services that are relevant for modern energy infrastructure and the energy transition. GT is manufacturing grid components and delivering turnkey grid systems and solutions. This is complemented by long-term service contracts, digital upgrades, and consulting services. Grid operators, infrastructure providers, energy generators, industrial companies as well as operators of data centers, use GT's comprehensive portfolio, technological expertise, global production network, and sales channels, along with its partners, to address the challenges of future-proofing power grids. GT's portfolio is designed to tackle the current and future demands of the energy transition.
- The **Transformation of Industry** (TI) Business Area comprises four operating but non-reportable segments (Compression (CP); Industrial Steam Turbines & Generators (STG); Electrification, Automation, Digitalization (EAD) and Sustainable Energy Systems (SES)) which are presented voluntarily as if they were a single reportable segment, despite some differences in their economic characteristics. TI focuses on increasing the performance, energy efficiency and resilience of industrial processes, with the goal of supporting industrial customers' energy cost, competitiveness and sustainability targets.
- Our Wind Power business **Siemens Gamesa** (SG) as a reportable segment offers the design, development, manufacturing, and installation of products, as well as the provision of services in the renewable energy sector, with a focus on onshore and offshore wind turbines for various wind conditions.

Starting with fiscal year 2025, SG segment's Real Estate Portfolio, formerly shown under the correspondent segment, is assigned to Reconciliation to Consolidated Financial Statements. Related prior year information has been reclassified to conform to the current year.

NOTE 2 Material accounting policies and critical accounting estimates

Key accounting estimates and judgments – Some of the accounting policies used are critical accounting estimates and judgments and require complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and have a material impact on the net assets, financial position, and results of operations of Siemens Energy. Critical accounting estimates could also be based on estimates where Siemens Energy reasonably could have used a different estimate in the current accounting period. Siemens Energy cautions that future events often vary from forecasts and that estimates routinely require adjustment.

The existing political efforts to reduce greenhouse gas emissions, considering current geopolitical developments, also with regard to gas supply, are a driving force in the transformation of the energy market and may have significant effects on Siemens Energy. The impact of the transition to a lower carbon economy and the resulting consequences for Siemens Energy's business environment observable as of September 30, 2025, were considered in the relevant critical accounting estimates, such as the determination of expected useful lives and future cash flows. Siemens Energy assumes that technical equipment and machinery will be used over their entire planned economic life and can generate corresponding benefits for the company, so that the remaining useful lives used as a basis adequately reflect the economic use. This assessment is based on the following assumptions: Siemens Energy currently assumes a transition period to a lower-emission economy of several decades, during which gas-fired power plants in particular will be used as a bridging technology, as the energy industry is faced with a constant trilemma of sustainability of energy generation, reliability of energy supply and affordability of (globally increasing) energy demand. Furthermore, as a globally active company, Siemens Energy assumes that the achievement of certain climate targets is subject to regional differences. For example, not all countries worldwide are currently committed to the strict EU climate targets. Accordingly, Siemens Energy's global customers are at different stages of maturity in the energy transition and have different technological requirements. Moreover, part of Siemens Energy's product portfolio can already be operated with other fuels. This applies in particular to hydrogen, which is especially important from a climate perspective. In addition, some of the technical equipment is also used for longer-term service contracts. Assumptions related to climate change and decarbonization trends and their impact on Siemens Energy's business development are screened constantly by the Company. These Consolidated Financial Statements were prepared using the assumption that Siemens Energy will make the necessary changes to its business models, product portfolio and cost structures and that therefore no material effects will occur that would have to be recorded in the Consolidated Financial Statements as of September 30, 2025.

In fiscal year 2025, ongoing geopolitical tensions and conflicts, such as those in Ukraine, led to significant impacts on global supply chains and commodity prices. The macroeconomic environment was also shaped by geopolitical risks, fuel prices, uncertainties in supply markets, and developments in U.S. import tariffs. These factors were taken into account in key accounting estimates and judgments and have particularly influenced the accounting for revenue from contracts with customers, employee benefits, financial instruments, and asset impairment testing. Relevant areas are changes in transaction prices due to contractually agreed price escalation clauses, the recognition of provisions for onerous contracts, rates of future salary increases, expected rates of future pension progression, and discount rates used as the basis for actuarial expertise, rating-based impairment testing of receivables, and the determination of future cash flows and interest rates used in impairment testing of non-current assets.

The dynamics related to import tariffs worldwide, with multiple adjustments, suspensions, and extensions, have led to global economic uncertainties, which are also reflected in key accounting estimates and judgments. At Siemens Energy, tariff announcements particularly affect project accounting and thus the recognition and measurement of revenue, cost of sales, contract assets, and contract liabilities. Long-term tariff projections are used for this purpose, which are derived by the responsible specialist department taking into account the current legal situation as well as general political developments. The tariff forecasts are subject to estimation uncertainties and are regularly reviewed and adjusted as necessary.

In addition to the aforementioned explanations, further critical accounting estimates are mentioned in the sections on material accounting policies.

Basis of consolidation – The Consolidated Financial Statements include the accounts of Siemens Energy AG and its subsidiaries over which the Company has control. Control exists when Siemens Energy has power over the investee. In addition, Siemens Energy is exposed to, or has rights to, variable returns from the involvement with the investee and Siemens Energy is able to use its power over the investee to affect the amount of the Company's return.

Business combinations – The cost of an acquisition is measured at the fair value of the assets given and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities assumed in a business combination (including contingent liabilities) are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Non-controlling interests are measured at the proportional fair value of assets acquired and liabilities assumed (partial goodwill method). If there is no loss of control, transactions with non-controlling interests are accounted for as equity transactions not affecting profit and loss. At the date control is lost, any retained equity interests are remeasured to fair value.

In case of a written put option on non-controlling interests, the Company assesses whether the prerequisites for the transfer of present ownership interest are fulfilled at the reporting date. If the Company is not the beneficial owner of the shares underlying the put option, the exercise of the put option will be assumed at each reporting date and treated as an equity transaction between shareholders with the recognition of a purchase liability at the respective exercise price. The non-controlling interests participate in profits and losses during the reporting period.

Associates – Associates are companies over which Siemens Energy AG has the ability to exercise significant influence regarding operating and financial policies (generally through direct or indirect ownership of 20% to 50% of the voting rights). These are recorded in the Consolidated Financial Statements using the equity method and are initially recognized at cost. The Company's share of an associate's post-acquisition profits or

losses is recognized in the Consolidated Statements of Income, and its share of post-acquisition changes in equity that have not been recognized in the associate's profit or loss is recognized directly in equity. The cumulative post-acquisition changes are adjusted against the carrying amount of the investment in the associate. When Siemens Energy's share of losses in an associate equals or exceeds its interest in the associate, the Company does not recognize further losses, unless it incurs obligations or makes payments on behalf of the associate. The interest in an associate is the carrying amount of the investment in the associate together with any long-term interests that, in substance, form part of the Company's net investment in the associate.

Joint ventures – Joint ventures are entities over which Siemens Energy and one or more parties have joint control. Joint control requires unanimous consent of the parties sharing control in decision making on relevant activities. Joint Ventures are also recorded in the Consolidated Financial Statements using the equity method.

Foreign currency translation – The assets and liabilities of foreign subsidiaries, where the functional currency is other than the euro, are translated using the spot exchange rate at the end of the reporting period, while the Consolidated Statements of Income are translated using average exchange rates during the period. Differences arising from such translations are recognized within equity and reclassified to Net income when the gain or loss on disposal of the foreign subsidiary is recognized. The Consolidated Statements of Cash Flows are translated at average exchange rates during the period, whereas cash and cash equivalents are translated at the spot exchange rate at the end of the reporting period.

Foreign currency transaction – Transactions that are denominated in a currency other than the functional currency of an entity are recorded in that functional currency, applying the spot exchange rate at the date when the underlying transactions are initially recognized. At the end of the reporting period, monetary assets and liabilities denominated in a foreign currency are revalued to functional currency, applying the spot exchange rate prevailing at that date. Gains and losses arising from this foreign currency revaluations are recognized in Net income. Those transactions denominated in a foreign currency which are classified as non-monetary are remeasured using the historical spot exchange rate. Siemens Energy applies hyperinflation accounting in Argentina and Turkey.

Revenue recognition – Siemens Energy recognizes revenue when or as control over distinct goods or services is transferred to the customer (i.e., when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and, among other things, collectability of consideration is probable taking into account the customer's creditworthiness). Revenue is the transaction price Siemens Energy expects to be entitled to. The amount of a variable consideration is calculated by using either the expected value or the most likely amount, depending on which is expected to better predict the amount of variable consideration. Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or Siemens Energy. Non-cash consideration in the form of goods, services, financial instruments or property, plant and equipment is measured at fair value. If the fair value of the non-cash consideration cannot be estimated reasonably, the consideration is measured indirectly by reference to the stand-alone selling price of the goods or services promised to the customer in exchange for the consideration. An estimation of variable consideration is generally constrained and is only included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not directly observable, Siemens Energy reasonably estimates them. Discounts and variable considerations are allocated proportionately to all performance obligations within a contract unless allocation to one or more, but not all, performance obligations is a more accurate representation. Revenue is recognized for each performance obligation either at a point in time or over time. In certain countries, the business of the business areas Gas Services, Grid Technologies and Transformation of Industry is still carried out under agency and distributorship agreements that were concluded between Siemens Energy and the respective local Siemens Group companies.

Sales from construction-type contracts – Revenues from long-term construction contracts are recognized over time based on measuring progress. Siemens Energy determines the progress using an input method that considers the percentage of costs incurred to date compared to total estimated costs. An expected loss on the contract is recognized as an expense immediately. Payment terms are usually 30 days from the date of invoice issued according to the contractual terms.

When measuring progress using an input method, estimating the progress of the transfer of control to the customer is particularly important and may include estimates of the amount of work and services required to fulfill the contractual obligations. These significant estimates include total estimated revenues, total estimated costs, contract risks, including technical, political, and regulatory risks, as well as other judgments. Estimated revenues, total estimated costs and profit recognition may vary, sometimes materially, from original estimates due to new information about cost overruns caused by delays or unexpected technical problems, particularly with unproven or new technologies, unforeseen developments at project sites, the impact of legal or political conditions, performance problems at suppliers, contractors and consortium partners, or logistical difficulties, as well as changes in the scope of the project during the term of a contract in the construction business. These deviations may result in a significant increase in project costs, a negative impact on project results, a material adverse effect on our business, financial position, and results of operations, and, in some cases, litigation. As a result, changes in estimates may increase or decrease revenue. In addition, it is necessary to assess whether the continuation or termination of a contract is the most likely scenario. For this assessment, all relevant facts and circumstances are considered individually for each contract.

Revenue from services – Revenues are recognized over time as services are provided (i.e., measuring progress). Payment terms are usually 30 days from the date of invoice issued according to the contractual terms.

Sale of goods – Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon delivery of the goods. Invoices are issued at that point in time and are usually payable within 30 days. For licensing transactions granting the customer a right to use Siemens Energy's intellectual property, payment terms are usually 30 days from the date of invoice issued according to the contractual terms.

Functional costs – In general, operating expenses by types are assigned to the functions in accordance with the functional area of the corresponding profit and cost centers. Amortization, depreciation and impairment of intangible assets and property, plant and equipment are included in functional costs depending on the use of the assets.

Government grants – Government grants are recognized when there is reasonable assurance that the conditions attached to the grants are complied with and the grants will be received. Grants awarded for the purchase or the production of fixed assets (grants related to assets) are generally recognized as a reduction of the acquisition or construction costs of the respective assets and reduce future depreciations accordingly. Grants awarded for other than non-current assets (grants related to income) are reported in the Consolidated Statements of Income under the same functional area as the corresponding expenses. They are recognized as income over the periods necessary to match them on a systematic basis to the costs that are intended to be compensated. Government grants for future expenses are recorded as deferred income.

Product-related expenses – Provisions for estimated costs related to product warranties and onerous contracts are recorded in the line item Cost of sales.

Research and development costs – Costs of research activities are expensed as incurred. Costs of development activities are capitalized when the recognition criteria in accordance with IAS 38, Intangible Assets, are met. Capitalized development costs are stated at cost less accumulated amortization and impairment losses with an amortization period of generally three to ten years.

Earnings per share – Basic earnings per share are computed by dividing Net income attributable to the shareholders of Siemens Energy AG by the weighted average number of outstanding shares of Siemens Energy AG. Diluted earnings per share are calculated by assuming conversion or exercise of all potentially dilutive securities and share-based payment plans.

Goodwill – Goodwill is not amortized; instead, goodwill is tested for impairment annually, as well as whenever there are events or changes in circumstances (triggering events) which suggest that the carrying amount may not be recoverable. Goodwill is carried at cost less accumulated impairment losses. The goodwill impairment test is performed at the level of a cash-generating unit, generally represented by an operating segment. This is the lowest level at which goodwill is monitored for internal management purposes.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash-generating unit that is expected to benefit from the synergies of the business combination. If the carrying amount of the cash-generating unit to which the goodwill is allocated exceeds its recoverable amount, an impairment loss on goodwill allocated to this cash-generating unit is recognized. The recoverable amount is the higher of the cash-generating unit's fair value less costs of disposal and its value in use. If either of these values exceeds the carrying amount, it is not always necessary to determine both values. These values are generally determined on the basis of discounted cash flow calculations. Impairment losses on goodwill are not reversed in future periods.

The determination of the recoverable amount of a cash-generating unit to which goodwill is allocated involves the use of estimates by management. The outcome predicted by these estimates is influenced, for example, by the successful integration of acquired entities, the volatility of capital markets, interest rate developments, foreign exchange rate fluctuations or the anticipated economic trends. When determining the recoverable amount for the cash-generating unit Siemens Gamesa in particular, the estimates are also significantly influenced by assumptions regarding the implementation of measures to resolve technical issues and the operational improvement programs. In determining recoverable amounts, discounted cash flow calculations use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments. Cash flows after the planning period are extrapolated using individual growth rates and an expected long-term inflation rate. Key assumptions and estimates on which management has based its determination of fair value less costs of disposal and value in use can have a material impact on the respective values and ultimately the amount of any goodwill impairment.

Other intangible assets – Intangible assets are measured initially at its acquisition or production costs. Siemens Energy amortizes intangible assets with finite useful lives on a straight-line basis over their respective estimated useful lives. Estimated useful lives for patents, licenses, and other similar rights generally range from three to five years, except for intangible assets with finite useful lives acquired in business combinations. Intangible assets acquired in business combinations primarily consist of customer relationships and technology. Useful lives in specific acquisitions range from 16 to 20 years for customer relationships and were 20 years for technology.

Property, plant and equipment – Property, plant and equipment, including right-of-use assets, is valued at cost less accumulated depreciation and impairment losses. Depreciation expense is recognized using the straight-line method. The following useful lives are assumed for property, plant and equipment owned by Siemens Energy:

Factory and office buildings	20 to 50 years
Other buildings	5 to 10 years
Technical machinery & equipment	generally 10 years
Furniture & office equipment	generally 5 years

Right-of-use assets are depreciated under the straight-line method over the shorter of the lease term and the useful life of the underlying assets. Extension options are included in the lease term, and thus in the measurement of the right-of-use asset and corresponding lease liability, if their exercise is reasonably certain. Remeasurements reflect changes in the assessment of options.

Impairment of property, plant and equipment and other intangible assets – Siemens Energy reviews property, plant and equipment and other intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In addition, intangible assets not yet available for use are subject to an annual impairment test. Impairment testing of property, plant and equipment and other intangible assets involves the use of estimates in determining the assets' recoverable amount, which can have a material impact on the respective values and ultimately on the amount of any impairment.

Non-current assets/ liabilities held for disposal – Non-current assets and liabilities are held for disposal if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the remaining criteria in accordance with IFRS 5, Non-current assets held for sale and discontinued operations, are met. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The determination of the fair value less costs to sell includes the use of estimates and assumptions that tend to be uncertain.

Income taxes – Tax positions under respective local tax laws, relevant court decisions, and tax authorities' views can be complex and subject to different interpretations by taxpayers and local tax authorities. Different interpretations of existing or new tax laws as a result of tax reforms or other tax legislative procedures may result in additional tax payments for prior years and are taken into account based on management's considerations. Under the liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The so-called initial recognition exemption is also considered. Deferred tax assets are recognized if sufficient future taxable profit is available, including income from forecasted operating earnings, the reversal of existing taxable temporary differences, and established tax planning opportunities. As of each period-end, Siemens Energy evaluates the recoverability of deferred tax assets, generally based on five-year projections of future taxable profits. As future developments are uncertain and partly beyond Siemens Energy's control, assumptions are necessary to estimate future taxable profits as well as the period in which deferred tax assets will be recovered. Estimates are revised in the period in which there is sufficient evidence to revise the assumption. In some countries in which Siemens Energy operates, statutory tax law on global minimum taxation has been adopted in accordance with the OECD guidelines on global minimum taxation (Pillar Two). Siemens Energy is subject to the global minimum taxation starting fiscal year 2025. In accordance with IAS 12 Income Taxes, no potential impact on deferred taxes from the global minimum taxation is taken into account in the Siemens Energy Group.

Contract assets, contract liabilities, receivables – When either party to a contract with customers has performed, Siemens Energy recognizes a contract asset, a contract liability, or a receivable depending on the relationship between Siemens Energy's performance and the customer's payment. Contract assets and liabilities are recognized as current since they arise in the normal operating cycle. Receivables are recognized when the right to consideration becomes unconditional. Valuation allowances for credit risks are made for Contract assets and receivables in accordance with the accounting policy for financial assets measured at amortized cost. A refund liability, as a component of contract liabilities, is recognized when Siemens Energy receives consideration from a customer and expects to be required to refund some or all of that consideration to the customer. A refund liability is measured at the amount of the consideration received for which Siemens Energy does not expect to be entitled.

Inventories – Inventories are valued at the lower of acquisition or production costs and net realizable value, costs generally being determined on the basis of an average or first-in, first-out method. Net realizable value corresponds to the estimated selling price net of remaining costs of completion and selling. Determining net realizable value of Inventories involves accounting estimates for quantity, technical, and price risks.

Trade and other payables – Siemens Energy invites suppliers to participate in Supply Chain Financing Programs in order to benefit from accelerated payment compared with Siemens Energy's regular payment terms. Such payables represent payables for goods and services that are incurred within the Company's normal operating cycle and are part of the Company's working capital. Suppliers must agree to participate in such programs. Therefore, the corresponding payables are still shown in the line item Trade and other payables.

Defined benefit plans – Siemens Energy measures the entitlements by applying the projected unit credit method. This approach reflects an actuarially calculated net present value of the future benefit entitlement for services already rendered. In determining the net present value of the future benefit entitlement for service already rendered (Defined Benefit Obligation, DBO), the expected rates of future salary increase and expected rates of future pension progression are considered. The assumptions used for the calculation of the DBO as of the period-end of the preceding fiscal year are used to determine the calculation of service cost and interest income and expense of the following year. The net interest income or

expense for the fiscal year will be based on the discount rate for the respective year multiplied by the net defined benefit liability (asset) at the preceding fiscal year's period-end date.

Service cost, past service cost, and settlement gains (losses) for pensions and similar obligations, as well as administration costs unrelated to the management of plan assets, are allocated to functional costs. Past service cost and settlement gains (losses) are recognized immediately in profit or loss. For unfunded plans, the amount of the Provisions for pensions and similar obligations line item equals the DBO. For funded plans, Siemens Energy offsets the fair value of the plan assets with the DBO. Siemens Energy recognizes the net amount, after adjustments for effects relating to any asset ceiling.

Remeasurements comprise actuarial gains and losses as well as the difference between the return on plan assets and the amounts included in net interest on the net defined benefit liability (asset). They are recognized in Other comprehensive income, net of income taxes.

Actuarial valuations rely on key assumptions, including discount rates, expected compensation increases, rate of pension progression, and mortality rates. The discount rates used are determined by reference to yields on high-quality corporate bonds of appropriate duration and currency at the end of the reporting period. In case such yields are not available, the discount rates are based on government bonds yields. Due to changing market, economic, and social conditions, the underlying key assumptions may differ from actual developments.

Entitlements resulting from plans based on investment returns from underlying assets are generally measured at the fair value of the underlying assets at period-end. If the performance of the underlying assets is lower than a guaranteed return, the DBO is measured by projecting forward the contributions at the guaranteed fixed return and discounting back to a present value.

Provisions – A provision is recognized in the Statement of Financial Position when it is probable that Siemens Energy has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are recognized at present value by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money. When a contract becomes onerous, the present obligation under the contract is recognized as a provision.

Significant estimates are involved in determining provisions related to warranty costs, onerous contracts, legal and regulatory proceedings, as well as governmental investigations (legal proceedings).

The measurement of warranty provisions reflects whether the underlying obligation results from a single obligation or a larger population of items. The amounts recognized to settle the obligation correspond to the best possible estimate and are based, for example, on assumptions regarding failure rates and costs to remedy the failure per incident, which are occasionally derived from statistical models, based on empirical values and currently available information from ongoing inspections and defect rectifications. In particular, the assumptions and estimates regarding failure rates are sometimes subject to significant uncertainties insofar as they relate to new technologies for which hardly any operating data is available.

Siemens Energy records a provision for onerous contracts with customers when the current estimated total costs exceed the estimated revenues. Onerous contracts with customers are identified by monitoring the progress of the project and updating the estimates, which requires significant judgment relating to achieving certain performance standards as well as estimates involving warranty costs and estimates regarding project delays, including the assessment of responsibility splits between the contract partners for these delays.

Uncertainties regarding asset retirement obligations include the estimated costs of decommissioning because of the long timeframe over which future cash outflows are expected to occur, including the respective interest accretion.

Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a legal proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. Internal and external counsels are generally part of the determination process. Due to new developments, it may be necessary, to record a provision for an ongoing legal proceeding or to adjust the amount of a previously recognized provision. Upon resolution of a legal proceeding, Siemens Energy may incur charges in excess of the recorded provisions for such matters. The outcome of legal proceedings may have a material effect on Siemens Energy's financial position, its results of operations and (or) its cash flows.

Personnel restructuring measures – Expenses for restructuring measures are recognized if a detailed formal plan for the restructuring has been developed, which has raised a valid expectation in those affected that the restructuring measures will be carried out by starting to implement the plan or announcing its main features to those affected by it. The determination of expenses is based on various assumptions that also require judgements and estimates and may therefore contain uncertainties in this respect. These include in particular the acceptance rate, the underlying salary, and length of service. If employees are offered severance packages, the benefits are measured on the basis of the expected number of employees who will accept the offer.

Termination benefits – Termination benefits are provided as a result of an entity's offer made in order to encourage voluntary redundancy before the regular retirement date or of an entity's decision to terminate the employment. Termination benefits in accordance with IAS 19, Employee Benefits, are recognized as a liability and an expense when the entity can no longer withdraw the offer of those benefits.

Cash and cash equivalents – Siemens Energy considers all highly liquid investments with a maturity of less than three months from the date of acquisition to be cash equivalents. Cash and cash equivalents are measured at amortized cost.

Financial instruments – A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are classified as financial assets and financial liabilities measured at cost or amortized cost, measured at fair value, loan commitments and credit guarantees, and Contract assets. Regular way purchases or sales of financial assets are accounted for at the trade date. Siemens Energy does not use the option to designate financial assets or financial liabilities at fair value through profit or loss at inception (fair value option). Initially, financial instruments are recognized at fair value and net of transaction costs, if they are not categorized at fair value through profit or loss. Subsequently, financial assets and liabilities are measured according to the category to which they are assigned.

Financial assets measured at fair value through profit or loss – Debt financial assets are measured at FVTPL if the business model they are held in is not a hold-to-collect or a hold-and-sell business model, or if their contractual cash flows do not represent solely payments of principal and interest. Equity instruments are measured at FVTPL unless the option to recognize fair value changes in other comprehensive income has been exercised

Financial assets measured at fair value through other comprehensive income – Equity investments shall generally be measured at fair value. However, if an equity investment is neither held for trading, nor a business combination in accordance with IFRS 3, an entity can take an irrevocable decision at initial recognition to recognize the fair value changes in OCI (FVTOCI). Only dividend income will be recognized in profit or loss unless it is a return of capital.

Financial assets measured at amortized cost – Loans, receivables, and other debt instruments held in a hold-to-collect business model with contractual cash flows that represent solely payments of principal and interest are measured at amortized cost using the effective interest method less valuation allowances for expected credit losses.

Valuation allowances are recognized for expected credit losses, representing a forward-looking estimate of future credit losses involving significant judgment. Expected credit loss is the gross carrying amount less collateral, multiplied by the probability of default and a factor reflecting the loss in the event of default. Valuation allowances are not recognized when the gross carrying amount is sufficiently collateralized. Probabilities of default are mainly derived from rating grades.

A simplified approach is used to assess expected credit losses from trade receivables and Contract assets by applying their lifetime expected credit losses.

Financial assets are written off as uncollectible if recovery appears unlikely. Generally, the limitation period has expired if a debtor's sworn statement of affairs has been received, or if the receivable is not pursued due to its minor value. Receivables are written off when bankruptcy proceedings close.

A financial asset is derecognized when the rights to cash flows expire or when the financial asset is transferred to another party. Significant modifications of the contractual terms of a financial asset measured at amortized cost result in derecognition and recognition of a new financial asset; for insignificant modifications, the carrying amount of the financial asset is adjusted without derecognition.

Credit guarantees – Credit guarantees are recognized at the higher of consideration received for granting the guarantee and expected credit losses determined.

Financial liabilities – Except for derivative financial instruments, Siemens Energy measures financial liabilities at amortized cost using the effective interest method.

Financial liabilities are analyzed to determine whether these should be accounted for entirely as debt or split into an equity component and a debt component. For the mandatory convertible note issued in September 2022, Siemens Energy's early conversion right, which allows conversion of the nominal amount into a fixed number of shares, was identified as an important criterion. Siemens Energy considered the early conversion right to be economically substantial for capital and rating management purposes and hence accounted for the mandatory convertible note as a compound financial instrument. The debt component corresponded to the present value of the coupons and was reported under financial liabilities. Proportionate directly attributable transaction costs allocated to the debt component were amortized to interest expense over the term to maturity. The remaining amount, after deduction of proportionate directly attributable transaction costs, was the equity component, which was reported in capital reserves.

Lease liabilities – Lease liabilities are measured at the present value of the lease payments payable over the lease term, generally discounted using the incremental borrowing rate unless the rate implicit in the lease can be readily determined. Lease liabilities are subsequently measured at amortized cost using the effective interest method. They are remeasured in case of modifications or reassessments of the lease.

Derivative financial instruments – Derivative financial instruments, such as foreign currency exchange contracts and interest rate swap contracts, are measured at fair value. Changes in the fair value of derivative financial instruments are recognized either in Net income or, in the case of a cash flow hedge, in the Other comprehensive income line item, net of income taxes (applicable deferred income tax). Certain derivative instruments embedded in host contracts are also accounted for separately as derivatives.

Cash flow hedges – The effective portion of changes in the fair value of derivative instruments designated as cash flow hedges are recognized in Other comprehensive income line item, net of income taxes, and any ineffective portion is recognized immediately in Net income. Amounts accumulated in equity are reclassified into Net income in the same periods in which the hedged item affects Net income.

Share-based payment – At Siemens Energy, share-based payment awards are classified as equity-settled. The fair value is measured at the grant date and expensed over the vesting period. The fair value is determined as the market price of the underlying shares, considering dividends during the vesting period to which the grantees are not entitled, as well as market and non-vesting conditions, if applicable.

Recently adopted accounting pronouncements

Since October 1, 2024, Siemens Energy has applied amendments to IAS 1, Classification of liabilities as current or non-current and non-current liabilities with covenants; IFRS 16, Lease liability in a sale and leaseback; IAS 7 and IFRS 7, Supplier finance arrangements. These amendments had no material impact on the Consolidated Financial Statements.

Accounting pronouncements – not yet adopted

The following financial reporting pronouncements, issued by the International Accounting Standards Board (IASB), are not yet effective (or have not yet been endorsed by the European Union) and have not yet been adopted by Siemens Energy.

IFRS 18, Presentation and disclosure in financial statements, was published in April 2024 by the IASB and will replace IAS 1, Presentation of financial statements. The new standard requires the presentation of additional, specified subtotals within the income statement. These are based on the categorization of income and expenses into the operating, investing, and financing category, among others. IFRS 18 also requires specific disclosures regarding Management-defined performance measures (MPMs) and selected costs by type in the notes. Furthermore, IFRS 18 introduces new principles for aggregation and disaggregation of information and makes limited amendments to IAS 7, Statement of cash flows. The new standard is effective for annual reporting periods beginning on or after January 1, 2027. The initial application is retrospective, and an earlier application is permitted. Siemens Energy will adopt the standard for the fiscal year beginning as of October 1, 2027. The impacts on the consolidated financial statements are currently being assessed.

The following table provides an overview of published accounting announcements – not yet implemented:

Amendments to standards/ interpretations		Mandatory application	Expected initial adoption	Anticipated effect
IAS 21	Lack of exchangeability (amendments to IAS 21)	Jan 1, 2025	Oct 1, 2025	not material
IAS 7	Cost method (amendments to IAS 7)	Jan 1, 2026	Oct 1, 2026	not material
IFRS 7	Gain or loss on derecognition (amendments to IFRS 7)	Jan 1, 2026	Oct 1, 2026	not material
IFRS 7, IFRS 9	Classification and Measurement of Financial Instruments (amendments to IFRS 7, IFRS 9)	Jan 1, 2026	Oct 1, 2026	not material
IFRS 9	Derecognition of lease liabilities and transaction price (amendments to IFRS 9)	Jan 1, 2026	Oct 1, 2026	not material
IFRS 9, IFRS 7	Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7)	Jan 1, 2026	Oct 1, 2026	not material
IFRS 10	Determination of a 'de facto agent' (amendments to IFRS 10)	Jan 1, 2026	Oct 1, 2026	not material
IFRS 18	Presentation and disclosure in Financial Statements (new standard)	Jan 1, 2027	Oct 1, 2027	in analysis
IFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	Jan 1, 2027	Oct 1, 2027	not material

NOTE 3 Assets held for disposal

Planned Sale of the Indian wind business

On March 26, 2025, Siemens Energy signed an agreement for the sale of its Indian wind business to Vayona Energy Private Limited, formerly Peony Properties Private Limited, which is registered in Mumbai, India, and owned by a group of investors led by TPG. The business includes the manufacturing, installation, and service of onshore wind turbines in India and Sri Lanka, which was reported within the SG segment at Siemens Energy. As part of the agreement, Siemens Energy transferred employees and two manufacturing plants in India to Vayona Energy Private Limited. Closing of the transaction took place on December 1, 2025.

The assets and liabilities associated with the transaction were classified as "held for disposal" as of September 30, 2025. The major classes of assets and liabilities of the disposal group are detailed in the tables below. The measurement of the disposal group at the lower of its carrying amount and fair value less costs to sell resulted in an impairment loss of €225 million as well as a provision for onerous contracts and other deal-related expenses of €51 million, which were both recognized in Other operating expenses in the Consolidated Statements of Income. As of September 30, 2025, the accumulated foreign currency translation loss related to the disposal group recognized in Other comprehensive income (loss), net of income taxes amounted to €195 million.

	Sep 30, 2025
(in millions of €)	Indian Wind Business
Cash and cash equivalents	56
Trade and other receivables	36
Contract assets	57
Inventories	69
Remaining assets	33
Total assets	**252**

	Sep 30, 2025
(in millions of €)	Indian Wind Business
Trade and other payables	41
Contract liabilities	81
Remaining liabilities	36
Total liabilities	**159**

NOTE 4 Interests in other entities

Investments accounted for using the equity method

	Fiscal year	
(in millions of €)	2025	2024
Share of profit (loss), net	58	55
Gains (losses) on sales, net	524	2,071
Impairment and reversals of impairment	(1)	84
Income (loss) from investments accounted for using the equity method, net	**580**	**2,210**

The gain on sales is mainly attributable to the revaluation of Siemens Energy's interest in Siemens Limited, registered in Mumbai, India. Following the demerger of the Indian Energy business into Siemens Energy India Limited, registered in Mumbai, India, and the allocation of shares in Siemens Energy India Limited to the shareholders of Siemens Limited, Siemens Energy lost significant influence over Siemens Limited as of April 7, 2025. As a result, the investment in Siemens Limited is accounted for as a financial instrument at fair value. The change in accounting method resulted in a gain of €473 million, which was recorded in income from investments accounted for using the equity method. The received stake over 6% in Siemens Energy India Limited is accounted for as an associate using the equity method, as Siemens Energy can exercise significant influence due to contractual agreements as well as the Energy business conducted by Siemens Energy India Limited.

The remaining gain on sales includes gains from the sales of the 49% interest in Ethos Energy Group Limited, registered in Aberdeen, United Kingdom, which closed on December 31, 2024.

Associates and Joint Ventures

As of September 30, 2025, the carrying amount of all individually non-material associates amounted to €616 million (2024: €679 million), and the carrying amount of all individually non-material joint ventures amounted to €87 million (2024: €88 million). Summarized financial information for all individually non-material associates and joint ventures, adjusted for the percentage of ownership held by Siemens Energy, is presented below. Items included in the Statements of Comprehensive Income are presented for the twelve-month period reported using the equity method.

Associates

	Fiscal year	
(in millions of €)	**2025**	2024
Income (loss) from continuing operations	32	41
Other comprehensive income, net of income taxes	1	31
Total comprehensive income	**33**	72

Joint ventures

	Fiscal year	
(in millions of €)	**2025**	2024
Income (loss) from continuing operations	23	(7)
Other comprehensive income, net of income taxes	(2)	1
Total comprehensive income	**21**	(6)

NOTE 5 Other operating income and expense

In fiscal year 2025, other operating income included, among other things, gains on sales of intangible assets and property, plant and equipment; electricity income from company turbines, retained advance payments in connection with non-award of a contract, as well as reversals of impairment losses on property, plant and equipment and intangible assets. In fiscal year 2024, other operating income mainly comprised the following: Gains on sales of intangible assets and property, plant and equipment; electricity income from company turbines; compensation under a settlement agreement; income from the deconsolidation of Gas and Power LLC, registered in Moscow, Russian Federation. As part of the restructuring of business activities in Russia, the liquidation of the company was filed for in fiscal year 2024 and Siemens Energy lost control of the company in the course of proceedings.

In fiscal year 2025, other operating expenses were mostly incurred in connection with the planned sale of the Indian wind business. In fiscal year 2024, other operating expenses were mainly incurred in connection with sales of intangible assets and property, plant and equipment and businesses as well as expenses from hyperinflation accounting.

NOTE 6 Income taxes

Income tax (expenses) benefits consist of the following:

	Fiscal year	
(in millions of €)	**2025**	2024
Current tax	(678)	(590)
Deferred tax	151	103
Income tax (expenses)	**(527)**	**(487)**

The current income tax in fiscal year 2025 and 2024 include current taxes for prior years in the amount of €27 million benefit and €58 million (expense) respectively, as well as for global minimum taxation in the amount of €15 million (expense).

In Germany, the calculation of current tax in fiscal year 2025 is based on a combined tax rate of 32%, as in the prior year, consisting of a corporate tax rate of 15%, a solidarity surcharge thereon of 5.5%, and an average trade tax rate of 16%. For foreign subsidiaries, current taxes are calculated on the basis of local tax law and applicable tax rates in the individual foreign countries. Deferred tax assets and liabilities in Germany and abroad are measured at the tax rates that are expected to apply to the period when the asset, the loss carryforward or the interest carryforward is realized or the liability is settled. The gradual reduction of the corporate income tax rate in Germany from 15% to 10%, beginning with the 2028 assessment period, has been considered.

Actual income tax expenses differ from the amounts computed by applying a combined statutory German income tax rate of 32% as follows:

	Fiscal year	
(in millions of €)	**2025**	2024
Income (loss) before income taxes	2,213	1,822
Expected income tax (expenses)	(708)	(583)
(Increase) decrease in income taxes resulting from:		
Non-deductible losses and expenses	(125)	(173)
Tax-free income	31	27
Taxes for prior years	34	(35)
Non-recognition and change in realizability of deferred tax assets and tax credits	(86)	(377)
Change in tax rates	7	(3)
Foreign tax rate differential	259	227
Tax effect of investments accounted for using the equity method	179	522
Other, net	(118)	(92)
Actual income tax expenses	**(527)**	**(487)**

The position "Non-recognition and change in realizability of deferred tax assets and tax credits" contains an effect of € negative 447 million (2024: € negative 590 million) for non-recognition and an effect of € 361 million (2024: €213 million) for change in realizability of deferred tax assets and tax credits. The non-recognition results mainly from the ongoing loss history at Siemens Gamesa. A further significant effect results from the tax-exempt first-time fair-value valuation of investments previously accounted for using the equity method. An expense for withholding taxes is included in item "Other, net" in the amount of €134 million (2024: €96 million).

Deferred income tax assets and liabilities are summarized as follows:

	30-Sep-25			30-Sep-24			Changes 2025	
(in millions of €)	DTA	DTL	net	DTA	DTL	net	Total	thereof P&L
Intangible assets	113	(558)	(445)	117	(626)	(509)	64	65
Pensions and similar obligations	685	(522)	163	634	(483)	151	12	30
Non-current assets and liabilities	775	(617)	158	714	(451)	263	(105)	(101)
Current assets and liabilities	2,497	(3,356)	(859)	1,906	(2,343)	(437)	(422)	(293)
Tax loss carryforwards, other loss carryforwards	1,216		1,216	797		797	419	424
Tax credits	37		37	12		12	25	25
Total deferred taxes (gross)	**5,323**	**(5,053)**	**271**	**4,180**	**(3,903)**	**277**	**(6)**	**151**
Netting	(4,419)	4,419	—	(3,488)	3,488	—	—	—
Total deferred taxes (net)	**904**	**(634)**	**271**	**692**	**(415)**	**277**	**(6)**	**151**

Other loss carryforwards mainly include interest carryforwards.

Net DTA amounting to €71 million (2024: €198 million) is recognized at companies in Sweden, Australia and Norway despite a current loss situation to the extent that it appears sufficiently certain that sufficient taxable income will be available in the future. This is justified by tax restructurings carried out in course of the integration of Siemens Gamesa in the prior year.

Deferred tax balances (on a net basis) developed as follows in fiscal years 2025 and 2024:

	Fiscal year	
(in millions of €)	2025	2024
Balance at beginning of fiscal year of deferred tax assets	277	192
Income taxes presented in the Consolidated Statements of Income	151	103
Changes in items of the Consolidated Statements of Comprehensive Income	(131)	40
Other	(26)	(58)
Balance at end of fiscal year of deferred tax assets	**271**	**277**

"Other" mainly includes effects from currency translation. In fiscal year 2024 there was an additional effect resulting from the deconsolidation of assets and liabilities.

Deferred tax assets were not recognized with respect to the following items (gross amounts):

	Without time limitation		Forfeit 1 to 5 years		Forfeit 5 to 9 years		Forfeit 10 years and more	
(in millions of €)	2025	2024	2025	2024	2025	2024	2025	2024
Deductible temporary differences	3,558	3,543	-	-	-	-	-	-
Tax loss carryforwards:								
Domestic German corporate income tax	2,602	2,278	-	-	-	-	-	-
Domestic German trade tax	2,394	2,199	-	-	-	-	-	-
Abroad	3,597	4,942	1,242	905	256	749	6,964	5,225
Tax credits	18	43	3	28	1	5	158	153

In connection with investments in subsidiaries, there were taxable temporary differences of €509 million (2024: €269 million) for which no deferred taxes have been recognized because the timing of the reversal can be controlled, and it is not probable that the temporary differences will reverse in the foreseeable future.

In some countries where Siemens Energy has business activities, legal regulations on minimum taxation have been adopted in accordance with the OECD guidelines on global minimum taxation (Pillar Two). In Germany, too, Pillar Two was transposed into German law by introducing a minimum tax law, which will apply to Siemens Energy for the first time for fiscal year 2025. For countries for which an exemption under the Safe Harbour regulations does not apply, a tax expense in the amount of €15 million in total was taken into account on the basis of a simplified calculation.

NOTE 7 Contract assets, liabilities and revenues

As of September 30, 2025, amounts expected to be settled after twelve months were €580 million for Contract assets (2024: €840 million) and €5,010 million for Contract liabilities (2024: €5,243 million). In fiscal year 2025, €126 million were included in revenue, relating to performance obligations satisfied in previous periods (2024: €38 million). In fiscal year 2025, revenue included €12,920 million which was included in Contract liabilities at the beginning of the fiscal year (2024: €10,921 million). The increase in contract liabilities from €18,867 million to €22,321 million is mainly due to higher advance payments in connection with the increase in new orders.

NOTE 8 Inventories

	Sep 30,	
(in millions of €)	**2025**	2024
Raw materials and supplies	2,386	2,139
Work in progress	5,005	4,636
Finished goods and merchandise	2,392	2,286
Advances to suppliers	594	730
Total inventories	**10,377**	9,792

In fiscal year 2025, the Cost of sales included Inventories of €30,903 million (2024: €28,096 million) that were recognized as expenses. Compared with the prior year, write-downs increased by €156 million (2024: €101 million).

NOTE 9 Goodwill

(in millions of €)	Fiscal year 2025	2024
Cost		
Balance at beginning of fiscal year	9,499	10,020
Translation differences and other	(342)	(317)
Acquisitions and purchase accounting adjustments	32	(1)
Disposals and reclassifications to assets classified as held for disposal	(28)	(203)
Balance at end of fiscal year	**9,162**	**9,499**
Accumulated impairment losses and other changes		
Balance at beginning of fiscal year	(39)	(38)
Translation differences and other	1	(0)
Impairment losses recognized during the period (including those relating to disposal groups)	(88)	1
Disposals and reclassifications to assets classified as held for disposal	—	(0)
Balance at end of fiscal year	**(125)**	**(39)**
Carrying amount		
Balance at beginning of fiscal year	9,461	9,982
Balance at end of fiscal year	**9,037**	**9,461**

As of October 1, 2024, Siemens Energy reorganized its organizational and reporting structure within the Siemens Gamesa segment. The two goodwill-carrying units, Wind Turbines and Operation and Maintenance, were combined into the new goodwill-carrying unit Siemens Gamesa, and the goodwill of the two units was allocated to the new goodwill-carrying unit Siemens Gamesa. The combination did not result in any impairment of goodwill. The prior-year figures are based on the structure before the reorganization.

Siemens Energy performed the mandatory annual impairment test as of September 30, 2025. In the annual impairment test 2025, the recoverable amounts for the Group's cash-generating units were estimated to be higher than the carrying amounts.

For the purpose of estimating the value in use of the cash-generating units, cash flows were projected for the next five years based on past experience, actual operating results, and management's best estimate about future developments as well as market assumptions.

The values in use are mainly driven by the terminal value, which is particularly sensitive to changes in assumptions about the terminal value growth rate and discount rate. Both assumptions are determined individually for each cash-generating unit. Discount rates are based on the Weighted Average Cost of Capital (WACC). The discount rates are calculated on the basis of a risk-free rate of interest and a market risk premium. In addition, the discount rates reflect the current market assessment of the risks specific to each cash-generating unit by taking into account specific peer group information on beta factors, leverage, and cost of debt. The parameters for calculating the discount rates are based on external sources of information. The peer group is subject to an annual review and adjusted, if necessary. Terminal value growth rates take into consideration external macroeconomic sources of data and industry specific trends.

The following tables present the valuation parameters as well as the key assumptions used to determine the value in use for impairment test purposes for cash-generating units with a material goodwill:

	Sep 30, 2025			
(in millions of €)	Goodwill	Terminal value growth rate	Pre-tax discount rate	Average revenue growth rate in the planning period
Gas Services	2,674	—	10.6%	9.2%
Grid Technologies	2,258	2.0%	11.8%	15.3%
Siemens Gamesa	2,542	2.0%	11.5%	10.4%

	Sep 30, 2024			
(in millions of €)	Goodwill	Terminal value growth rate	Pre-tax discount rate	Average revenue growth rate in the planning period
Gas Services	2,764	—	8.7%	3.9%
Grid Technologies	2,307	2.0%	10.9%	16.6%
Wind Turbines	1,179	2.0%	11.8%	12.4%
Operation and Maintenance	1,596	2.0%	12.8%	2.3%

Not material goodwill is allocated to the goodwill-carrying units within TI. The aggregate carrying amount of this goodwill amounted to €1,562 million as of September 30, 2025 (2024: €1,615 million). The average revenue growth rate in the planning period for these goodwill-carrying units was 6.9% as a whole (2024: 9.9%).

Profit margin before Special Items ranges for fiscal year 2028

Gas Services	18 – 20%
Grid Technologies	18 – 20%
Transformation of Industry	12 – 14%
Siemens Gamesa	3 – 5%

Given the transformation of the energy market and the globally increasing demand for energy, Siemens Energy assumes for the goodwill-carrying units GS and GT as well as for the goodwill-carrying units within TI, based on the current profit margin and considering the existing geopolitical uncertainties, a continued positive business development. During the multi-year planning period, expected profit margin ranges were applied, which, on average, reflect the respective externally communicated target profit ranges for fiscal year 2028.

For the goodwill-carrying unit Siemens Gamesa, Siemens Energy anticipates, based on the current challenging market environment in the wind industry and structural trends in the global energy market, marked margin improvements in the coming years. The planning was based on improvements in the ramp-up of production for the offshore activities and existing quality issues of certain onshore platforms as well as ongoing progress in product costs within the planning period.

These structural changes are anticipated to be gradual over several years or decades and require the ability to adapt business models and cost structures accordingly while simultaneously offering the opportunity to position the Group with new products in a growing market amid an expected global increase in energy demand. The expectation that Siemens Energy will make the necessary adaptations with regard to these changes to respond to the risks and opportunities of climate change and decarbonization trends is reflected in its business planning, which forms the basis for the cash flows for the multi-year planning period and the cash flows used to derive the terminal values for its cash-generating units to which a significant amount of goodwill is allocated. As part of the planning process, in determining the relevant cash flows, various external studies such as those from S&P Global and the International Energy Agency regarding scenarios for the development of the global energy system were considered.

The sensitivity analysis for the cash-generating units was based on a reduction of 10% in future cash flows, or an increase of one percentage point in discount rates, or a reduction of one percentage point in the terminal value growth rate. Siemens Energy concluded that no impairment loss would need to be recognized on goodwill in any of the cash-generating units.

NOTE 10 Other intangible assets and property, plant and equipment

(in millions of €)	Gross carrying amount Oct 1, 2024	Translation differences	Additions through business combinations	Additions	Reclassi-fication	Retirements	Gross carrying amount Sep 30, 2025	Accumulated depreciation/ amortization and impairment	Carrying amount Sep 30, 2025	Depreciation/ amortization and impairment in fiscal year 2025
Internally generated technology	1,413	(4)	—	184	—	(8)	1,585	(820)	*765*	(158)
Acquired technology including patents, licenses and similar rights	2,594	(31)	7	2	—	(15)	2,558	(2,276)	*281*	(55)
Customer relationships and trademarks	4,201	(167)	7	—	—	(484)	3,557	(2,153)	*1,404*	(277)
Other intangible assets	**8,209**	**(203)**	**14**	**186**	**—**	**(506)**	**7,700**	**(5,249)**	*2,450*	**(491)**
Land and buildings	4,932	(102)	1	577	141	(211)	5,338	(2,210)	*3,128*	(348)
therein right-of-use assets	*1,994*	*(45)*	—	*471*	—	*(110)*	*2,309*	*(938)*	*1,371*	*(232)*
Technical equipment and machinery	5,390	(104)	3	408	236	(348)	5,588	(3,764)	*1,824*	(371)
therein right-of-use assets	*761*	*(4)*	—	*269*	—	*(28)*	*998*	*(435)*	*562*	*(145)*
Furniture and office equipment	2,941	(47)	1	530	219	(213)	3,430	(2,411)	*1,018*	(480)
therein right-of-use assets	*186*	*(6)*	—	*66*	—	*(20)*	*227*	*(135)*	*92*	*(47)*
Advances to suppliers and construction in progress	934	(7)	—	849	(596)	(7)	1,172	(3)	*1,169*	(3)
Property, plant and equipment	**14,197**	**(260)**	**4**	**2,364**	**0**	**(780)**	**15,528**	**(8,388)**	**7,140**	**(1,203)**

(in millions of €)	Gross carrying amount Oct 1, 2023	Translation differences	Additions through business combinations	Additions	Reclassi-fication	Retirements	Gross carrying amount Sep 30, 2024	Accumulated depreciation/ amortization and impairment	Carrying amount Sep 30, 2024	Depreciation/ amortization and impairment in fiscal year 2024
Internally generated technology	1,272	(3)	—	173	(0)	(28)	1,413	(673)	740	(142)
Acquired technology including patents, licenses and similar rights	2,656	(25)	—	4	0	(41)	2,594	(2,259)	335	(105)
Customer relationships and trademarks	4,404	(187)	1	—	(0)	(17)	4,201	(2,466)	1,735	(174)
Other intangible assets	**8,332**	**(215)**	**1**	**177**	**0**	**(85)**	**8,209**	**(5,398)**	**2,811**	**(421)**
Land and buildings	4,799	(53)	(0)	357	146	(317)	4,932	(2,035)	2,897	(313)
therein right-of-use assets	*1,945*	*(11)*	—	*273*	—	*(214)*	*1,994*	*(795)*	*1,199*	*(197)*
Technical equipment and machinery	5,200	(117)	2	420	185	(300)	5,390	(3,791)	1,599	(376)
therein right-of-use assets	*510*	*(0)*	—	*249*	—	*3*	*761*	*(310)*	*451*	*(111)*
Furniture and office equipment	2,721	(29)	2	427	86	(266)	2,941	(2,150)	790	(401)
therein right-of-use assets	*141*	*(5)*	*0*	*68*	*(0)*	*(18)*	*186*	*(107)*	*79*	*(40)*
Advances to suppliers and construction in progress	686	(13)	—	713	(417)	(35)	934	(0)	934	—
Property, plant and equipment	**13,406**	**(212)**	**4**	**1,916**	**(0)**	**(917)**	**14,197**	**(7,977)**	**6,220**	**(1,090)**

Intangible assets mainly relate to customer relationships and technology acquired in the Dresser-Rand Group Inc. and SG business acquisitions. Through the Dresser-Rand acquisition, Siemens Energy has a comprehensive portfolio of equipment and capability for the oil and gas industry and a much-expanded installed base, allowing Siemens Energy to address the needs of the market with products, solutions, and services. The customer relationships and technology that relate to the Dresser-Rand acquisition will be amortized over a period of 20 years. Intangible assets associated with the SG acquisition mainly relate to customer relationships and technology and are being amortized over a period of 16 to 20 years.

As of September 30, 2025, the gross carrying amount of advances to suppliers and construction in progress included mainly machinery and equipment under construction. As of September 30, 2025, contractual commitments for purchases of property, plant and equipment were €535 million (2024: €531 million).

In fiscal year 2025, government grants awarded for the purchase or the production of property, plant and equipment amounted to €16 million (2024: €11 million). The award of further government grants of €153 million (2024: €93 million), related to costs incurred and future costs, mainly related to expansions or new facilities for innovation or growth.

In fiscal year 2025, expenses not accounted for under the right-of-use model recognized for short-term leases were €275 million (2024: €265 million) and for low-value leases €13 million (2024: €9 million).

In fiscal year 2025 impairment losses of €189 million (2024: €37 million) on other intangible assets and property, plant and equipment were recognized. These impairments resulted mainly in connection with the planned sale of the Indian wind business.

NOTE 11 Other current assets and liabilities

The other current assets in fiscal year 2025 and 2024 include other tax receivables including sales tax in the amount of €791 million and €929 million, respectively.

Other current liabilities consist of the following items:

	Sep 30,	
(in millions of €)	**2025**	**2024**
Liabilities to personnel	2,025	1,977
Accruals for pending invoices	1,026	853
Reservation fees	563	244
Other tax liabilities including sales tax	373	370
Other	346	238
Total other current liabilities	**4,332**	**3,681**

NOTE 12 Trade payables and other liabilities

Trade payables and other liabilities include supplier liabilities that are settled via supply chain finance programs. Through such programs, suppliers have the option of receiving payment from a financing service provider before the payment term agreed with Siemens Energy for a discount. These programs therefore serve exclusively to finance suppliers, who must, however, agree to participate in such programs. For Siemens Energy, the payment terms originally agreed with the suppliers are not changed.

As at September 30, 2025, the volume of all trade payables processed via supply chain finance programs amounted to € 1,247 million (2024: € 1,403 million). The most significant program utilized by Siemens Energy is Orbian Supply Chain Finance, which is detailed in the following table:

	Sep 30,	
(in millions of €)	**2025**	2024
Carrying amounts of trade payables	1,075	1,190
Thereof in euro	*732*	*826*
Thereof in U.S. dollar	*198*	*186*
Thereof in other currencies	*145*	*178*
Amounts already paid out by the financial service provider to the supplier	920	1,034

The payment terms of trade payables under the Siemens Energy Orbian program are mostly between 45 and 210 days and are not materially different from the general payment terms of trade payables not processed in supply chain programs.

NOTE 13 Debt

	Current debt		Non-current debt	
	Sep 30,	Sep 30,	**Sep 30,**	Sep 30,
(in millions of €)	**2025**	2024	**2025**	2024
Loans from banks	355	64	—	350
Lease liabilities	394	320	1,691	1,437
Notes and bonds	778	80	747	1,495
Other financial indebtedness	0	16	—	5
Total debt	**1,528**	**479**	**2,438**	**3,287**

Changes in liabilities arising from financing activities

(in millions of €)	Oct 1, 2024	Cash flows	Non-cash changes: Acquisitions/ Disposals	Non-cash changes: Foreign currency translation	Non-cash changes: Reclassifications and other changes	Sep 30, 2025
Loans from banks (current and non-current)	414	(51)	—	(85)	77	355
Lease liabilities (current and non-current)	1,757	(392)	0	(56)	777	2,085
Notes and bonds (current and non-current)	1,575	(54)	—	—	5	1,525
Other financial indebtedness (current and non-current)	21	(102)	—	—	81	0
Total debt	**3,767**	**(599)**	**0**	**(141)**	**939**	**3,966**

(in millions of €)	Oct 1, 2023	Cash flows	Non-cash changes: Acquisitions/ Disposals	Non-cash changes: Foreign currency translation	Non-cash changes: Reclassifications and other changes	Sep 30, 2024
Loans from banks (current and non-current)	1,170	(729)	(6)	(21)	0	414
Lease liabilities (current and non-current)	1,590	(338)	(27)	(6)	537	1,757
Notes and bonds (current and non-current)	2,021	(480)	-	-	34	1,575
Other financial indebtedness (current and non-current)	0	(141)	-	-	162	21
Total debt	**4,781**	**(1,688)**	**(32)**	**(27)**	**734**	**3,767**

Credit facilities and loans

As of September 30, 2025 and September 30, 2024, Siemens Energy had an unused €4,000 million syndicated revolving credit facility for general corporate purposes. In fiscal year 2025, the first of two one-year extension options was exercised. The credit facility will now mature in 2030.

In fiscal year 2025, the weighted average interest rate for loans from banks was 0.05% (2024: 3.19%).

Notes and bonds

As of September 30, 2025, a so-called Green Bond in the aggregate nominal amount of €1,500 million (2024: €1,500 million) was outstanding. The Green Bond comprises notes in the amount of €750 million maturing on April 5, 2026 with an annual coupon of 4.00% and notes in the amount of €750 million maturing on April 5, 2029 with an annual coupon of 4.25%. The proceeds were used to refinance Siemens Gamesa's existing debt. This qualifies as eligible green expenditure according to Siemens Energy's Green Bond Framework.

Siemens Energy has a commercial paper program in place under which, as of September 30, 2025, and September 30, 2024, up to €3,000 million in short-term debt instruments can be issued. As of September 30, 2025, as in the previous year, no commercial papers were outstanding.

Lease liabilities

In fiscal year 2025 the interest expenses for lease liabilities amounted to €61 million (2024: €47 million). The expenses relating to variable lease payments not included in the measurement of lease liabilities added up to €72 million (2024: €54 million). Since both the use and volume of the leases are constant, no significant increase in variable future lease payments is expected. Moreover, future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities include, among others, the following items: in fiscal year 2025, leases not yet commenced to which the lessee is committed of €430 million (2024: €604 million) and outflows arising from extension options of €347 million (2024: €262 million).

NOTE 14 Post-employment benefits/ Provisions for pensions and similar obligations

Siemens Energy provides post-employment defined benefit plans and defined contribution plans to almost all employees in Germany and the majority of employees outside Germany.

Defined benefit plans

Defined benefit plans which are open to new entrants are based predominantly on contributions made by Siemens Energy. Only to a certain extent are those plans affected by longevity, inflation, and compensation increases and consider country-specific differences. Siemens Energy's major plans are mostly funded with assets in segregated entities. In accordance with local laws and bilateral agreements with benefit trusts (trust agreement), those plans are managed in the interest of the beneficiaries. In fiscal year 2025, the defined benefit plans covered an average number of 71,000 participants, including 54,000 actives, 6,000 deferreds with vested benefits, and 11,000 retirees and surviving dependents in around 50 countries.

The majority of Siemens Energy pension liabilities relate to Germany, the United States of America and the United Kingdom. The pension landscapes in these three countries are described in detail below.

Germany

In Germany, pension benefits are provided through the following plans: BSAV (Beitragsorientierte Siemens Energy Altersversorgung), closed legacy plans, and deferred compensation plans. The majority of active employees participate in the BSAV. The benefits are predominantly based on notional contributions and their respective asset returns, subject to a minimum return guaranteed by the employer. At inception of the BSAV, benefits provided under the legacy plans were modified to substantially eliminate the effects of compensation increases. However, the legacy plans still expose Siemens Energy to investment risk, interest rate risk, and longevity risk. The pension plans are funded via contractual trust arrangements (CTA). In Germany, no legal or regulatory minimum funding requirements apply.

United States of America

The majority of the defined benefit plans in the U.S. have been closed to new entrants and frozen to future benefit accruals. Siemens Energy has appointed the Benefits Committee as the named fiduciary for the management of the assets of the plan. The plan's assets are held in the Trust and the Trustee of the Trust is responsible for the administration of the assets of the Trust, taking directions from the Benefits Committee. The plans are subject to the funding requirements under the Employee Retirement Income Security Act (ERISA) of 1974 as amended. There is a regulatory requirement to maintain a minimum funding level of 80% in the defined benefit plans in order to avoid benefit restrictions. At their discretion, sponsoring employers may contribute in excess of this regulatory requirement. Annual required contributions are calculated by independent actuaries.

United Kingdom

Pension benefits are mainly offered through the VA Tech U.K. Pension Scheme. The scheme provides benefits on retirement and death of its members and is closed for new entrants and frozen to future accruals. The required funding is determined by a funding valuation carried out every third year based on legal requirements. From April 2013, the Trustee arranged investments in insurance policies covering pension payments due to members, which significantly reduced the longevity and investment risks for the scheme and provided additional security for members.

Development of the defined benefit plans

(in millions of €)	Defined benefit obligation (DBO) (I) Fiscal year 2025	2024	Fair value of plan assets (II) Fiscal year 2025	2024	Net defined benefit balance (I - II)[1] Fiscal year 2025	2024
Balance at beginning of fiscal year	**3,012**	2,710	**2,473**	2,353	**558**	384
Current service cost	103	87	—	—	103	87
Interest expenses	121	133	—	—	122	135
Interest income	—	—	105	118	(105)	(118)
Other[2]	(0)	2	(5)	(5)	5	8
Components of defined benefit costs recognized in the Consolidated Statements of Income	**224**	223	**100**	113	**125**	111
Return on plan assets excluding amounts included in net interest income and net interest expenses	—	—	(55)	207	55	(207)
Actuarial (gains) / losses	(145)	395	—	—	(145)	395
Remeasurements recognized in the Consolidated Statements of Comprehensive Income	**(145)**	395	**(55)**	207	**(92)**	189
Employer contributions	—	—	186	48	(186)	(48)
Plan participants' contributions	14	12	14	12	—	—
Benefits paid	(136)	(135)	(86)	(82)	(51)	(53)
Settlement payments	—	—	—	—	—	—
Business combinations, disposals and other[3]	(4)	(135)	(4)	(133)	(1)	(10)
Foreign currency translation effects	(57)	(58)	(40)	(43)	(17)	(15)
Other reconciling items	**(184)**	(316)	**70**	(198)	**(254)**	(127)
Balance at end of fiscal year	**2,907**	3,012	**2,588**	2,473	**337**	558
thereof						
Germany	*1,696*	*1,678*	*1,698*	*1,500*	*(2)*	*179*
U.S.	*642*	*721*	*450*	*498*	*192*	*222*
U.K.	*176*	*206*	*178*	*208*	*(1)*	*1*
Other countries	*394*	*407*	*262*	*267*	*149*	*156*
Total	**2,907**	3,012	**2,588**	2,473	**337**	558
thereof provisions for pensions and similar obligations					*406*	*600*
thereof net defined benefit assets (presented in Other assets)					*(69)*	*(42)*

[1] As of September 30, 2025 increasing effects of asset ceiling of €19 million (2024: €19 million) were included.

[2] Includes past service benefits/ costs, settlement gains/ losses and administration costs related to liabilities.

[3] In fiscal year 2024 mainly resulting from the sale of the Trench Group.

Net interest expenses related to provisions for pensions and similar obligations in fiscal year 2025 amounted to €21 million (2024: €27 million). In fiscal year 2025, the DBO attributable to active employees stood at 58% (2024: 58%), the DBO attributable to former employees with vested rights stood at 10% (2024: 10%), and the DBO attributable to retirees and surviving dependents stood at 32% (2024: 32%).

The remeasurements comprise actuarial (gains) and losses resulting from:

	Fiscal year	
(in millions of €)	**2025**	**2024**
Changes in demographic assumptions	1	2
Changes in financial assumptions	(146)	327
Experience (gains) losses	(1)	67
Total	**(145)**	**395**

Actuarial assumptions

The weighted average discount rate used for the actuarial valuation of the DBO at period-end was as follows:

	Sep 30,	
	2025	**2024**
Discount rate	4.6%	4.1%
EUR	4.1%	3.5%
USD	5.2%	4.7%
GBP	5.9%	5.1%

The discount rates for the main currency zones were determined by adopting a yield curve approach reflecting the duration of the underlying liabilities. The yield curve approach builds on a spot rate yield curve which is derived from the yield of high-quality corporate bonds in the respective currency zone. The discount rates are obtained by combining the spot rate yield curve with the applicable duration of the liability. In currency zones with no deep market for high-quality corporate bonds the discount rate is directly determined based on yields for government bonds.

Applied mortality tables are:

	Sep 30,	
Mortality table	**2025**	**2024**
Germany	Heubeck-Richttafeln 2018 G	Heubeck-Richttafeln 2018 G
U.S.	Pri-2012 with generational projection from the U.S. Social Security Administration's Long Range Demographic Assumptions	Pri-2012 with generational projection from the U.S. Social Security Administration's Long Range Demographic Assumptions
U.K.	SAPS S3 (Standard mortality tables for Self Administered Pension Schemes with allowance for future mortality improvements)	SAPS S3 (Standard mortality tables for Self Administered Pension Schemes with allowance for future mortality improvements)

The rate of pension progression and respective countries, in which this rate has significant effects, is shown in the following table. Inflation effects, if applicable, are included in the assumptions below:

	Sep 30,	
Pension progression	**2025**	**2024**
Germany	2.3%	2.3%
U.K.	2.5%	2.6%

Sensitivity analysis

A change by half a percentage-point in the above assumptions would result in the following increase (decrease) of the DBO:

	Effect on DBO due to a half-percentage-point			
	Increase	Decrease	Increase	Decrease
(in millions of €)		Sep 30, 2025		Sep 30, 2024
Discount rate	(119)	132	(134)	147
Rate of pension progression	47	(41)	53	(48)

The DBO effect of a 10% reduction in mortality rates for all beneficiaries would be an increase of €40 million as of September 30, 2025 (2024: €46 million).

During the periods presented, sensitivity determinations apply the same methodology as applied for the determination of the post-employment benefit obligation. Sensitivities reflect changes in the DBO solely for the assumption changed.

Asset liability matching strategies

A decline in the plans' funded status due to adverse developments of plan assets and/ or defined benefit obligation resulting from changing parameters is considered a significant risk. For this reason, the investment strategy for the plan assets is derived from the structure and characteristics of the defined benefit obligation and is based for most plans on asset liability management studies. As part of a liability-driven investment (LDI) concept, interest rate hedge ratios are defined for most plans to reduce the volatility of the funding level. The investment strategy, the hedging requirements, and the development of the funding level are regularly reviewed with the involvement of external experts in order to assess the overall picture of the interaction between plan assets and defined benefit obligation.

Independent asset managers are selected based on quantitative and qualitative analyses, which include their performance and risk evaluation. Derivatives are used to reduce risks as part of the risk management.

Disaggregation of plan assets

(in millions of €)	Sep 30, 2025	Sep 30, 2024
Equity securities	549	454
Fixed income securities	1,228	1,221
Government bonds	*402*	*367*
Corporate bonds	*825*	*854*
Alternative investments	158	122
Multi strategy funds	352	345
Insurance policies	275	286
Cash and cash equivalents	33	23
Other assets	(7)	22
Total	**2,588**	**2,473**

Virtually all equity securities have quoted prices in active markets. The fair value of fixed income securities is based on prices provided by price service agencies. The majority of the fixed income securities are traded in active markets and are rated investment grade. Multi strategy funds invest in various asset classes depending on market environment. They aim to generate a certain absolute return at a given risk. Alternative investments include real estate and private equity.

Future cash flows

Employer contributions expected to be paid to defined benefit plans in fiscal year 2026 amount to €50 million. Over the next ten fiscal years, average annual benefit payments of €205 million were expected as of September 30, 2025 (2024: €198 million). The weighted average duration of the DBO for Siemens Energy defined benefit plans was 12 years as of September 30, 2025 (2024: 12 years).

Defined contribution plans and state plans

The amount recognized as expense for defined contribution plans amounted to €308 million in fiscal year 2025 (2024: €274 million). Contributions to state plans amounted to €581 million in fiscal year 2025 (2024: €531 million).

NOTE 15 Provisions

(in millions of €)	Warranties	Order related losses and risks	Other	Total
Balance as of October 1, 2024	**3,721**	**1,411**	**912**	**6,044**
therein non-current	*2,025*	*565*	*290*	*2,880*
Additions	1,590	850	278	2,719
Usage	(852)	(622)	(194)	(1,668)
Reversals	(558)	(342)	(226)	(1,126)
Translation differences	(57)	(17)	(9)	(83)
Accretion expense and effect of changes in discount rates	(16)	5	1	(10)
Other changes	(36)	0	3	(33)
Balance as of September 30, 2025	**3,792**	**1,287**	**764**	**5,843**
therein non-current	*2,122*	*745*	*197*	*3,065*

For the majority of non-current provisions, cash outflows during the next five years are expected.

Warranties relate to completed projects and products sold and are calculated on the basis of expected repair and replacement costs through projected failure rates determined using a statistical model. This anticipates product defects or functional failures that may arise during the warranty period and require repair. In addition, the recognition of non-recurring provisions is derived from various factors, such as customer complaints and quality issues, where the expected failure rates are above normal. Thus, provisions for warranties also include provisions for the repair of specific components due to exceptional technical problems. They are recognized as soon as the technical problem has been identified and the specific scope can be assessed. This includes issues such as serial defects, major repair cases of specific components and potentially derived customer claims. As of September 30, 2025, provisions for warranties amounted to €3,792 million (2024: €3,721 million), of which €2,474 million (2024: €2,636 million) related to the Segment SG.

Contract-related provisions for onerous contracts and risks are recognized for expected losses and risks from uncompleted construction contracts and sales. As of September 30, 2025, provisions for onerous contracts amounted to €1,287 million (2024: 1,411 million), of which €984 million (2024: €1,200 million) related to the Segment SG.

Other includes provisions for legal proceedings, as far as the risks that are subject to such legal proceedings are not already covered by project accounting. Provisions for legal proceedings as of September 30, 2025, amounted to €327 million (2024: €393 million).

NOTE 16 Equity

Issued capital

As of September 30, 2025, the issued capital of Siemens Energy was divided into 861,104,914 (September 30, 2024: 799,309,712) registered shares with no-par value and a notional value of €1.00 per share. The shares are fully paid in. At the Shareholders' Meeting, each share has one vote and accounts for the shareholders' proportionate share in the Company's Net income. All shares confer the same rights and obligations.

Upon conversion of the mandatory convertible note issued in fiscal year 2022, a total of 61,795,202 new registered with no-par value were issued to the bondholders in July and September 2025. Accordingly, €62 million (€1.00 per share issued) was reclassified from Capital reserves to Issued capital.

Authorized capital (not issued)

As of September 30, 2025, the total authorized capital of Siemens Energy AG was up to €400 million, divided into up to 399,654,856 shares (2024: €400 million, divided into up to 399,654,856 shares). Based on the authorization approved by the Shareholders' Meeting, the shares can be issued according to the details set out in the authorization.

Conditional capital

As of September 30, 2025, the total conditional capital of Siemens Energy AG ("Conditional Capital 2024") was €80 million (2024: €153 million). The Conditional Capital 2024 (divided into up to 79,930,971 shares with no-par value) serves the purpose of issuing shares to holders/ creditors of convertible bonds or warrants under warrant bonds issued on the basis of the renewed authorization in accordance with the resolution of the Shareholders' Meeting on February 26, 2024.

Treasury shares and share-based payment

On May 9, 2025, Siemens Energy announced a share buyback with a volume up to €170 million, ending September 30, 2025, at the latest. The share buyback started on May 12, 2025, and was completed on June 26, 2025.

The following table presents the development of treasury shares:

	Fiscal year	
(in number of shares)	**2025**	**2024**
Balance at beginning of fiscal year	9,114,474	7,174,161
Share buyback	2,030,920	10,146,361
Issuance under share-based payment and employee share programs	(5,384,693)	(8,206,048)
Balance at end of fiscal year	**5,760,701**	**9,114,474**

Share-based payment expenses increased Capital reserve by €109 million in fiscal year 2025 (2024: €107 million). In connection with the settlement of share-based payment awards, Siemens Energy treasury shares (at cost) with a value of €86 million were transferred to employees in fiscal year 2025 (2024: €140 million), which decreased the Capital reserve by 175 million (2024: €129 million), and increased the retained earnings by €88 million (2024: minus €11 million).

Dividends

In fiscal year, dividends paid per share were €0.00 (2024: €0.00). For fiscal year 2025, the Executive Board and the Supervisory Board propose to distribute a dividend of €0.70 per share. This is contingent upon approval by the Shareholders' Meeting on February 26, 2026.

NOTE 17 Additional capital disclosures

Capital structure management

A key consideration of the capital structure management of Siemens Energy is to maintain ready access to capital markets through various debt instruments and to sustain the ability to repay and service the Company's debt obligations over time. The main performance measure used to assess the capital structure of Siemens Energy is the Adjusted net debt to EBITDA ratio. The main target is to maintain a capital structure in line with a strong investment grade credit profile.

Net debt/ (net cash)	Sep 30,	
(in millions of €)	2025	2024
Short-term debt and current maturities of long-term debt[1]	1,528	479
Plus: Long-term debt[1]	2,438	3,287
Total debt	**3,966**	**3,767**
Cash and cash equivalents	9,162	6,363
Total liquidity	**9,162**	**6,363**
Net debt/ (net cash)[2]	**(5,196)**	**(2,596)**
Plus: Provisions for pensions and similar obligations	406	600
Plus: Credit guarantees	—	45
Adjusted net debt/ (net cash)	**(4,790)**	**(1,951)**
EBITDA	**3,930**	**3,636**
Adjusted net debt to EBITDA[3]	**n/a**	**n/a**

[1] The prior year figure includes the present values of the coupons of the mandatory convertible note amounting to €53 million.

[2] As of September 30, 2025, the net cash position is shown with a negative sign, as in the prior year.

[3] The ratio cannot be interpreted in a meaningful way if the sign becomes negative. Therefore, no values are shown.

External credit rating

The Company's current corporate credit ratings are:

	Standard & Poor's Global Ratings	Moody's Investors Service	Standard & Poor's Global Ratings	Moody's Investors Service
		Sep 30, 2025		Sep 30, 2024
Long-term debt	BBB-	Baa2	BBB-	-
Short-term debt	A-3	-	A-3	-

NOTE 18 Commitments and contingencies

The following table presents the undiscounted amount of maximum potential future payments for major types of guarantees:

	Sep 30,	
(in millions of €)	2025	2024
Guarantees of third-party performance	83	100
Credit guarantees	0	45
Other guarantees	104	63
Total	**188**	**208**

Siemens Energy issues guarantees for third-party performance, which mainly include guarantees of advance payments and performance bonds in consortium arrangements. In the event of a claim under the guarantees, Siemens Energy will be required to pay up to an agreed maximum amount. These agreements typically have terms of up to ten years. Besides the guarantees issued by Siemens Energy during the periods presented, Siemens Group has provided additional guarantees for the Siemens Energy business for which Siemens Group has a right of recourse against Siemens Energy in case the guarantees are invoked.

In addition, Siemens Energy issued other guarantees, including indemnifications in connection with the disposal of businesses. The table above shows the maximum future payments from these obligations to the extent that future claims are not considered unlikely.

Moreover, Siemens Energy acts as a partner in commercial partnerships, has capital contribution obligations and is jointly and severally liable for the partnerships' liabilities.

Besides that, some subsidiaries abroad have significant potential tax risks that were not recognized in the statement of financial position due to insufficient probability of occurrence. The potential tax risks result from a large number of individual cases involving indirect and direct taxes. Taken individually, the risks are not significant. In total, they amount to a mid three-digit million euro range. Contractual arrangements between Siemens Group and Siemens Energy also include mutual compensation obligations for potential tax effects triggered by changes in the shareholder structure of Siemens Energy. Depending on the time of occurrence of the changes as well as on the underlying valuations, this could lead to a cash outflow.

The energy business in India was spun off from Siemens Limited, Mumbai, India, and transferred to Siemens Energy India Limited, Mumbai, India. The shareholder structure of Siemens Energy India Limited was mirrored from the shareholder structure of Siemens Limited, so that Siemens Energy holds a 6% stake in each. On June 19, 2025, Siemens Energy India Limited was also listed on the Indian stock exchanges BSE Limited and National Stock Exchange of India Limited. This followed the agreement reached in November 2023 between Siemens Energy and Siemens Group, with the aim of accelerating the disentanglement of the business activities of the Indian subsidiary from Siemens. Siemens Energy is obliged to exchange its current 6% stake in Siemens Limited for a stake in Siemens Energy India Limited at the then applicable fair value in one or several transactions. In addition, Siemens Energy has the obligation to acquire further shares in Siemens Energy India Limited from Siemens Group in order to achieve a total shareholding of 51%. This is expected to be completed in 2028, and thus three years after the listing of Siemens Energy India Limited. Certain taxes arising from the separation of the energy business in India, if they occur, shall be allocated between the parties.

NOTE 19 Legal proceedings

Proceedings out of or in connection with alleged compliance violations

As reported, it became known in 2017 that gas turbines for a Russian project were illegally brought to Crimea. In 2018, the Hamburg public prosecutor's office initiated a criminal investigation inter alia against employees of Siemens Energy AG for violations of the German Foreign Trade Act. In early 2024, the Hamburg public prosecutor's office brought charges against five individuals and at the same time requested a so-called confiscation of proceeds of crime from third parties. The proceeding is not directed against Siemens Energy AG. In 2025, the Hamburg District Court opened proceedings against two individuals in connection with the Crimea matter.

Other proceedings and relevant compliance investigations

On September 30, 2024, Siemens Energy, Inc. (SEI) pleaded guilty in the U.S. to a felony via an agreement with the U.S. Department of Justice and agreed to pay US$104 million. This agreement was approved by the court in December 2024. The plea and resulting conviction stem from misconduct in 2019 when confidential competitor pricing was improperly shared during a gas turbine project in the U.S.. SEI discovered the misconduct in 2020, investigated, voluntarily disclosed it to the relevant parties, and fully cooperated with the U.S. government investigation. Disciplinary actions were taken, and compliance measures were strengthened. The gas turbine project was later terminated for unrelated reasons.

Siemens Energy is involved in numerous legal proceedings in various jurisdictions and is conducting internal investigations with regards to allegations of compliance violations which could lead to such legal proceedings. These legal proceedings could result, in particular, in Siemens Energy being subject to the payment of damages and punitive damages, equitable remedies or sanctions, fines, or disgorgement of profit. In individual cases, this may also lead to, among other things, formal or informal exclusion from tenders or the revocation or loss of business licenses or permits. In addition, further legal proceedings may be commenced or the scope of pending legal proceedings may be extended. Asserted claims generally bear interest.

Some of these legal proceedings could result in adverse decisions for Siemens Energy, which may have material effects on its business activities as well as its financial position, results of operations, and cash flows.

For legal proceedings, information required under IAS 37, Provisions, Contingent Liabilities and Contingent Assets, is not disclosed if the Company concludes that disclosure can be expected to seriously prejudice the position of the entity in a dispute with other parties.

NOTE 20 Additional disclosures on financial instruments

The following table discloses the carrying amounts of each category of financial assets and financial liabilities:

	Sep 30,	
(in millions of €)	**2025**	**2024**
Loans, receivables and other debt instruments measured at amortized cost[1]	8,149	7,652
Cash and cash equivalents	9,162	6,363
Derivatives designated in a hedge accounting relationship[2]	749	257
Financial assets measured at FVOCI[2]	641	—
Financial assets measured at FVTPL[2]	594	518
Financial assets	**19,296**	**14,790**
Financial liabilities measured at amortized cost[3]	10,403	10,313
Derivatives not designated in a hedge accounting relationship[4]	373	451
Derivatives designated in a hedge accounting relationship[4]	366	266
Financial liabilities	**11,143**	**11,030**

[1] Reported in the following line items in the Consolidated Statement of Financial Position as of September 30, 2025: Trade and other receivables, current other financial assets and long-term other financial assets, except for equity instruments of €40 million disclosed separately in Other financial assets and derivative financial instruments of €1,202 million (therein in long-term other financial assets: €572 million), as well as debt instruments of €101 million measured at FVTPL in Other financial assets. Includes €7,571 million in trade and other receivables from the sale of goods and services, thereof €186 million with a term of more than twelve months.

[2] Reported in line items Other current financial assets and Other financial assets in the Consolidated Statement of Financial Position.

[3] Reported in the following line items in the Consolidated Statements of Financial Position as of September 30, 2025: Short-term debt and current maturities of long-term debt, Trade and other payables, current other financial liabilities, Long-term debt and long-term other financial liabilities, except for derivative financial instruments of €740 million disclosed separately. Includes €5,993 million in Trade and other payables, therein €11 million with a term of more than twelve months.

[4] Reported in line items current other financial liabilities and long-term other financial liabilities in the Consolidated Statement of Financial Position.

As of September 30, 2025, cash and cash equivalents included an amount of €118 million (2024: €379 million) that was not available for use by Siemens Energy, mainly bank balances that cannot be drawn down due to ongoing litigation with the minority shareholder of a subsidiary or transferred within the Group due to regulatory restrictions.

On April 7, 2025, Siemens Energy lost its significant influence on Siemens Limited and decided to apply the FVOCI option irrevocably on the remaining investment. The Fair Value gain of €65 million was recognized in other comprehensive income under the item "Revaluation of equity instruments". The key reason for this decision was the lack of intention to generate profit in the short-term.

The following table presents the fair values and carrying amounts of financial assets and financial liabilities measured at cost or amortized cost for which the carrying amounts do not approximate fair value:

	Fair value	Carrying amount	Fair value	Carrying amount
(in millions of €)		**Sep 30, 2025**		Sep 30, 2024
Loans from banks	355	355	404	414
Notes and bonds	1,557	1,525	1,612	1,575

Fixed-rate and variable-rate receivables with a remaining term of more than twelve months are measured by Siemens Energy based on parameters such as interest rates, specific country risk factors, the individual creditworthiness of the customer, and the risk characteristics of the financed project. On the basis of this measurement, allowances for these receivables are recognized.

The fair value of notes and bonds, where available, is based on prices provided by price service agencies at the period-end date (Level 2). The fair value of other non-derivative financial liabilities, loans from banks, and other financial indebtedness is estimated by discounting future cash flows using rates currently available for debt with similar terms and remaining maturities (Level 2).

Siemens Energy uses the following hierarchy to determine and disclose fair values on the basis of the input factors used in the method to measure their fair values:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table allocates financial assets and financial liabilities measured at fair value to the three levels of the fair value hierarchy:

				Sep 30, 2025
(in millions of €)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value[1]	**641**	**1,208**	**135**	**1,985**
Equity instruments measured at fair value through profit or loss	—	7	34	40
Equity instruments measured at fair value through Other comprehensive income	641	—	—	641
Debt instruments measured at fair value through profit or loss	—	—	101	101
Derivative financial instruments	—	1,202	—	1,202
thereof not designated in a hedge accounting relationship (including embedded derivatives)	—	*453*	—	*453*
thereof in connection with cash flow hedges	—	*749*	—	*749*
Financial liabilities measured at fair value – Derivative financial instruments[2]	**—**	**740**	**—**	**740**
thereof not designated in a hedge accounting relationship (including embedded derivatives)	—	*373*	—	*373*
thereof in connection with cash flow hedges	—	*366*	—	*366*

[1] Reported in current and long-term other financial assets in the Consolidated Statement of Financial Position.

[2] Reported in current and long-term other financial liabilities in the Consolidated Statement of Financial Position.

				Sep 30, 2024
(in millions of €)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value[1]	**—**	**623**	**152**	**775**
Equity instruments measured at fair value through profit or loss	—	7	37	43
Debt instruments measured at fair value through profit or loss	—	—	116	116
Derivative financial instruments	—	616	—	616
thereof not designated in a hedge accounting relationship (including embedded derivatives)	—	*359*	—	*359*
thereof in connection with cash flow hedges	—	*257*	—	*257*
Financial liabilities measured at fair value – Derivative financial instruments[2]	**—**	**548**	**168**	**716**
thereof not designated in a hedge accounting relationship (including embedded derivatives)	—	*282*	*168*	*451*
thereof in connection with cash flow hedges	—	*266*	—	*266*

[1] Reported in current and long-term other financial assets in the Consolidated Statement of Financial Position.

[2] Reported in current and long-term other financial liabilities in the Consolidated Statement of Financial Position.

Siemens Energy measures the fair values of derivative financial instruments in accordance with the specific type of instrument. The fair values of foreign currency derivatives are based on current forward exchange rates and yield curves (Level 2). Compensating effects from underlying transactions (e.g., firm commitments and forecast transactions) are not taken into consideration. The fair values of equity and debt instruments measured at fair value are estimated by discounting future cash flows using current market interest rates (Level 3).

The amounts presented earlier in Level 3 included a combined call/ put option over 5% of the 6% stake held overall in Siemens Limited, Mumbai, India, which was entered into in December 2023 to secure guarantee lines of €12 billion. This facility, reinsured by the German government, was replaced in June 2025 by a new guarantee agreement signed with a banking syndicate. With the release of the facility by Siemens Energy, the purchase option of Siemens AG forfeited (Fair Value of the call/ put option in 2024: minus €168 million). This resulted in an earnings effect of €77 million (2024: minus €77 million), reported in other financial income (expense). The latter also includes, besides the value gain of €168 million (2024: minus €60 million), the amortization of the 'day-1-loss' equaling minus €91 million (2024: minus €17 million). Since the 'day-1-loss' was subsequently amortized through profit or loss on a pro rata temporis basis, as no option premium was paid, this was the last remaining portion to amortize with the release of the facility.

Net gains/ (losses) on financial instruments are:

	Fiscal year	
(in millions of €)	**2025**	2024
Cash and cash equivalents	(79)	(10)
Loans, receivables and other debt instruments measured at amortized cost	(86)	(51)
Financial liabilities measured at amortized cost	14	(3)
Financial assets and financial liabilities at FVTPL	15	(74)

Interest income/ (expenses) included interest from financial assets and financial liabilities not measured at fair value through profit or loss:

	Fiscal year	
(in millions of €)	**2025**	2024
Total interest income on financial assets	242	174
Total interest expenses on financial liabilities	(90)	(149)

Valuation allowances for expected credit losses

Valuation allowances on financial instruments measured at amortized cost represent lifetime expected credit losses and changed as follows:

	Trade receivables	Contract assets	Trade receivables	Contract assets
(in millions of €)		**Fiscal year 2025**		Fiscal year 2024
Valuation allowances at beginning of fiscal year	422	109	423	135
Change in valuation allowances recorded in the Consolidated Statements of Income in the current period	111	(6)	63	(23)
Write-offs charged against the allowance	(28)	—	(34)	—
Recoveries of amounts previously written off	1	—	0	—
Foreign exchange translation differences and other changes	(22)	(2)	(30)	(4)
Reclassifications to Assets held for disposal and disposals of those entities	5	(1)	—	—
Valuation allowances at end of fiscal year	**490**	**100**	422	109

Impairment losses on financial instruments are mainly presented in the Cost of sales line item.

Offsetting

Siemens Energy enters into master netting agreements and similar agreements for derivative financial instruments providing protection from the risk of a counterparty's insolvency. Potential offsetting effects are as follows:

	Financial assets		Financial liabilities	
	Sep 30,		Sep 30,	
(in millions of €)	2025	2024	2025	2024
Gross amounts	1,207	617	745	717
Amounts offset in the Statement of Financial Position	5	1	5	1
Net amounts in the Statement of Financial Position	1,202	616	740	716
Related amounts not offset in the Statement of Financial Position	584	270	584	270
Net amounts	**618**	**346**	**156**	**446**

NOTE 21 Derivative financial instruments and hedging activities

Fair values of each type of derivative financial instruments reported as financial assets or financial liabilities in Other financial assets (liabilities) line items were:

	Sep 30, 2025		Sep 30, 2024	
(in millions of €)	Assets	Liabilities	Assets	Liabilities
Foreign currency exchange contracts	1,073	687	456	511
therein included in cash flow hedges	*749*	*366*	*257*	*266*
Other (embedded derivatives, interest rate swaps, commodity swaps)	129	53	161	205

Foreign currency cash flow hedge accounting

The operating units of Siemens Energy apply hedge accounting to certain significant forecast transactions and firm commitments denominated in foreign currencies. Particularly, foreign currency forward and swap contracts are designated completely (i.e. including the forward element) as hedging instruments into hedge accounting relationships. The hedging instruments are contracted in a way that the hedged items are either hedged in a 1:1 hedge ratio regarding the main characteristics, such as nominal amount, maturity, etc. (critical term match), or in a rollover approach (bulk hedging). This ensures an economic relationship between hedging instruments and hedged items suitable for hedge accounting.

Hedge effectiveness is determined during the period using the critical terms match method or the dollar offset method (hypothetical derivatives method). Ineffectiveness can occur when the characteristics between the hedging instrument and the hedged item do not exactly match. In principle, sources of ineffectiveness are the effect of credit risk on the fair value and timing differences between hedging instrument and hedged item. In the reporting period, no material ineffective portions were recognized in Net income.

The hedged foreign currency risks at the reporting date were mainly related to foreign currency fluctuations between EUR/DKK, EUR/USD and EUR/GBP resulting from long-term contracts entered into by Siemens Energy's operating units. The following table presents the average hedged rate of either a forward purchase or a forward sale for those foreign currencies together with the respective average remaining maturity:

		Fiscal year			
		2025		2024	
Currency pairs	Buy/ sell foreign currency	Average rate	Average remaining maturity	Average rate	Average remaining maturity
EUR/DKK	Buy	7.4291	2027	7.4395	2025
EUR/DKK	Sell	7.4254	2027	7.4441	2025
EUR/USD	Buy	1.1366	2026	1.1151	2025
EUR/USD	Sell	1.1468	2026	1.1211	2025
EUR/GBP	Buy	0.8713	2026	0.8728	2026
EUR/GBP	Sell	0.8770	2026	0.8753	2026

As of September 30, 2025, the nominal amounts of hedging instruments with remaining maturities of up to twelve months were €12,457 million (2024: €11,481 million). The nominal amounts of hedging instruments with remaining maturities of more than twelve months were €14,646 million (2024: €9,304 million).

The Cash flow hedges reserve reconciled as follows (net of deferred taxes):

	Cash flow hedges reserve	
	Fiscal year	
(in millions of €)	2025	2024
Balance at beginning of fiscal year	67	(1)
Hedging gains (losses) presented in OCI	263	59
Amounts reclassified into revenue (hedging of forecast sales)	11	(10)
Amounts reclassified into cost of sales (hedging of forecasted costs)	(15)	20
Balance at end of fiscal year[1]	**327**	**67**

[1] Therein Cash flow hedges reserve of discontinued hedge accounting relationships as of September 30, 2025 in the amount of €51 million (2024: €40 million).

Derivative financial instruments not designated in a hedge accounting relationship

Not all derivative financial instruments entered into to hedge foreign currency risks qualify for hedge accounting. This is particularly relevant in case of derivatives that are entered into to hedge embedded foreign currency derivatives separated from non-financial host contracts. In addition, smaller exposures may not be designated into hedge accounting to avoid documentation effort.

Ongoing valuation effects of hedging derivatives that are in an economic hedging relationship with operating transactions but not formally designated into hedge accounting, are shown in cost of sales. In fiscal year 2025, a valuation gain from economic hedges of sales and purchase transactions of net €11 million is shown in cost of sales (2024: a valuation loss of net €4 million).

NOTE 22 Financial risk management

Market price fluctuations may result in significant earnings and cash flow volatility risk for Siemens Energy. The Siemens Energy business, as well as its investment and financing activities, are affected particularly by changes in foreign exchange rates and interest rates. Siemens Energy seeks to manage and control these risks by way of binding internal regulations, primarily through its regular operating and financing activities, and uses derivative financial instruments if deemed appropriate. Operational procurement risks, as well as market-sensitive instruments related to Siemens Energy pension plans, are not included in the following quantitative and qualitative disclosures.

Foreign currency exchange rate risk

Transaction risk

Each Siemens Energy unit that conducts business with international counterparties leading to future cash flows denominated in a currency other than its functional currency is exposed to risks from changes in foreign currency exchange rates. Foreign currency exchange rate exposure is partly offset by purchasing goods, commodities, and services in the respective currencies, as well as production activities and other contributions along the value chain in the local markets.

The operating units are prohibited from borrowing or investing in foreign currencies on a speculative basis. Financing within Siemens Energy Group or investments of the operating units are preferably carried out in their respective functional currency or on a hedged basis. According to the Siemens Energy Group policy, Siemens Energy units are responsible for recording, measuring, and monitoring their foreign currency transaction exposure. The net foreign currency position of Siemens Energy units serves as a central performance measure and must be hedged within a band of at least 75% but no more than 100%. The Siemens Energy units conclude their hedging activities either with Siemens Energy Inhouse Treasury or directly with external financial institutions. Siemens Energy Inhouse Treasury hedges its foreign currency exchange rate risks with external counterparties within the internal counterparty limits.

The exposure to foreign currency transaction risk for each currency is measured on the basis of the net foreign currency position for each foreign currency, taking into account forecast transactions and monetary balance sheet items in foreign currency as well as hedging derivatives. The following table shows the largest foreign currency risk positions before and after hedging:

			Fiscal Year 2025		
(in millions of €)	Firm commitments and forecast transactions	Monetary balance sheet items	Gross foreign currency position	Hedging derivatives	Net foreign currency position
USD	3,167	1,143	4,310	(4,100)	210
SEK	(1,294)	(187)	(1,482)	1,643	162
DKK	(852)	(2,626)	(3,478)	3,420	(58)
GBP	(321)	(344)	(665)	615	(50)
AED	(29)	(10)	(39)	2	(38)

			Fiscal Year 2024		
(in millions of €)	Firm commitments and forecast transactions	Monetary balance sheet items	Gross foreign currency position	Hedging derivatives	Net foreign currency position
DKK	(643)	(2,659)	(3,302)	2,543	(759)
JPY	114	(177)	(63)	184	121
SEK	(139)	(196)	(335)	444	109
USD	2,799	(40)	2,759	(2,808)	(50)
AUD	(18)	(99)	(117)	83	(35)

In order to quantify foreign currency risks, Siemens Energy calculates forward-looking sensitivities on the basis of the economically open risk positions per currency (net foreign currency position), which represent the economic risk and are also used for internal risk management. Actual results that are included in the Consolidated Statements of Income or Consolidated Statements of Comprehensive Income may differ substantially from sensitivities due to fundamental conceptual differences. While the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income are prepared in accordance with IFRS, the sensitivities are calculated from a purely financial perspective and represent the potential financial gain/ loss that will occur economically on the open risk position.

The sensitivities of the largest net foreign currency positions after hedging to foreign exchange rate movements are shown in the following table:

	Fiscal year 2025			Fiscal year 2024	
(in millions of €)	Appreciation of 10% against EUR	Devaluation of 10% against EUR	(in millions of €)	Appreciation of 10% against EUR	Devaluation of 10% against EUR
USD	21	(21)	DKK	(76)	76
SEK	16	(16)	JPY	12	(12)
DKK	(6)	6	SEK	11	(11)
GBP	(5)	5	USD	(5)	5
AED	(4)	4	AUD	(3)	3

Translation risk

Many Siemens Energy units are located outside the Eurozone. Because the financial reporting currency of Siemens Energy is the euro, the financial statements of these subsidiaries are translated into euros for the preparation of the Consolidated Financial Statements. To consider the effects of foreign currency translation in the risk management, the general assumption is that investments in foreign-based entities are permanent and that reinvestment is continuous. Effects from foreign currency exchange rate fluctuations on the translation of net asset amounts into euros are reflected in the Company's consolidated equity position.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will result in changes in interest payments on variable interest-bearing financial instruments or that interest rate-induced changes in fair value of financial instruments will be recognized in profit or loss or in equity. Siemens Energy is predominantly financed with fixed interest rates, but continuously analyzes the split of external financing at variable and fixed rates to optimize its interest rate risk exposure. Siemens Energy can use derivative financial instruments to perform a comprehensive interest rate risk management when appropriate. If market interest rates had been 100 basis points higher (lower) as at the balance sheet date, earnings before income taxes would have been €2 million higher (lower) (2024: €1 million lower (higher)). There would have been no valuation effects to be recognized in equity.

Liquidity risk

Liquidity risk is the risk that Siemens Energy is not able to meet its financial liabilities. Siemens Energy mitigates liquidity risk through the implementation of effective working capital and cash management as well as the arrangement of credit facilities with financial institutions and the establishment of a commercial paper program. Liquidity risk from gross-settled derivatives is mitigated by way of netting agreements and the active diversification of derivatives across several partner banks.

The following table reflects Siemens Energy's contractually fixed cash outflows for settlement, repayments, and interest. The disclosed expected undiscounted net cash outflows from derivative financial liabilities are determined on the basis of each particular settlement date of a financial instrument and the earliest date on which Siemens Energy could be required to pay. Cash outflows for financial liabilities (including interest) without fixed amount or timing are based on the conditions existing at September 30, 2025. The cash outflows for trade and other payables include amounts from Supply Chain Finance Programs. The participation of suppliers in the programs does not change the originally agreed payment terms so the due dates for payment remain unchanged. These programs serve to finance suppliers and therefore do not give rise to significant liquidity risks or concentration risks for Siemens Energy.

(in millions of €)	Fiscal year 2026	2027	2028 to 2030	2031 and thereafter
Non-derivative financial liabilities	7.985	448	1.531	1.231
thereof				
Loans from banks	355	0	—	—
Lease liabilities	462	366	708	1.209
Notes and bonds	812	32	814	—
Trade and other payables	5.982	10	1	—
Other financial liabilities	374	39	8	22
Derivative financial liabilities[1]	396	301	12	4

[1] Derivative financial liabilities contain mostly foreign currency forward contracts consisting of a cash outflow in one currency and a cash inflow in another currency. The table above accordingly only shows the undiscounted net cash outflows. The corresponding gross cash outflows are €18,916 million for the fiscal year 2026, €9,547 million for the fiscal year 2027, €587 million for the fiscal years 2028 to 2030 and €33 million for the fiscal year 2031 and thereafter.

Credit risk

Credit risk is defined as an unexpected loss if the contractual partner fails to discharge its obligations in full and on time or if the value of collateral declines. Credit risk is already limited during the customer acceptance process in which the customer creditworthiness is assessed before entering into a business relationship. Each entity is responsible for ensuring robust credit risk management practices in its own operating activities.

The effective monitoring and controlling of credit risk during the lifetime of customer relationships is ensured through credit valuations based on ratings. As a rule, the ratings are obtained from Siemens Bank which maintains a Credit Risk Intelligence Unit to which numerous Siemens Energy operating units regularly transfer business partner data as the basis for a rating and credit limit recommendation process.

Siemens Bank ratings and individually defined credit limits are based on generally accepted rating methodologies, with information obtained from customers, reliable third-parties, data service providers, and credit default experiences. The ratings used consider appropriate forward-looking information significant to the specific financial instrument such as expected changes in the obligor's financial position, shareholder structure, management or operational risks, as well as broader forward-looking information, such as expected macroeconomic, industry-related, and competitive developments. A country-specific risk component is also considered. An exposure is considered defaulted if the obligor is unwilling or unable to pay its credit obligations. A default rating is triggered by a range of internally defined events, including the opening of bankruptcy proceedings, receivables due past 90 days, or a default rating by an external rating agency.

The carrying amount is the maximum exposure to a financial assets' credit risk. Collateral reduces the valuation allowance to the extent that it mitigates credit risk. Collateral needs to be specific, identifiable, and legally enforceable to be taken into account.

As of September 30, 2025, collateral of €584 million (2024: €270 million) related to financial assets measured at fair value. That collateral was provided in connection with netting agreements for derivatives providing protection from the risk of a counterparty's insolvency. As of September 30, 2025, collateral held for financial assets measured at amortized cost was €407 million (2024: €281 million), comprising mostly letters of credit and guarantees. As of September 30, 2025, collateral held for Contract assets was €2.5 million (2024: €5 million), comprising mostly letters of credit.

As of September 30, 2025, the gross carrying amount (before valuation allowances) of trade receivables from the sale of goods and services amounted to €7,977 million (2024: €7,418 million). Based on rating information from Siemens Bank, 50% (2024: 45%) had an investment-grade rating and 50% (2024: 55%) had a non-investment-grade rating. Contract assets with a gross carrying amount of €4,394 million (2024: €4,299 million) generally share similar risk characteristics. Furthermore, cash and cash equivalents are mainly held at banks with an investment-grade rating. The amounts described above do not represent economic credit risks, since they take account of neither collateral held nor valuation allowances already recognized.

NOTE 23 Share-based payment

Share-based payment awards granted are based on Siemens Energy AG shares that have been granted based on existing and new Siemens Energy share-based payment programs.

Siemens Energy share-based payment programs

Share-based payment awards may be settled in treasury shares of Siemens Energy AG or in cash, at the discretion of Siemens Energy AG. They may be forfeited if the beneficiary's employment is terminated prior to expiration of the vesting period. At Siemens Energy Group level, these share-based payment plans are predominantly accounted for as equity-settled share-based payment transactions. Total pretax expense for share-based payments from Siemens Energy plans amounted to €110 million for the year ended September 30, 2025 (2024: €107 million).

Performance-oriented Stock Awards

Siemens Energy grants equity-settled stock awards to senior managers and Executive Board members. The stock awards are subject to a vesting period of four years and entitle the beneficiary to receive Siemens Energy shares without payment of consideration following the vesting period. A cash settlement is possible in exceptional cases.

The stock awards are tied to performance criteria. In this context, 40% of the target amount is linked to the relative total shareholder return (TSR) of Siemens Energy (TSR target). For stock awards granted in fiscal year 2022 and later (tranches 2022 to 2025), the TSR is calculated as follows: 50% compared with the total shareholder return of the STOXX Global 1800 Industrial Goods and Services (gross return) and 50% compared with the S&P Global Clean Energy Index (total return). For the 2021 tranche, the TSR is calculated as 70% compared to the Total Shareholder Return of the STOXX Global 1800 Industrial Goods and Services and 30% compared to the MVIS US-Listed Oil Services. A further 40% of the target amount is linked to the basic earnings per share (EPS target). The remaining 20% of the target amount is linked to an internal Siemens Energy sustainability target based on environment, social and governance targets (ESG targets). The target attainment for each performance criterion ranges between 0% and 200%.

In fiscal year 2025, senior managers were granted stock awards settled in shares with a fair value of €11 million (2024: €11 million). Executive Board members were not granted any of the above-mentioned stock awards in fiscal year 2024 due to restrictions on compensation set forth in the agreement with the German federal government from December 2023 regarding the granting of a federal guarantee.

The weighted average fair value of shares granted to senior managers in fiscal year 2025 amounted to €39,51 per share (2024: €8.25 per share) and was determined as the market price of the Siemens Energy share less the present value of expected dividends.

The fair value of the TSR-based stock awards granted was calculated using an option price model on the basis of a Monte Carlo simulation. In addition to the expected € interest rates, share volatility based on peer-group data is also considered.

Changes in the number of stock awards held by senior managers and Executive Board members are:

	Fiscal year	
	2025	2024
Balance at beginning of fiscal year (not vested)	**4,997,204**	3,407,490
Granted	268,668	1,308,377
Forfeited	(555,177)	(338,630)
Vested and fulfilled	(233,926)	—
Adjustment in number of stock awards[1]	(524,746)	597,463
Settled	—	22,504
Balance at end of fiscal year (not vested)	**3,952,023**	4,997,204

[1] Adjustments resulting from changes in the estimate of the target attainment of the EPS and ESG target.

In addition, agreements were reached with the members of the Executive Board in fiscal year 2024, each of which provides for the one-time allocation of stock awards with settlement through equity instruments, subject to the condition precedent. The allocation of the stock awards is subject to the conditions precedent that the phase during which Siemens Energy can draw guarantees under the Federal Guarantee has ended at the latest by September 30, 2026, the restrictions on compensation for members of the Executive Board under the Federal Guarantee are no longer applicable and the recipient continues to be a member of the Executive Board. The conditional share grants entitle the beneficiary to receive Siemens Energy shares without additional payment after a period of two years (vesting period) and subject to the achievement of certain performance criteria during the vesting period. The vesting period begins on the first calendar day of the fiscal year in which the above conditions are met. Before the above conditions are met (in particular, before the compensation restrictions under the Federal Guarantee are lifted), the members of the Executive Board are not entitled to the actual granting of Siemens Energy shares, nor are they entitled to such shares on a pro-rata basis before all the conditions have been met.

The aim of the agreement is to ensure continuity of leadership and that their commitment to Siemens Energy in light of the challenges Siemens Energy is facing is reflected in remuneration that is fair and is in line with the company's long-term strategic interests.

The conditionally granted stock awards are tied to the fulfillment of certain performance criteria over the vesting period. 40% of the target amount is linked to the relative total shareholder return (TSR) of Siemens Energy (TSR target), which is compared to the total shareholder return of the STOXX Global 1800 Industrial Goods and Services (gross return). A further 40% of the target amount is linked to the basic earnings per share (EPS target). The remaining 20% of the target amount is linked to an internal Siemens Energy sustainability target based on environment, social and governance targets (ESG targets). The target attainment for each performance criterion ranges between 0% and 250%.

The one-time 2,136,901 stock awards conditionally granted to the members of the Executive Board in fiscal year 2024 have a weighted-average fair value of €15.29 per share. This was derived from the price of the Siemens Energy share, less the present value of the expected dividends.

The fair value of the TSR-based stock awards was calculated using an option price model on the basis of a Monte Carlo simulation. In addition to the expected € interest rates, share volatility based on peer-group data is also considered.

In fiscal year 2025, the period during which Siemens Energy was able to make use of Federal Guarantees provided by the German government ended. The restrictions regarding the remuneration of members of the Executive Board under the federal guarantee also no longer apply. As of October 1, 2025, the two-year vesting period described above, as well as the performance period for the stock awards, began. Due to the early termination of the phase during which Federal Guarantees provided by the German government could be utilized, the stock awards were reduced by one third to 1,424,601.

Direct Match Program

In certain countries, employee participation programs have been established for the purchase of Siemens Energy shares, which are then matched by additional stock awards without any further payment (the Direct Match Program).

Under the global Direct Match Program, employees may invest a certain proportion of their compensation in Siemens Energy shares (investment shares). The shares are purchased at the market price on a predetermined date in the second quarter of the fiscal year. Plan participants have the right to receive one Siemens Energy share (matching share) for every three investment shares. Employees are entitled to participate if they have worked without interruption for the Group throughout the vesting period of around three months. Both the investment shares and the matching shares are subject to a lock-in period of one year. The investment amount is up to 5% of the annual gross salary calculated for each country.

The employees of participating companies in Germany are entitled to receive two matching shares per investment share for an investment of €100 in Siemens Energy shares and one additional free matching share per investment share for a further investment of €160. Neither the investment shares nor the additional matching shares are subject to a vesting period. For each additional investment, participants have the right to receive one free matching share for every three investment shares.

Under this program, matching shares are granted to a certain monetary value of €34 million (2024: €26 million). The fair value is therefore determined on the basis of a fixed amount on the grant date.

Changes in the matching shares resulting from the Direct Match Program are:

	Fiscal year	
	2025	2024
Balance at beginning of fiscal year (not vested)	—	—
Granted	565,905	1,786,885
Vested and fulfilled	(565,905)	(1,786,885)
Balance at end of fiscal year (not vested)	—	—

Ratable Stock Awards Program

The Ratable Stock Awards Program grants eligible employees equity-settled stock awards that entitle them to receive one Siemens Energy share without payment of consideration at the end of a lock-in period. These stock awards may be granted up to three times in a fiscal year. The shares that make up the award are vested gradually which means that one quarter of the stock awards become exercisable each year (known as graded vesting). The fair value of the stock awards on the grant date is determined as the market price of the Siemens Energy share on the grant date less the present value of expected dividends. Due to the vesting structure, each tranche is accounted for as a separate share-based payment component. The total fair value of ratable stock awards granted in 2025 amounted to €62 million (2024: €59 million). The weighted average fair value of shares granted in fiscal year 2025 amounts to €51,99 per share (2024: €11.20 per share) and was determined as the market price of the Siemens Energy share less the present value of expected dividends.

Changes in the number of stock awards held by selected employees are:

	Fiscal year	
	2025	2024
Balance at beginning of fiscal year (not vested)	**9,780,248**	**7,157,971**
Granted	1,186,693	5,205,158
Forfeited	(388,463)	(525,711)
Vested and fulfilled	(3,145,576)	(2,011,899)
Settled	(7,093)	(45,271)
Balance at end of fiscal year (not vested)	**7,425,809**	**9,780,248**

Jubilee Share Program

For their tenth service anniversary, eligible employees will receive Siemens Energy jubilee shares worth €800; for each of their 25th, 40th and 50th service anniversaries, eligible employees will receive Siemens Energy jubilee shares worth €4,000. For each of their 25th, 40th and 50th service anniversaries, certain senior managers will receive Siemens Energy jubilee shares worth €18,000. Depending on the share price at the time, these amounts will result in the award of different numbers of shares. There were 3.890.669 (2024: 3,884,879) entitlements to jubilee shares outstanding as of September 30, 2025.

NOTE 24 Personnel costs

	Fiscal year	
(in millions of €)	**2025**	**2024**
Wages and salaries	(8,698)	(8,145)
Statutory social welfare contributions and expenses for optional support	(1,306)	(1,165)
Expenses relating to post-employment benefits	(421)	(370)
Total personnel costs	**(10,424)**	**(9,680)**

In fiscal year 2025, severance charges amounted to €130 million (2024: €70 million).

Employees were engaged in (averages; based on headcount):

	Fiscal year	
(in thousands)	**2025**	**2024**
Manufacturing and services	83	78
Sales and marketing	8	8
Research and development	4	4
Administration and general services	6	7
Total	**101**	**98**

NOTE 25 Earnings per share

	Fiscal year	
(in millions of €; shares in thousands; earnings per share in €)	2025	2024
Income (loss)	1,685	1,335
Less: Portion attributable to non-controlling interest	271	150
Income (loss) to shareholders of Siemens Energy AG	1,414	1,184
Weighted average shares outstanding - Basic	868,214	862,804
therein shares from mandatory convertible note	*72,173*	*72,617*
Effect of dilutive share-based payment	15,011	11,882
Weighted average shares outstanding - diluted	883,225	874,685
Basic earnings per share	**1.63**	**1.37**
Diluted earnings per share	**1.60**	**1.35**

NOTE 26 Segment information

Measurement – segments

Accounting policies for segment information are generally the same as those used for the Consolidated Financial Statements. However, for internal and segment reporting purposes intercompany lease transactions are classified as operating leases by the lessor and are accounted off-balance by the lessee. Intersegment transactions are based on market prices.

Orders

Orders are determined principally as the expected revenue of accepted purchase orders for which enforceable rights and obligations exist as well as subsequent order value changes and adjustments, excluding letters of intent. To determine orders, Siemens Energy considers termination rights and customers' creditworthiness. As of September 30, 2025, the order backlog totaled €138 billion (2024: €123 billion), thereof GS €54 billion (2024: €45 billion), GT for €42 billion (2024: €33 billion), TI for €8 billion (2024: €8 billion), and SG €36 billion (2024: €38 billion). As of September 30, 2025, Siemens Energy expected to convert approximately €37 billion of the order backlog into revenue in fiscal year 2026 (2024: €33 billion), thereof order backlog of GS of approximately €11 billion (2024: €10 billion)), GT of approximately €12 billion (2024: €10 billion), TI of approximately €4 billion (2024: €4 billion), and order backlog of Siemens Gamesa of approximately €9 billion (2024: €9 billion). In addition Siemens Energy expected to convert approximately €29 billion of the order backlog into revenue in fiscal year 2027 (2024: €24 billion), thereof order backlog of GS of approximately €9 billion (2024: €6 billion)), GT of approximately €10 billion (2024: €7 billion), TI of approximately €2 billion (2024: €2 billion), and order backlog of SG of approximately €8 billion (2024: €9 billion).

Revenue

Revenue includes revenue from contracts with customers. The segments recognize revenue from sales from construction type contracts, services and sale of goods. Due to the nature of the long-term contracts, Siemens Energy recognize revenue predominantly over time.

Profit before Special Items

Siemens Energy Management is responsible for assessing the performance of the segments (chief operating decision maker). The profitability measure of the segments is Profit before Special Items which is defined as income (loss) before income taxes, interest income and expenses, and other financial income (expenses), net, adjusted for amortization of intangible assets acquired in business combinations and goodwill impairments.

To increase comparability year-on-year, we use Profit before Special items. Special items refer to the following topics:

- **Restructuring and integration costs**: Restructuring costs refer to personnel measures leading to severance charges, including costs for terminating service contracts with Siemens Group (Siemens AG and its subsidiaries). Integration costs that occur at SG are related to the integration of companies as well as in the course of the integration of SG into the Group and the corresponding transaction costs.
- **Stand-alone costs** relate to the separation from Siemens Group and the formation of Siemens Energy as an independent enterprise.
- **Strategic portfolio decisions** include significant expenses and income in connection with the acquisition, disposal or discontinuation of businesses.

Asset measurement principles

Management has determined assets, defined as net capital employed, as a measure for assessing the capital intensity of the segments. The assets are based on the assets reported in the Consolidated Statements of Financial Position, which are allocated to the segments, excluding assets in connection with taxes, as the corresponding income and expenses are also excluded from the result of the segments. While the result of the segments is adjusted for amortization of intangible assets acquired in business combinations and impairment of goodwill, the assets of the segments include intangible assets acquired in business combinations and goodwill. The remaining assets are reduced by interest-free liabilities, e.g. trade payables, with the exception of tax liabilities (Liability-based adjustments).

Free cash flow pre tax

Free cash flow of the segments constitutes cash flows from operating activities less purchase of intangible assets and property, plant and equipment. It excludes financing interest, except for cases where interest on qualifying assets is capitalized or classified as contract costs; it also excludes income taxes as well as certain other payments and proceeds.

Amortization, depreciation and impairments

Amortization, depreciation and impairments include depreciation and impairments of property, plant and equipment as well as amortization and impairments of intangible assets, each net of reversals of impairment.

(in millions of €)	Orders		Revenue		Profit before Special Items		Assets		Free cash flow pre tax	
	Fiscal year		Fiscal year		Fiscal year		Sep 30,	Sep 30,	Fiscal year	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Gas Services	22,996	16,365	12,198	10,796	1,580	1,021	1,083	2,535	3,240	1,393
Grid Technologies	21,423	20,901	11,305	9,280	1,791	976	(386)	601	2,757	2,228
Transformation of Industry	6,003	6,413	5,723	5,109	646	380	1,689	1,778	686	411
Siemens Gamesa	9,324	7,255	10,375	10,008	(1,364)	(1,781)	(1,236)	(1,653)	(1,754)	(2,097)
Total segments	**59,746**	**50,934**	**39,601**	**35,193**	**2,653**	**596**	**1,150**	**3,262**	**4,929**	**1,934**
Reconciliation to Consolidated Financial Statements	(818)	(707)	(524)	(727)	(298)	(252)	55,487	47,613	(266)	(76)
Siemens Energy	**58,928**	**50,226**	**39,077**	**34,465**	**2,355**	**345**	**56,637**	**50,874**	**4,663**	**1,859**

(in millions of €)	External revenue		Internal revenue		Purchase of intangible assets and property, plant and equipment		Amortization, depreciation and impairment		Investments accounted for using the equity method	
	Fiscal year		Fiscal year		Fiscal year		Fiscal year		Fiscal year	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Gas Services	12,070	10,545	129	251	377	241	187	201	600	586
Grid Technologies	11,049	9,064	256	216	242	197	95	84	72	58
Transformation of Industry	5,540	4,807	183	302	67	71	76	74	2	2
Siemens Gamesa	10,375	10,006	1	2	586	655	927	658	1	1
Total segments	**39,033**	**34,422**	**569**	**771**	**1,272**	**1,163**	**1,285**	**1,017**	**675**	**647**
Reconciliation to Consolidated Financial Statements	44	44	(569)	(771)	452	351	496	494	28	120
Siemens Energy	**39,077**	**34,465**	**0**	—	**1,724**	**1,514**	**1,781**	**1,511**	**703**	**767**

Reconciliation to Consolidated Financial Statements

Reconciliation to Consolidated Financial Statements includes items, which management does not consider to be indicative of the segments' performance – mainly group management costs (management and corporate functions), other central items, Treasury activities as well as eliminations. Other central items include Siemens brand fees, corporate services (e.g. management of the Group's real estate portfolio), corporate projects, centrally held equity interests and other items.

Profit

(in millions of €)	Fiscal year 2025	2024
Profit before Special items Total segments	**2,653**	596
Reconciliation to Profit of Siemens Energy	**(298)**	(252)
Siemens Energy Profit before Special items	**2,355**	345
Special items	6	2,038
Siemens Energy Profit	2,361	2,383
Amortization of intangible assets acquired in business combinations and goodwill impairments	(212)	(258)
Financial result	64	(303)
Income (loss) before income taxes	2,213	1,822
Income tax (expenses) benefits	(527)	(487)
Net income (loss) after taxes	**1,685**	**1,335**

Assets

(in millions of €)	Sep 30, 2025	2024
Asset-based adjustments:		
Tax-related assets	*1,322*	*1,052*
Liability-based adjustments	39,079	35,027
Eliminations, Treasury and other central items	15,086	11,534
Reconciliation to Consolidated Financial Statements	**55,487**	**47,613**

Disaggregation of external revenue of Segments

(in millions of €)	Fiscal year 2025	2024
Siemens Energy New Units	**25,607**	22,235
therein		
Gas Services	4,096	3,602
Grid Technologies	10,424	8,528
Transformation of Industry	3,091	2,541
Siemens Gamesa	7,996	7,564
Siemens Energy Service	**13,426**	12,186
therein		
Gas Services	7,973	6,943
Grid Technologies	625	536
Transformation of Industry	2,449	2,265
Siemens Gamesa	2,379	2,442

NOTE 27 Information about geographies

	Revenue by location of customer Fiscal year		Revenue by location of companies Fiscal year		Non-current assets[1] Sep 30,	
(in millions of €)	2025	2024	2025	2024	2025	2024
Europe, C.I.S., Middle East, Africa	20,690	18,087	21,825	20,357	10,407	9,719
therein Germany	*3,808*	*3,144*	*9,219*	*7,912*	*2,425*	*2,243*
Americas	11,935	10,258	11,798	9,645	6,440	6,569
therein U.S.	*8,666*	*6,919*	*9,450*	*6,769*	*5,818*	*5,995*
Asia, Australia	6,453	6,120	5,454	4,464	1,780	2,203
therein China	*1,465*	*1,516*	*1,645*	*1,490*	*633*	*694*
Siemens Energy	**39,077**	**34,465**	**39,077**	**34,465**	**18,627**	**18,491**
therein countries outside of Germany	*35,269*	*31,321*	*29,858*	*26,553*	*16,202*	*16,249*

[1] non-current assets consist of property, plant and equipment; goodwill; and other intangible assets.

NOTE 28 Related party transactions

Siemens Energy has relationships with joint ventures and associates in the course of its ordinary business activities, whereby Siemens Energy buys and sells a variety of products and services generally on arm's length terms.

	Sales of goods and services and other income		Purchases of goods and services and other expenses		Receivables and contract assets		Payables and contract liabilities	
	Fiscal year		Fiscal year		Sep 30,		Sep 30,	
(in millions of €)	2025	2024	2025	2024	2025	2024	2025	2024
Siemens Energy joint ventures	126	131	103	121	14	25	19	9
Siemens Energy associates	107	229	160	253	85	43	88	87
Total	**233**	**360**	**263**	**374**	**99**	**68**	**107**	**96**

Siemens Energy issued guarantees for its own joint ventures and associates amounting to €45 million as of September 30, 2025 (2024: €47 million). Commitments to make capital contributions to associated companies amounted to €17 million as of September 30, 2025 (2024: €60 million).

Related individuals

Siemens Energy is managed by the Executive Board of Siemens Energy AG. In addition, the key management includes the Supervisory Board of Siemens Energy AG.

Disclosures relating to the Executive Board and Supervisory Board of Siemens Energy AG

The total compensation of the members of the Executive Board in accordance with Section 314 para. 1 No. 6 a in conjunction with Section 315e para. 1 of the German Commercial Code amounted to €8 million in fiscal year 2025 (2024: €40 million). This do not include share-based compensation. In 2024, share-based compensation with a fair value of €33 million for 2,136,901 stock awards is included. In fiscal year 2025, the Executive Board received an advance payment of €13 million for one of the components of the one-time remuneration, which is provided for under the remuneration system approved by the Annual General Meeting 2025 for the fiscal year following the removal of the remuneration restrictions imposed by the Federal Guarantee, i.e., for fiscal year 2026. The payment was made in fiscal year 2025, after the federal guarantee could be prematurely terminated in June 2025, subject to the continued membership of the Executive Board in fiscal year 2026 (as of October 1, 2025). The total compensation of the members of the Executive Board in fiscal year 2025 in accordance with IAS 24.17 (expense-based) amounted to €48 million (2024: €18 million). Of this, €39 million (2024: €7 million) was attributable to short-term benefits and €0 million (2024: €5million) to other long-term benefits. Expenses of €9 million (2024: €5 million) were recognized for share-based compensation in fiscal year 2024. Compensation attributable to members of the Supervisory Board comprised base compensation and additional compensation for committee work and (including meeting fees) amounted to €5 million in fiscal year 2025 (2024: €5 million). There were no further transactions between Siemens Energy and its key executives in fiscal years 2025 and 2024.

NOTE 29 Principal accountant fees and services according to Section 314 para 1 No. 9 German Commercial Code

Fees in connection with professional services rendered by the Company's principal accountant, KPMG AG Wirtschaftsprüfungsgesellschaft ("KPMG"), for fiscal year 2025 which are to be disclosed in accordance with German Commercial Code were:

	Fiscal year
(in millions of €)	2025
Audit services	11
Other attestation services	2
Total	**13**

Audit services primarily comprised services provided by KPMG for auditing Siemens Energy's Consolidated Financial Statements, for auditing financial statements of Siemens Energy AG and its German subsidiaries, for reviews of interim financial statements of German subsidiaries of the Siemens Energy Group integrated into the audit as well as for project-accompanying IT audits. Other attestation services primarily included attestation services related to sustainability reporting, the compensation report and other attestation services required under regulatory requirements, contractually established or requested on a voluntary basis.

NOTE 30 Corporate governance

The Executive and Supervisory Boards of Siemens Energy AG provided the declaration required by Section 161 German Stock Corporation Act (AktG) as of September 2025, and made it publicly available under the following link on the Siemens Energy website: **www.siemens-energy.com/german-corporate-governance-code**.

NOTE 31 Subsequent events

No material subsequent events occurred other than the closing of the transaction for the Sale of the Indian wind business, detailed in **Note 3 Assets held for disposal**.

NOTE 32 List of subsidiaries and associated companies pursuant to Section 313 para. 2 German Commercial Code

Siemens Energy Global GmbH & Co. KG, Munich, Germany, and Siemens Energy Management GmbH, Munich, Germany, are exempt from the obligation to prepare, have audited, and publish annual financial statements and a management report in accordance with the provisions applicable to corporations pursuant to Section 264b German Commercial Code and Section 264 German Commercial Code, respectively. The Consolidated Financial Statements of Siemens Energy AG release Siemens Energy Global GmbH & Co. KG and Siemens Energy Management GmbH from the requirement that would otherwise apply.

September 30, 2025 Subsidiaries	Equity interest in %	
Germany (17 companies)		
Blitz 20-548 GmbH, Munich	100	[7]
Gamesa Wind GmbH, Aschaffenburg	100	[7]
SGRE Real Estate GmbH & Co. KG, Hamburg	100	[6]
Siemens Energy Branch Business GmbH, Munich	100	[7]
Siemens Energy Compressors GmbH, Leipzig	100	[7]
Siemens Energy Dry Type Distribution Transformers GmbH & Co. KG, Kirchheim unter Teck	100	[4]
Siemens Energy Dry Type Distribution Transformers Verwaltungs-GmbH, Kirchheim unter Teck	100	[4]
Siemens Energy Electrolyzer Manufacturing GmbH, Berlin	75	
Siemens Energy Finance Surkhandarya Power Plant GmbH, Munich	100	
Siemens Energy Global GmbH & Co. KG, Munich	100	[6]
Siemens Energy Insulation Center GmbH, Zwönitz	100	[7]
Siemens Energy Management GmbH, Munich	100	[7]
Siemens Energy Power Control GmbH, Langen	100	[7]
Siemens Energy Power Project Holding GmbH, Stade	100	
Siemens Energy Real Estate GmbH, Munich	100	[7]
Siemens Gamesa Renewable Energy Deutschland GmbH, Bremerhaven	100	[7]
Siemens Gamesa Renewable Energy Service GmbH, Hamburg	100	[7]
Europe (without Germany), Commonwealth of Independent States (C.I.S.), Middle East, Africa (142 companies)		
Siemens Energy Algeria EURL, Algiers/ Algeria	100	
Siemens Energy S.A., Luanda/ Angola	51	
Siemens Energy Austria GmbH, Vienna/ Austria	100	
Siemens Energy S.A./N.V., Beersel/ Belgium	100	
Siemens Gamesa Renewable Energy NV, Beersel/ Belgium	100	
Siemens Energy d.o.o., Sarajevo/ Bosnia and Herzegovina	100	[4]
Siemens Energy EOOD, Sofia/ Bulgaria	100	
Siemens Gamesa Renewable Energy EOOD, Sofia/ Bulgaria	100	
Siemens Energy SARL, Abidjan/ Côte d'Ivoire	100	
Koncar-Energetski Transformatori, d.o.o., Zagreb/ Croatia	51	
PRO INTEGRIS d.o.o., Split/ Croatia	100	
Siemens Energy d.o.o., Zagreb/ Croatia	100	
Siemens Gamesa Renewable Energy d.o.o., Zagreb/ Croatia	100	
Siemens Energy, s.r.o., Brno/ Czech Republic	100	

September 30, 2025 Subsidiaries	Equity interest in %	
Siemens Energy A/S, Ballerup/ Denmark	100	
Siemens Gamesa Renewable Energy A/S, Brande/ Denmark	100	
Siemens Gamesa Renewable Energy Djibouti SARL, Djibouti/ Djibouti	100	
NIAT for Wind Energy, New Cairo/ Egypt	100	
Siemens Energy S.A.E., Cairo/ Egypt	90	
Siemens Gamesa Renewable Energy Egypt LLC, New Cairo/ Egypt	100	
Siemens Energy Oy, Espoo/ Finland	100	
Siemens Energy Industrial Turbomachinery Le Havre SAS, Le Havre/ France	100	
Siemens Energy S.A.S., Courbevoie/ France	100	
Siemens Gamesa Renewable Energy S.A.S., Courbevoie Cedex/ France	100	
Siemens Energy Limited, Accra/ Ghana	100	
Siemens Energy Oil & Gas Equipment Limited, Accra/ Ghana	90	
SIEMENS ENERGY SINGLE MEMBER SOCIETE ANONYME, Athens/ Greece	100	
Siemens Gamesa Renewable Energy Greece E.P.E., Elliniko/ Greece	100	
Siemens Gamesa Renewable Energy MAE, Athens/ Greece	100	
Siemens Energy Distribution Transformers Kft., Budapest/ Hungary	100	
Siemens Energy Kft., Budapest/ Hungary	100	
Siemens Gamesa Megújuló Energia Hungary Kft, Budapest/ Hungary	100	
Siemens Gamesa Renewable Energy Kft., Budapest/ Hungary	100	
Siemens Energy Iranian SSK, Teheran/ Iran	100	
Siemens Gamesa Energy Tajdidpazir SSK, Teheran/ Iran	100	
Siemens Energy Limited, Dublin/ Ireland	100	
Siemens Gamesa Renewable Energy Limited, Dublin/ Ireland	100	
Siemens Energy Ltd., Rosh Ha'ayin/ Israel	100	
Siemens Energy Projects Ltd., Rosh Ha'ayin/ Israel	100	[4]
Siemens Gamesa Renewable Energy Ltd, Tel Aviv/ Israel	100	
Siemens Energy S.r.l., Milan/ Italy	100	
Siemens Energy Transformers S.r.l., Trento/ Italy	100	
Siemens Gamesa Renewable Energy Wind S.R.L., Rome/ Italy	100	
Siemens Energy Limited Liability Partnership, Almaty/ Kazakhstan	100	
Siemens Gamesa Renewable Energy Limited, Nairobi/ Kenya	100	
Siemens Energy Kuwait For Power Services Company K.S.C.C, Kuwait City/ Kuwait	49	[1]
Siemens Energy Services for Repair and Maintenance of Light and Heavy Equipment WLL, Kuwait City/ Kuwait	100	
Siemens Gamesa Renewable Energy Limited Liability Company, Riga/ Latvia	100	[4]
D-R Luxembourg International SARL, Luxembourg/ Luxembourg	100	
Siemens Energy Protected Cell A22, Mriehel/ Malta	—	[2]
Siemens Gamesa Renewable Energy, SARL, Nouakchott/ Mauritania	100	
Siemens Gamesa Renewable Energy, Ltd, Ebene/ Mauritius	100	
Siemens Energy SARL, Tangier/ Morocco	100	
Siemens Gamesa Renewable Energy Blades, SARL AU, Tangier/ Morocco	100	
Siemens Gamesa Renewable Energy Morocco SARL, Tangier/ Morocco	100	
Siemens Gamesa Renewable Energy SARL, Casablanca/ Morocco	100	

September 30, 2025 Subsidiaries	Equity interest in %	
Dresser-Rand B.V., Spijkenisse/ Netherlands	100	
Siemens D-R Holding III B.V., The Hague/ Netherlands	100	
Siemens Energy Anwara B.V., Rijswijk/ Netherlands	100	
Siemens Energy B.V., Rijswijk/ Netherlands	100	
Siemens Energy Finance B.V., Rijswijk/ Netherlands	100	
Siemens Energy Holdco B.V., Rijswijk/ Netherlands	100	
Siemens Energy Holding B.V., Zoeterwoude/ Netherlands	100	
Siemens Energy Investment B.V., Zoeterwoude/ Netherlands	100	[4]
Dresser-Rand (Nigeria) Limited, Lagos/ Nigeria	100	
Siemens Energy Ltd., Lagos/ Nigeria	100	
Siemens Energy AS, Oslo/ Norway	100	
Siemens Energy Turbomachinery AS, Kongsberg/ Norway	100	
SIEMENS GAMESA RENEWABLE ENERGY AS, Oslo/ Norway	100	
Siemens Energy L.L.C., Muscat/ Oman	51	
Siemens Energy Pakistan (Private) Limited, Karachi/ Pakistan	100	
Siemens Energy Sp. z o.o., Warsaw/ Poland	100	
Siemens Gamesa Renewable Energy Sp. z o.o., Warsaw/ Poland	100	
Siemens Energy Unipessoal Lda., Amadora/ Portugal	100	
Siemens Gamesa Renewable Energy Blades, S.A., Sosa/ Portugal	100	
Siemens Gamesa Renewable Energy, S.A., Oliveira de Frades/ Portugal	100	
Siemens Energy W.L.L, Doha/ Qatar	55	
SIEMENS ENERGY S.R.L., Bucharest/ Romania	100	
Dresser-Rand Arabia LLC, Al Khobar/ Saudi Arabia	50	[1]
Siemens Energy Company Ltd., Riyadh/ Saudi Arabia	51	
Siemens Energy Regional Head Quarters, Riyadh/ Saudi Arabia	100	
Siemens Energy d.o.o. Beograd, Belgrade/ Serbia	100	
Siemens Gamesa Renewable Energy d.o.o. Beograd - Novi Beograd, Belgrade/ Serbia	100	
Siemens Energy, s.r.o., Bratislava/ Slovakia	100	
GRIDPULSE, razvoj, proizvodnja in svetovanje, d.o.o., Ljubljana/ Slovenia	76	
SIEMENS Energy d.o.o., Ljubljana/ Slovenia	100	
Gamesa Wind South Africa (Proprietary) Limited, Cape Town/ South Africa	100	
Linacre Investments (Pty) Ltd., Kenilworth/ South Africa	—	[2]
S'Energy Employee Share Ownership Trust, Johannesburg/ South Africa	—	[2]
Siemens Energy (Pty) Ltd, Midrand/ South Africa	100	
SIEMENS GAMESA RENEWABLE ENERGY (PTY) LTD, Midrand/ South Africa	70	
The Siemens Gamesa Renewable Energy Employee Share Ownership Trust, Midrand/ South Africa	—	[2]
Adwen Offshore, S.L.U., Zamudio/ Spain	100	
Estructuras Metalicas Singulares, S.A. Unipersonal, Tajonar/ Spain	100	
Gamesa Electric, S.A. Unipersonal, Zamudio/ Spain	100	
Gamesa Gearbox, S.A. Unipersonal, Zamudio/ Spain	100	
Gerr Grupo Energético XXI, S.A. Unipersonal, Barcelona/ Spain	100	
International Wind Farm Developments II, S.L.U., Zamudio/ Spain	100	

September 30, 2025 Subsidiaries	Equity interest in %	
International Wind Farm Developments IX, S.L.U., Zamudio/ Spain	100	
Parque Eolico Dos Picos, S.L.U., Zamudio/ Spain	100	
Siemens Energy S.A., Madrid/ Spain	100	
Siemens Gamesa Renewable Energy 9REN, S.L., Madrid/ Spain	100	
Siemens Gamesa Renewable Energy Apac, S.L.U, Sarriguren/ Spain	100	
Siemens Gamesa Renewable Energy Eolica, S.L.U, Valle de Egues/ Eguesibar/ Spain	100	
Siemens Gamesa Renewable Energy Europa S.L.U., Zamudio/ Spain	100	
Siemens Gamesa Renewable Energy Innovation & Technology, S.L.U, Sarriguren/ Spain	100	
Siemens Gamesa Renewable Energy Invest, S.A.U, Zamudio/ Spain	100	
Siemens Gamesa Renewable Energy Latam, S.L.U., Sarriguren/ Spain	100	
Siemens Gamesa Renewable Energy S.A.U., Zamudio/ Spain	100	
Sistemas Energéticos Argañoso, S.L. Unipersonal, Zamudio/ Spain	100	
Sistemas Energéticos Arinaga, S.A. Unipersonal, Las Palmas de Gran Canaria/ Spain	100	
Sistemas Energéticos Balazote, S.A. Unipersonal, Zamudio/ Spain	100	
Sistemas Energéticos Boyal, S.L.U., Zaragoza/ Spain	100	
Sistemas Energéticos Cabezo Negro, S.A. Unipersonal, Zaragoza/ Spain	100	
Sistemas Energéticos Cuerda Gitana, S.A. Unipersonal, Sevilla/ Spain	100	
Sistemas Energéticos Cuntis, S.A. Unipersonal, Santiago de Compostela/ Spain	100	
Sistemas Energéticos de Tarifa, S.L. Unipersonal, Zamudio/ Spain	100	
Sistemas Energéticos La Cámara, S.L.U., Sevilla/ Spain	100	
Sistemas Energéticos La Plana, S.A., Zaragoza/ Spain	90	
Sistemas Energéticos Mansilla, S.L., Villarcayo de Merindad de Castilla la Vieja/ Spain	78	
Sistemas Energéticos Monte Genaro, S.L., Zamudio/ Spain	60	
Sistemas Energéticos Sierra de Las Estancias, S.A. Unipersonal, Sevilla/ Spain	100	
Sistemas Energéticos Venus, S.L.U., Zamudio/ Spain	100	
Fanbyn2 Vindenergi AB, Stockholm/ Sweden	100	
Siemens Energy AB, Finspång/ Sweden	100	
Siemens Gamesa Renewable Energy AB, Stockholm/ Sweden	100	
SIEMENS GAMESA RENEWABLE ENERGY SWEDEN AB, Stockholm/ Sweden	100	
Dresser Rand Sales Company GmbH, Zurich/ Switzerland	100	
Siemens Energy AG, Zurich/ Switzerland	100	
Siemens Energy Schweiz Holding AG, Zug/ Switzerland	100	
Siemens Enerji Sanayi ve Ticaret Anonim Sirketi, Kartal/ Istanbul/ Türkiye	100	
SIEMENS GAMESA RENEWABLE ENERJI ANONIM SIRKETI, Kartal/ Istanbul/ Türkiye	100	
Siemens Energy LLC, Kiev/ Ukraine	100	
Siemens Gamesa Renewable Energy LLC, Kiev/ Ukraine	100	
Dresser-Rand Field Operations Middle East LLC, Abu Dhabi/ United Arab Emirates	80	
Siemens Energy LLC, Abu Dhabi/ United Arab Emirates	49	[1]
Capital Injection Ceramics Ltd, Newcastle upon Tyne/ United Kingdom	100	
Industrial Turbine Company (UK) Limited, Newcastle upon Tyne/ United Kingdom	100	
Materials Solutions Limited, Newcastle upon Tyne/ United Kingdom	100	
Siemens Energy Industrial Turbomachinery Ltd., Newcastle upon Tyne/ United Kingdom	100	

September 30, 2025 Subsidiaries	Equity interest in %	
Siemens Energy Limited, Newcastle upon Tyne/ United Kingdom	100	
Siemens Gamesa Renewable Energy Limited, Kingston upon Hull/ United Kingdom	100	
Americas (57 companies)		
Artadi S.A., Buenos Aires/ Argentina	100	
Siemens Energy S.A., Buenos Aires/ Argentina	100	
VA TECH International Argentina SA, Buenos Aires/ Argentina	100	
Siemens Energy S.A., Santa Cruz de la Sierra/ Bolivia	100	
Dresser-Rand do Brasil Ltda., Santa Bárbara D'Oeste/ Brazil	100	
Energy Assets do Brasil Ltda., Jundiai/ Brazil	100	
Jaguarí Energética, S.A., Jaguari/ Brazil	89	
Junergy Ltda., Jundiai/ Brazil	100	
Siemens Energy Brasil Ltda., Jundiai/ Brazil	100	
Siemens Energy Power and Industrial Applications Ltda., Rio de Janeiro/ Brazil	100	
Siemens Gamesa Energia Renovável Ltda., Camaçari/ Brazil	100	
Siemens Energy Canada Limited, Oakville/ Canada	100	
Siemens Energy Transformers Canada Inc., Trois-Rivières/ Canada	100	
Wheelabrator Air Pollution Control (Canada) Inc., Oakville/ Canada	100	
Siemens Energy SpA, Santiago de Chile/ Chile	100	
Siemens Gamesa Renewable Energy Chile SpA, Santiago de Chile/ Chile	100	
SIEMENS ENERGY DISTRIBUTION TRANSFORMERS S.A.S, Tenjo/ Colombia	100	
Siemens Energy S.A.S., Bogotá/ Colombia	100	
SIEMENS GAMESA RENEWABLE ENERGY S.A.S., Bogotá/ Colombia	100	
SIEMENS GAMESA RENEWABLE ENERGY, S.R.L., San José/ Costa Rica	100	
Siemens Energy S.R.L., Santo Domingo de Guzmán/ Dominican Republic	100	
SIEMENS GAMESA RENEWABLE ENERGY, S.A.S, Santo Domingo de Guzmán/ Dominican Republic	100	
SIEMENS GAMESA RENEWABLE ENERGY INSTALLATION & MAINTENANCE COMPAÑÍA LIMITADA, Guatemala/ Guatemala	100	
SIEMENS GAMESA RENEWABLE ENERGY, S.A., Tegucigalpa/ Honduras	100	
Central Eólica de México S.A. de C.V., Mexico City/ Mexico	100	
Gesa Oax I Sociedad Anomima de Capital Variable, Mexico City/ Mexico	100	
Gesa Oax II Sociedad de Responsabilidad Limitada de Capital Variable, Mexico City/ Mexico	100	
Gesa Oax III Sociedad Anomima de Capital Variable, Mexico City/ Mexico	100	
Gesacisa Desarolladora, S.A. de C.V., Mexico City/ Mexico	100	
Gesan I S.A.P.I de C.V., Mexico City/ Mexico	100	
Siemens Energy Distribution Transformers Mexico, S.R.L. de CV, Mexico City/ Mexico	100	[4]
Siemens Energy, S. de R.L. de C.V., Mexico City/ Mexico	100	
Siemens Gesa Renewable Energy México, S. de R.L. de C.V., Mexico City/ Mexico	100	
Siemens Gesa Renewable Energy, S.A. de C.V., Mexico City/ Mexico	100	
Siemens Gamesa Renewable Energy, Sociedad Anónima, Managua/ Nicaragua	100	
Siemens Energy S.A., Panama City/ Panama	100	
Siemens Energy S.A.C., Lima/ Peru	100	
Siemens Gamesa Renewable Energy S.A.C., Lima/ Peru	100	

September 30, 2025 Subsidiaries	Equity interest in %	
Siemens Energy Limited, Couva/ Trinidad and Tobago	100	
Cedar Cap Wind, LLC, Dover, DE/ United States	100	
Diversified Energy Transmission, LLC, Salem, OR/ United States	100	
Dresser-Rand Global Services, Inc., Wilmington, DE/ United States	100	
EcoHarmony West Wind, LLC, Minneapolis, MN/ United States	100	
Pocahontas Prairie Holdings, LLC, Wilmington, DE/ United States	100	
Pocahontas Prairie Wind, LLC, Dover, DE/ United States	100	
Siemens Energy Demag Delaval Turbomachinery, Inc., Wilmington, DE/ United States	100	
Siemens Energy Generation Services Company, Wilmington, DE/ United States	100	
Siemens Energy Service Company, Ltd., Wilmington, DE/ United States	100	
Siemens Energy Staffing, Inc., Wilmington, DE/ United States	100	
Siemens Energy, Inc., Wilmington, DE/ United States	100	
Siemens Gamesa Renewable Energy PA, LLC, Wilmington, DE/ United States	100	
Siemens Gamesa Renewable Energy, LLC, Wilmington, DE/ United States	100	
Wheelabrator Air Pollution Control Inc., Baltimore, MD/ United States	100	
Wind Portfolio Memberco, LLC, Dover, DE/ United States	100	
Siemens Energy S.A., Montevideo/ Uruguay	100	
SIEMENS GAMESA RENEWABLE ENERGY S.R.L., Montevideo/ Uruguay	100	
Siemens Energy S.A., Caracas/ Venezuela	100	
Asia, Australia (51 companies)		
Siemens Energy Pty. Ltd., Bayswater/ Australia	100	
Siemens Gamesa Renewable Energy Pty Ltd, Burnley/ Australia	100	
Siemens Energy Bangladesh Ltd., Dhaka/ Bangladesh	100	
Gamesa Blade (Tianjin) Co., Ltd., Tianjin/ China	100	
Inner Mongolia Gamesa Wind Co., Ltd., Wulanchabu/ China	100	
Jilin Gamesa Wind Co., Ltd., Da'an/ China	100	
Siemens Energy (Shenzhen) Co. Ltd., Shenzhen/ China	100	
Siemens Energy Automation (Nanjing) Co., Ltd., Nanjing/ China	100	
Siemens Energy Co., Ltd., Shanghai Pilot Free Trade Zone/ China	100	
Siemens Energy Electric Equipment (Changzhou) Ltd., Changzhou/ China	100	
Siemens Energy Gas Turbine Components (Jiangsu) Co., Ltd., Yixing/ China	100	
Siemens Energy High Voltage Circuit Breaker Co., Ltd. Hangzhou, Hangzhou/ China	51	
Siemens Energy High Voltage Switchgear Co., Ltd., Shanghai, Shanghai/ China	51	
Siemens Energy Industrial Turbomachinery (Huludao) Co. Ltd., Huludao/ China	84	
Siemens Energy Surge Arresters Ltd., Wuxi/ China	100	
Siemens Energy Transformer (Guangzhou) Co., Ltd., Guangzhou/ China	63	
Siemens Energy Transformer (Jinan) Co., Ltd, Jinan/ China	90	
Siemens Energy Transformer (Wuhan) Company Ltd, Wuhan/ China	100	
Siemens Gamesa Renewable Energy (Beijing) Co., Ltd., Beijing/ China	100	
Siemens Gamesa Renewable Energy (Shanghai) Co., Ltd., Shanghai/ China	100	
Siemens Gamesa Renewable Energy Technology (China) Co., Ltd., Tianjin/ China	100	
Siemens Energy Limited, Hong Kong/ Hong Kong	100	

September 30, 2025 Subsidiaries	Equity interest in %	
Jamkhandi Renewable Private Limited, Chennai/ India	100	
Rajgarh Windpark Private Limited, Chennai/ India	100	
RSR Power Private Limited, Chennai/ India	100	
SANTALPUR RENEWABLE POWER PRIVATE LIMITED, Gujarat/ India	99	
Siemens Energy Industrial Turbomachinery India Private Limited, Navi Mumbai/ India	100	
SIEMENS GAMESA RENEWABLE ENERGY PROJECTS PRIVATE LIMITED, Chennai/ India	100	
Siemens Gamesa Renewable Power Private Limited, Chennai/ India	100	
PT Dresser-Rand Services Indonesia, Cilegon/ Indonesia	100	
PT Siemens Energy Indonesia, Jakarta/ Indonesia	67	
PT Siemens Gamesa Renewable Energy, Jakarta/ Indonesia	100	
PT Siemens Industrial Power, Kota Bandung/ Indonesia	100	
Siemens Energy K.K., Tokyo/ Japan	100	
Siemens Gamesa Renewable Energy K.K., Tokyo/ Japan	100	
Siemens Energy Ltd., Seoul/ Korea, Republic of	100	
Siemens Gamesa Renewable Energy Limited, Seoul/ Korea, Republic of	100	
Siemens Energy Sdn. Bhd., Petaling Jaya/ Malaysia	100	
SIEMENS GAMESA RENEWABLE ENERGY SARL, Nouméa/ New Caledonia	100	
Siemens Energy, Inc., Manila/ Philippines	100	
Siemens Gamesa Renewable Energy, Inc., Makati City/ Philippines	100	
PRO INTEGRIS Pte. LTD, Singapore/ Singapore	100	
Siemens Energy Pte. Ltd., Singapore/ Singapore	100	
Siemens Gamesa Renewable Energy Lanka (Private) Limited, Colombo/ Sri Lanka	100	
Siemens Energy Limited, Taipei/ Taiwan, Province of China	100	
Siemens Gamesa Renewable Energy Offshore Wind Limited, Taipei/ Taiwan, Province of China	100	
Siemens Energy Limited, Bangkok/ Thailand	99	
Siemens Gamesa Renewable Energy (Thailand) Co., Ltd., Bangkok/ Thailand	100	
Siemens Gamesa Renewable Energy Limited, Bangkok/ Thailand	100	
Siemens Energy Limited Company, Ho Chi Minh City/ Viet Nam	100	
Siemens Gamesa Renewable Energy LLC, Ho Chi Minh City/ Viet Nam	100	

September 30, 2025 Associated companies and joint ventures	Equity interest in %	
Germany (3 companies)		
Infineon Technologies Bipolar GmbH & Co. KG, Warstein	40	
Infineon Technologies Bipolar Verwaltungs-GmbH, Warstein	40	[5]
MakerVerse GmbH, Berlin	29	
Europe (without Germany), Commonwealth of Independent States (C.I.S.), Middle East, Africa (11 companies)		
KONCAR – Transformatorski kotlovi d.o.o., Zagreb/ Croatia	40	
COELME - Costruzioni Elettromeccaniche S.p.A., Santa Maria di Sala/ Italy	25	
EM&SE Syncons PS, Riga/ Latvia	83	[8]
Stone City Energy B.V., Rotterdam/ Netherlands	—	[3][5]
SIGLO XXI SOLAR, SOCIEDAD ANONIMA, Ciudad Real/ Spain	25	[5]
SISTEMAS ENERGETICOS DE TENERIFE, S.A., Santa Cruz de Tenerife/ Spain	20	[5]
Sistemes Electrics Espluga, S.A., Barcelona/ Spain	50	
Tusso Energía, S.L., Sevilla/ Spain	50	[5]
RWG (Repair & Overhauls) Limited, Aberdeen/ United Kingdom	50	
Joint Venture Service Center, Chirchik/ Uzbekistan	49	[5]
SCE-Quvvat LLC, Tashkent/ Uzbekistan	25	
Americas (7 companies)		
Gas Natural Acu Infraestructura S.A, Rio de Janeiro/ Brazil	7	[3]
UTE GNA II Geração de Energia S.A., Rio de Janeiro/ Brazil	33	
Energia Eólica de Mexico S.A. de C.V., Mexico City/ Mexico	50	
Energia Renovable del Istmo S.A. de C.V., Mexico City/ Mexico	49	
Baja Wind US LLC, Wilmington, DE/ United States	50	[5]
First State Marine Wind, LLC, Newark, DE/ United States	31	[5]
Trumbull Development Partners, LLC, Wilmington, DE/ United States	27	
Asia, Australia (6 companies)		
United Chattogram Power Limited, Dhaka/ Bangladesh	20	[5]
Beijing Jingneng International Energy Technology Co., Ltd., Beijing/ China	45	
Shanghai Electric Power Generation Equipment Co., Ltd., Shanghai/ China	40	
Siemens Energy India Limited, Mumbai/ India	6	[9]
PT Trafoindo Power Indonesia, Jakarta/ Indonesia	49	
Advance Gas Turbine Solutions SDN. BHD., Kuala Lumpur/ Malaysia	43	

September 30, 2025 Other investments [10]	Equity interest in %		Net income in millions of €	Equity in millions of €
Europe (without Germany), Commonwealth of Independent States (C.I.S.), Middle East, Africa (1 company)				
Uhre Vindmollelaug I/S, Brande/ Denmark	19	[11]	0	1
Asia, Australia (1 company)				
Siemens Limited, Mumbai/ India	6		284	1,625

[1] Control due to rights to appoint, reassign or remove members of the key management personnel.
[2] Control due to contractual arrangements to determine the direction of the relevant activities.
[3] Significant influence due to contractual arrangements or legal circumstances.
[4] Not consolidated due to immateriality.
[5] Not accounted for using the equity method due to immateriality.
[6] Exemption pursuant to Section 264 b German Commercial Code.
[7] Exemption pursuant to Section 264 (3) German Commercial Code.
[8] No consolidation due to divergent voting rights and ownership interest.
[9] Significant influence as a result of contractual agreement as well as from energy business conducted by Siemens Energy India Limited.
[10] Values according to the latest available local GAAP financial statements; the underlying fiscal year may differ from the Siemens Energy fiscal year.
[11] A consolidated affiliated company of Siemens Energy AG is a shareholder with unlimited liability of this company.

Additional information

4

4.1 Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group Management Report, which has been combined with the Management Report for Siemens Energy AG, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Munich, December 4, 2025

Siemens Energy AG

The Executive Board

Christian Bruch

Maria Ferraro

Karim Ahmed Amin Aly Khalil

Tim Holt

Anne-Laure Parrical de Chammard

Vinod Philip

For the Consolidated Financial Statements and Group Management Report we have issued an unqualified auditor's report. The English language text below is a translation of the auditor's report. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

4.2 Independent Auditor's Report

To Siemens Energy AG, Munich

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Opinions

We have audited the consolidated financial statements of Siemens Energy, Munich, and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as of September 30, 2025, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from October 1, 2024, to September 30, 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the management report of Siemens Energy AG and the Group (hereinafter "combined management report") for the financial year from October 1, 2024, to September 30, 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of September 30, 2025, and of its financial performance for the financial year from October 1, 2024, to September 30, 2025, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the consolidated financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from October 1, 2024, to September 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Recoverability of goodwill

Please refer to Note 2 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of goodwill can be found under Note 9 and information on the economic development of the business areas is presented in Section 2.3 of the combined management report.

THE FINANCIAL STATEMENT RISK

Goodwill amounted to EUR 9,037 million as of September 30, 2025, and accounted for a substantial share of assets at 16.0 % of total assets.

Goodwill is tested annually for impairment without a specific cause as of September 30 on the level of the cash-generating unit, which is generally represented by an operating segment. If any indications of impairment arise during the financial year, an ad hoc goodwill impairment test is also carried out during the year. For impairment testing, the carrying amount is compared to the recoverable amount of the respective cash-generating unit. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount is the higher amount of fair value less costs to sell and value in use of the respective cash-generating unit. Siemens Energy determines the recoverable amount of the respective cash-generating unit to which goodwill was allocated mainly on the basis of value in use.

Impairment testing of goodwill is complex and based on a number of assumptions requiring judgment. These include, among other elements, the assumptions in the adopted business planning for a period of five years (such as the expected business and earnings performance of the cash-generating unit), the assumed long-term growth rates and the discount rates used.

As a result of the impairment test performed, the Company did not identify any impairment. There is the risk for the consolidated financial statements that an existing need to recognize impairment losses is not identified. There is also the risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

With the involvement of our valuation experts, we also assessed the appropriateness of the Company's key assumptions and valuation method. To this end, we discussed the expected development of business and earnings as well as the assumed long-term growth rates with those responsible for planning. We also reconciled this information with the budget prepared by the Executive Board and approved by the Supervisory Board. In addition, we evaluated the consistency of assumptions with external market assessments.

We also confirmed the accuracy of the Company's previous forecasts by comparing the budgets of prior financial years with the actual results and by analyzing deviations. We compared the assumptions and data underlying the discount rates, in particular the risk-free rate, the market risk premium and the beta factor, to our own assumptions and publicly available data.

To assess the methodically and mathematically correct implementation of the valuation method, we verified the Company's valuation using our own calculations and analyzed deviations.

In order to take forecast uncertainty into account, we examined the impact of potential changes in the discount rate, earnings performance and the long-term growth rate on the recoverable amount by calculating alternative scenarios and comparing these with the values stated by the Company (sensitivity analysis). In this regard, we also evaluated the sensitivity analysis of the Company.

In addition, in order to verify planning quality, we critically reviewed the Company's reasoning for the total recoverable amounts exceeding the market value of the Company.

Finally, we assessed whether the disclosures in the notes regarding impairment of goodwill are appropriate.

OUR OBSERVATIONS

The calculation method used for impairment testing of goodwill is appropriate and in line with the accounting policies to be applied.

The Company's assumptions and data used for measurement are appropriate.

The related disclosures in the notes are appropriate.

Recognition of revenue from construction and services as well as accounting for the related provisions for onerous losses and risks

Please refer to Note 2 of the notes to the consolidated financial statements for information on the recognition and measurement policies applied. Information on sales revenue in the construction business and from providing services as well as related contract assets and contract liabilities can be found in Note 7 of the notes to the consolidated financial statements. Information on the amount of sales revenue is in Note 26 of the notes to the consolidated financial statements. Information on the amount of order-related provisions for onerous contracts and risks is in Note 15 of the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

The Group's revenue totaled EUR 39,077 million in financial year 2025. A significant portion of revenue is attributable to agreements in conjunction with construction and services. Contract assets amounted to EUR 4,295 million and contract liabilities to EUR 22,321 million as of September 30, 2025. The provisions for order-related onerous contracts and risks amounted to EUR 1,287 million as of September 30, 2025.

Revenue from construction and services is recognized over time according to the stage of completion. The stage of completion is determined as the proportion of contract costs incurred for work performed to date in relation to the estimated total contract costs (input method). A loss expected from a customer contract exists if the estimated total contract costs exceed the planned total revenues. This expected loss is immediately recognized as an expense as a contract-related provision for onerous contracts and risks.

Determining the revenue that can be recognized is complex and requires estimates, especially with regard to the total contract cost for determining the stage of completion. There is a risk for the consolidated financial statements that the stage of completion is incorrectly assessed (including the possible risk of managers circumventing controls) and, as a result, both revenue and earnings from these services are allocated to the incorrect financial year and order-related provisions for onerous contracts and risks are not recognized on time or in the incorrect amount.

OUR AUDIT APPROACH

Based on our understanding of the process, we assessed the design and implementation of selected internal controls, especially regarding the estimate and event-driven review of the total contract costs.

Using contracts selected specifically on a risk basis, we analyzed contracts and assessed whether the criteria applied for recognizing revenue over time were met. For selected contracts we consulted with the respective project owners regarding their estimate of the entire contract costs, existing risks and unexpected cost patterns and potential contract penalties. In doing so, we assessed the assumptions used to estimate total contract costs and, among other procedures, validated the planned cost positions against internal cost calculations and external proof. In addition, for contracts selected on a risk basis, we analyzed and verified the changes in order to estimate the total contract costs. We compared the planned total revenues with the relevant contract documentation. Moreover, for a representative sample we reconciled the respective actual cost allocated to the contract with internal cost schedules and external documents. Furthermore, we reconciled the payment requests to customers with invoices and incoming payments for a representative sample and used this as the basis for arithmetically verifying the contract assets and contract liabilities.

On the basis of the knowledge previously obtained, we assessed the appropriateness of the determination of the respective stage of completion and any anticipated losses, as well as the accounting within the statement of financial position and statement of income.

Additionally, we examined the accuracy of the Company's previous forecasts by comparing the estimates for the entire contract costs of projects still in progress as of the reporting date and analyzed any deviations.

OUR OBSERVATIONS

Siemens Energy AG's approach to recognizing revenue over time according to stage of completion and for determining the provisions for order-related onerous contracts and risks is appropriate. The assumptions underlying the accounting treatment are appropriate.

Recognition and measurement of provisions related to quality issues in the onshore wind turbine business within the Siemens Gamesa business area

Please refer to Note 2 in the notes to the consolidated financial statements for information on the recognition and measurement policies as well as on the assumptions made. Disclosures on the amount of provisions for warranties and order-related provisions for onerous contracts and risks in conjunction with quality issues at Siemens Gamesa can be found in Note 15 of the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

In the Siemens Gamesa business area, quality issues continue to arise in the onshore wind turbine business. As of September 30, 2025, the provisions for warranties for the onshore and offshore wind turbine business amounted to EUR 2,474 million and the order-related provisions for onerous contracts and risks in connection with quality issues in the onshore and offshore wind turbine business amounted to EUR 984 million.

The cost estimates relating to quality issues of onshore wind turbines and the related recognition and measurement of provisions for warranties and order-related provisions for onerous contracts and risks are complex and heavily dependent on the estimates and assumptions of the Company's Executive Board, particularly with regard to the total estimated project and warranty costs.

Assumptions requiring judgment include, in particular, the expected failure rates of individual components of onshore wind turbines, the estimated number of onshore wind turbines affected and the expected costs per failure.

There is the risk for the consolidated financial statements that the expected costs related to the quality issues of onshore wind turbines are not fully estimated or estimated in an inaccurate amount and, thus, the provisions for warranties and order-related provisions for onerous contracts and risks are improperly stated. There is also the risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

Based on our understanding of the process, we assessed the design and implementation of selected internal controls, in particular with respect to the estimate and review of the failure rates of individual components of the onshore wind turbines and assessed how individual parts of the future costs in connection with the quality issues were determined.

With the involvement of our IT specialists, we assessed the annually reviewed calculation of the costs expected for the onshore platforms, which includes the appropriateness of the key assumptions and data as well as the calculation method and the underlying statistical models. To do so, we assessed the Company's review of selected failure rates and confirmed the accuracy of the previous forecasts by comparing failure rates expected for the year under review with the actual failure rates and by analyzing deviations. Furthermore, we verified the specific costs expected per failure on a sample basis and assessed key assumptions.

In addition, we examined the accuracy of the Company's forecasts by comparing the respective actual costs incurred in the financial year with those expected and analyzed any deviations.

In order to assess the methodologically and mathematically correct implementation of the expected costs, we verified the Company's valuation using our own calculations on a sample basis and analyzed any deviations.

We verified the amount of the provisions recognized for warranties using a representative sample for the onshore platforms and assessed these with the help of internal technical reports and calculations. Based on the knowledge obtained on the planned total revenues and total contract costs, including the expected costs in connection with the quality issues, we verified the appropriateness of the calculation of anticipated losses and the amount of order-related provisions for onerous contracts and risks.

In order to audit the completeness of the provisions for warranties and order-related provisions for onerous losses and risks, we inspected the minutes of Siemens Energy AG's Supervisory Board and inquired the Executive Board and Company's staff responsible for calculating the expected costs.

Moreover, we assessed whether the disclosures in the notes to the consolidated financial statements regarding provisions in connection with quality issues in the onshore wind turbine business at Siemens Gamesa are appropriate.

OUR OBSERVATIONS

The approach for determining the provisions for warranties and order-related provisions for onerous contracts and risks is appropriate. The assumptions and data used to measure the provisions for warranties and order-related provisions for onerous contracts and risks are appropriate overall. The related disclosures in the notes are appropriate.

Other Information

The Executive Board and the Supervisory Board, respectively, are responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the statement on the appropriateness and effectiveness of the internal control and risk management system contained in Section 2.8.1 “Key features of the internal control and risk management system and statement on the appropriateness and effectiveness of these systems,”
- the combined statement on corporate governance for the Company and the Group referred to in Sections 2.9.4 and 2.12,
- the Group’s non-financial statement contained in Section 2.10,
- the statement on compliance with (US) laws contained in Sections 2.10.1.4.3 “Integration of sustainability-related performance criteria into incentive systems”, 2.10.3.1.3 “Policies”, and 2.10.3.1.7 “Equal treatment and opportunities for all”.

The other information also includes the remaining parts of the annual report.

The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Board and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Executive Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Executive Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Executive Board is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Executive Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Executive Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the Executive Board and the reasonableness of estimates made by the Executive Board and related disclosures.
- Conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Executive Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Executive Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic „SiemensEnergyAGKA-2025-09-30-v01-de.zip" (SHA256-Hashwert: 7c7a97c9fd6079316d7d2fdd87c090628d2c478f84256586d209709b8ecd32ce) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from October 1, 2024, to September 30, 2025, contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

The Company's Executive Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Executive Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor of the consolidated financial statements at the Annual General Meeting on February 20, 2025. We were engaged by the Audit Committee on February 20, 2025. We have been the auditor of the consolidated financial statements of Siemens Energy AG without interruption since financial year 2024.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Dr. Stephanie Dietz.

Munich, December 4, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Dr. Dietz	Schmitt
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

4.3 Assurance report of the independent German Public Auditor on an assurance engagement to obtain limited and reasonable assurance in relation to the Group Sustainability Statement[1]

To the Siemens Energy AG, Munich

Assurance Conclusion and Opinion

We have conducted a limited assurance engagement on the Group Sustainability Statement, taking into account, as set forth in the subsequent paragraph, the reasonable assurance engagement on disclosures marked with "[+]" in the Group Sustainability Statement included in section "2.10 Group Sustainability Statement" of the combined management report, of Siemens Energy AG (hereinafter "entity" or "Siemens Energy AG") for the financial year from October 1, 2024 to September 30, 2025. The Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as Sections 315b and 315c of the HGB [Handelsgesetzbuch: German Commercial Code] for a consolidated non-financial statement.

Based on the particular engagement, we have conducted a reasonable assurance engagement on the disclosures marked with "[+]" in the Group Sustainability Statement. A reasonable assurance engagement on these disclosures fulfils the requirements for a limited assurance engagement and, in accordance with Recital 60 to the CSRD, thereby complies with the requirements of the CSRD relating to assurance of the Group Sustainability Statement.

The disclosures marked with "[+]" are the CO_2 emissions (Scope 1 and Scope 2 and their total) for the financial year from October 1, 2024 to September 30, 2025.

Based on the procedures performed and the evidence obtained as part of our limited assurance engagement, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement, taking into account the disclosures in the Group Sustainability Statement marked with "[+]" and subject to a reasonable assurance engagement, is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Sections 315b and 315c HGB for a consolidated non-financial statement and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section "Double materiality assessment process" of the Group Sustainability Statement, or
- the disclosures in section "EU Taxonomy" of the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

In our opinion, on the basis of our reasonable assurance engagement, the disclosures marked with "[+]" in the Group Sustainability Statement were prepared, in all material respects, in accordance with the requirements applicable to these disclosures and the supplementary criteria presented by the executive directors of the Company.

Basis for the Assurance Conclusion and Opinion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement".

[1] Our engagement applied to the German version of the Group Sustainability Statement. This text is a translation of the Independent Assurance Report issued in the German language, whereas the German text is authoritative.

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion and opinion.

Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of the Group Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in Preparing the Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section “Basis of preparation” of the Group Sustainability Statement, the quantification of the non-financial performance indicators related to resource inflows and Scope 3 greenhouse gas emissions is also subject to inherent uncertainties due to significant estimation and measurement uncertainties.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor’s Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objectives are

a) to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement, taking into account the disclosures in the Group Sustainability Statement marked with "[+]" and subject to a reasonable assurance engagement, has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the company’s executive directors, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement, taking into account the disclosures in the Group Sustainability Statement marked with "[+]" and subject to a reasonable assurance engagement.

b) to express a reasonable assurance opinion, based on the assurance engagement we have conducted on whether the disclosures marked with "[+]" in the Group Sustainability Statement are prepared, in all material respects, in accordance with the requirements applicable to these disclosures and the supplementary criteria presented by the executive directors of the Company.

As part of an assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism.

We also:

a) for the limited assurance engagement

- obtain an understanding of the process used to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within entity’s control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity’s control, as both the entity’s executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

b) for the reasonable assurance engagement

- perform risk assessment procedures, including obtaining an understanding of the internal controls that are relevant to the assurance engagement on the disclosures marked with "[+]" in the Group Sustainability Statement in order to identify and assess the risks of material misstatement at the assertion level due to fraud or error, but not for the purpose of expressing an assurance opinion on the effectiveness of these internal controls of the Company. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources in the value chain not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- evaluate the appropriate derivation of the forward-looking disclosures from the significant assumptions and the appropriateness of these assumptions. We do not express a separate assurance opinion either on the forward-looking disclosures nor on the assumptions on which they are based. There is a substantial unavoidable risk that future events will differ materially from the forward-looking disclosures.

Summary of the Procedures Performed for the Limited Assurance Engagement by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement, and about the internal controls relating to this process
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain
- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement
- conducted site visits
- considered the presentation of the information in the Group Sustainability Statement
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use / Clause on General Engagement Term

This assurance report is solely addressed to Siemens Energy AG.

The engagement, in the performance of which we have provided the services described above on behalf of Siemens Energy AG, was carried out on the basis of the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) dated as of January 1, 2024 (www.kpmg.de/AAB_2024). By taking note of and using the information as contained in our report each recipient confirms to have taken note of the terms and conditions stipulated in the aforementioned General Engagement Terms and acknowledges their validity in relation to us. In extension of the maximum liability for damages caused by negligence set out in No. 9 (2) of the General Engagement Terms, KPMG is liable for damages caused by negligence up to an amount of EUR 10 million. Liability extensions do not apply to damages for which a statutory liability regulation exists.

Munich, December 4, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Vogl	Edelmann
Wirtschaftsprüferin	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

4.4 Report of the Supervisory Board

Munich, December 10, 2025

Dear Shareholders,

Your company, Siemens Energy, has completed its fifth year of independence, and it has been the most successful year in the company's history. The company's value has increased significantly, with its share price recording a remarkable rise.

We achieved the goals we set ourselves, and in many cases exceeded them: Gas Services, Grid Technologies and Transformation of Industry improved their results compared to the previous year, which was already a good one. In fiscal year 2025, they recorded double-digit increases in sales revenue growth and made a significant contribution to profitability.

The Wind Power business Siemens Gamesa developed in line with expectations. Our plan is to break even in fiscal 2026 and then grow profitably in this segment. The long-term goal is to achieve a double-digit operating margin.

Management has consistently developed the strategic direction with the clear goal of securing sustainable and profitable growth, consolidating our financial strength and establishing Siemens Energy as a market leader in the long term. We will continue on this successful course with determination.

Of particular note is the company's positive development against the backdrop of a volatile global environment. Tariffs and increased prices are just two signs of this volatility. Christian Bruch and the Executive Board have guided Siemens Energy through these challenging times with foresight, determination and clarity. Nevertheless, companies must prepare for an increasingly uncertain future, as global changes – particularly geopolitical ones – are often structural in nature.

On a positive note, Siemens Energy is benefiting from the sharp increase in global energy demand. We are witnessing the comprehensive electrification of entire economic sectors. This trend is being reinforced further by digitalization and artificial intelligence. Electricity is becoming the backbone of the global economy — and the central source of energy for progress, innovation and climate protection. In response to this trend, the Supervisory Board has established a new Digitalization and Artificial Intelligence Committee.

We will continue to benefit from the age of electrification. With its powerful product range, strong service network and outstanding global workforce, the entire company is ideally positioned. Siemens Energy will plan its growth in this energy supercycle with caution and implement it in a focused manner.

Against the backdrop of the company's positive performance, the Executive Board, in consultation with the Supervisory Board, will propose paying a dividend for fiscal year 2025 at the Annual Shareholders' Meeting. This has been made possible by the early redemption of the problematic counter-guarantee from the German federal government and the consequent lifting of the dividend restriction.

On behalf of the Supervisory Board, I would like to thank the Executive Board and all of Siemens Energy's 100,000+ colleagues for their extraordinary commitment and impressive results in the past fiscal year. I would also like to thank our shareholders, customers and partners worldwide for making this success possible.

For the Supervisory Board

Joe Kaeser

Chairman

Monitoring and advisory activities of the Supervisory Board

In the reporting period, the Supervisory Board of Siemens Energy AG performed in full the duties incumbent upon it in accordance with the law, the Articles of Association and the Bylaws. In doing so, the Supervisory Board continually advised and monitored the Executive Board in managing the Company, providing advice and assistance especially on issues of strategic importance for the continuing development of the Company. This was based above all on the detailed oral and written reports presented by the Executive Board at meetings of the Supervisory Board and its Committees and on the written reports – especially relating to key financial data – submitted to the Supervisory Board between meetings. The Executive Board provided the Supervisory Board with regular and timely information about the significant business developments seen by the Company and its business areas, the course of business, the situation of the Company, the key financial data, the planned business policy, planning, corporate strategy and innovation focuses. It also reported continuously about the macroeconomic situation, the Company's profitability and liquidity situation, the revenue and order position, trends in sales and procurement markets, developments on the capital markets and share price performance. On an ongoing basis, the Executive Board reported on the risk exposure, the audit activities conducted by Internal Audit, compliance issues and the latest developments in significant legal disputes. Regular features of reporting included the economic and political environment and the status of occupational safety at the Company.

In this reporting year, geopolitical challenges and trade policy uncertainties were one focus of the Supervisory Board's work. The Supervisory Board discussed at length the risks associated with geopolitical tensions and international trade conflicts and analyzed particularly the impacts of tariffs and the growing import restrictions imposed by major economies, increased energy prices and high inflation. The Supervisory Board regularly reviewed the operational development of the Wind Power business Siemens Gamesa. Discussions focused in particular on its future strategic direction, the status of efforts to resolve quality issues in the onshore business, and the challenges associated with ramping up the offshore business. On more than one occasion, the Supervisory Board requested reports on the status of the guarantee agreements with the German government, as well as on further measures aimed at strengthening the Company's balance sheet. The financial and operational development of the various business areas was discussed in detail at almost all meetings. Moreover, a number of deep dives took place, providing the opportunity to discuss in more detail the Siemens Energy business areas, the regions of significance to the Company and the central support functions. Lastly, there was a special focus on the topic of occupational safety.

The Supervisory Board and its Committees were involved in all decisions of fundamental importance at an early stage. To the extent that Supervisory Board approval of decisions and measures of Company management was required by law, the Articles of Association or the Bylaws, the members of the Supervisory Board or of the responsible Committee issued such approval after intense review and discussion. The meetings of the Supervisory Board and its Committees were characterized by an open and constructive exchange of views between the members of the Supervisory Board and also between the Supervisory Board and the Executive Board. The Supervisory Board critically reviewed the reports and proposed resolutions of the Executive Board, ensuring in this process the lawfulness, fitness for purpose and compliance of the Company's management.

The Chairman of the Supervisory Board was in regular contact with the Executive Board members outside the Supervisory Board meetings. Outside meetings, the Chair of the Audit Committee was also in direct contact especially with the CFO, the heads of the departments relevant for the Audit Committee and representatives of the auditor. The Chairman of the Executive Board provided information on events that are significant to the Company without delay, regardless of the schedule of meetings. The Supervisory Board also met regularly without the Executive Board in attendance. At such meetings, it discussed in particular matters concerning the Executive Board itself or internal Supervisory Board matters. Prior to the ordinary meetings of the Supervisory Board, separate preparatory meetings were held with both the shareholder and employee representatives.

In addition, the Chairman of the Supervisory Board held virtual and face-to-face meetings with institutional investors and proxy advisors in order to discuss current governance and sustainability issues being dealt with by the Company. These discussions focused on the German government back guarantee, the compensation system, the format of the Shareholders' Meeting, the Supervisory Board elections and the reorganization of the Committees. The Chairman of the Supervisory Board presented a summary of his discussions with investors and their representatives to the meetings of the full Supervisory Board.

The topics discussed by the full Supervisory Board

The Supervisory Board convened seven times during the reporting year; one of the meetings spanned two days. The meetings were held as face-to-face meetings with the option of participating virtually (so-called hybrid meetings).

At its meeting on November 12, 2024, the Supervisory Board concerned itself with the key financial data for the fourth quarter and for fiscal year 2024 and approved the budget for 2025. The Executive Board reported on the current situation of Siemens Gamesa and looked ahead to the Shareholders' Meeting 2025. It discussed details of the HR strategy for the Executive Board, including recruitment, employee engagement, and operational and organizational HR matters. On the basis of the report from the Sustainability and Finance Committee, the Supervisory Board discussed material sustainability aspects and the Sustainability Report. Based on the report from the Nomination Committee, the Supervisory Board concerned itself with the (re)election of shareholder representatives. On the recommendation of the Remuneration Committee, the Supervisory Board resolved on the target and maximum compensation for the members of the Executive Board for fiscal year 2025, defined the target achievement for the Stock Awards Tranche 2021 and addressed the appropriateness of the Executive Board compensation. The Supervisory Board also resolved to introduce the function of Lead Independent Director.

On December 11, 2024, in the presence of the auditor, the Supervisory Board discussed the financial statements and the Combined Management Report for Siemens Energy AG and the Group effective September 30, 2024, including the non-financial statement for the Group, the 2024 Annual Report, including the Report of the Supervisory Board, the Corporate Governance Statement and the Compensation Report. Also discussed were the compensation system for the Executive Board and the agenda for the Shareholder's Meeting on February 20, 2025. Based on the recommendations from the Nomination Committee, proposals were discussed for the election at the Shareholders' Meeting 2025 of two new Supervisory Board members to represent the shareholders as successors to Dr. Christine Bortenlänger and Hildegard Müller and for the reelection of six Supervisory Board members. In addition, the Supervisory Board concerned itself with the annual report from the Group Compliance Officer. The Executive Board's presentation of the Company's global structure and regional business performance was discussed in depth, particularly in the context of geopolitical risks. Moreover, the Supervisory Board debated the presentation of Global Functions in detail. The suggestions for improvement proposed in the context of the self-assessment of the Supervisory Board and its Committees in July 2024 and at subsequent separate meetings of the shareholder and employee representatives were also discussed. To conclude, resolutions were adopted on the exercise of participation rights in a subsidiary of Siemens Energy AG pursuant to Section 32 of the German Codetermination Act ("Mitbestimmungsgesetz") and on positions held by Executive Board members.

At the Supervisory Board meeting on February 11, 2025, the Executive Board reported on the current course of business and the financial position at the end of the first quarter and explained the ad-hoc release published on January 27, 2025. In addition, the Supervisory Board discussed in detail the current situation at Siemens Gamesa. The Supervisory Board concerned itself in depth with the Company's communication strategy. The Executive Board presented the venture activities and explained the Company's investment strategy. It also looked ahead to the upcoming Shareholders' Meeting.

The Ordinary Shareholders' Meeting of Siemens Energy AG on February 20, 2025, was attended in person at the venue in Munich by 18 members of the Supervisory Board, while two members of the Supervisory Board participated virtually. Due to the reelection of six Supervisory Board members and the election of two new Supervisory Board members to represent the shareholders, a constituent meeting of the Supervisory Board took place immediately after the Shareholders' Meeting. At this constituent meeting, the Supervisory Board confirmed Joe Kaeser as Chairman and Robert Kensbock and Dr. Hubert Lienhard as Deputy Chairmen of the Supervisory Board. The Supervisory Board established a Digitalization and Artificial Intelligence Committee and elected Dr. Hubert Lienhard as its Chairman. This Committee advises and oversees the Executive Board in defining and implementing the digital and artificial intelligence (AI) strategy and assesses relevant trends in this area. It addresses cybersecurity issues and provides support for strategically important digital and AI projects. At the constituent meeting, in line with the amendment to its Bylaws, the Supervisory Board also resolved to reduce the size of the Audit Committee and the Sustainability and Finance Committee, conducted elections to fill the positions on the various Committees, adopted a resolution on the exercise of participation rights pursuant to Section 32 of the German Codetermination Act and elected Dr. Hubert Lienhard as the Lead Independent Director.

At its meeting on May 7, 2025, the Supervisory Board received a comprehensive report from the Executive Board on the current course of business and the financial position in the second quarter. In this connection, the Executive Board also explained the ad-hoc release published on April 16, 2025. The Supervisory Board discussed in depth Executive Order 14173 issued by the US administration and its potential impact on the DEI (diversity, equity and inclusion) programs of privately owned companies, as well as an assessment of the geopolitical situation. It addressed in detail the effects of US tariffs in particular and of tighter export controls in China. One focus of the meeting was the current situation of the Wind Power-business Siemens Gamesa; a report was also given by Robert Kensbock and Dr. Hubert Lienhard, appointed as monitors by the Supervisory Board. In addition, the Supervisory Board concerned itself with the report by the Head of M&A and discussed in particular the pending stock market listing of Siemens Energy India Ltd. in June 2025. Other topics addressed at the meeting were the follow-up of the Shareholders' Meeting, the resolutions on Executive Board compensation and the appointment of the auditor for the Compensation Report for 2025.

At the meeting on August 5, 2025, the Executive Board reported on the current course of business and the financial position at the end of the third quarter. In this connection, the Supervisory Board debated the planned termination in 2025 of the dividend restrictions in the context of the early exit from the German government back guarantee in June 2025. The Supervisory Board discussed in detail the current situation of Siemens Gamesa, focusing particularly on occupational safety. It also concerned itself with the annual report from the Head of Cybersecurity and discussed in detail the Company's IT and digitalization strategy.

The Supervisory Board meeting on September 24 and 25, 2025, was held in Erfurt. During a tour, the Supervisory Board was given insights into the production and manufacturing methods at the site's generator plant. The meeting focused on an in-depth discussion of the Company's strategy and the innovation strategy. The company's new organizational model, which aims in particular to shift decision-making powers from higher-level corporate functions to the business areas, was explained. The topic of occupational safety was explored in detail. The Executive Board explained details of the Company's regional organization and strategy, especially relating to the business in Germany. Another focus of the meeting was Executive Board compensation. As well as reviewing the appropriateness of Executive Board compensation, the individual total target and maximum compensation and the performance criteria for variable compensation for fiscal year 2026 for each Executive Board member were determined in line with the proposal prepared and recommended by the Remuneration Committee. Other topics addressed at the meeting were corporate governance matters, especially the annual Declaration of Conformity with the German Corporate Governance Code, amendments to the Bylaws for the Executive Board and the Supervisory Board, and the independence of the Supervisory Board members. Lastly, the Supervisory Board discussed the results of the self-assessment of the Supervisory Board and its Committees conducted in July.

Work in the Supervisory Board Committees

In the year under review, the Supervisory Board had eight Committees: the Presiding Committee, the Audit Committee, the Sustainability and Finance Committee, the Remuneration Committee, the Digitalization and Artificial Intelligence Committee (since February 20, 2025), the Special Committee Siemens Gamesa (until November 7, 2024), the Nomination Committee and the Mediation Committee that must be established pursuant to Section 27 (3) of the German Codetermination Act.

The Committees prepare resolutions and matters for discussion by the full Supervisory Board. To the extent permitted by law, the Supervisory Board has transferred decision-making powers to its Committees. The chairs of the Committees regularly provide comprehensive reports to the Supervisory Board on the work in the Committees. The tasks and members of the Committees are set out in detail in chapter **4.5 Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code**.

In the reporting year, the **Presiding Committee** convened eight meetings, including a two-day workshop. Two meetings were held as face-to-face meetings, five meetings as so-called hybrid meetings (in-person meeting with the option of virtual participation), and one meeting as a virtual meeting via video conference. During the year under review, one resolution was adopted via the Electronic Boardroom. Between meetings, the Chairman of the Supervisory Board discussed issues of special significance with the Presiding Committee members. The Presiding Committee received regular information from the Chief Executive Officer about current issues concerning the Company. The company's new organizational model, strategic considerations and geopolitical risks were discussed in preparation for the meetings of the Supervisory Board The Presiding Committee dealt in detail with succession planning for the Executive Board and coordinated with the Chief Executive Officer on this matter. In addition, the Presiding Committee dealt with corporate governance issues, the preparation of the corporate governance report in the Corporate Governance Statement and the Report of the Supervisory Board, the reorganization of the Committees, filling the positions on the various Supervisory Board Committees and the allocation of business responsibilities within the Executive Board. It prepared the self-assessment of the Supervisory Board and discussed the acceptance by Executive Board members of positions in other companies and institutions. The Presiding Committee was informed of, or approved, matters relating to key personnel within the specified legal framework.

The **Audit Committee** convened five meetings in the reporting period. Two meetings were held as face-to-face meetings and three meetings were held as hybrid meetings. Depending on the agenda item concerned, the heads of corporate departments attended and made themselves available for questions from the members of the Audit Committee. In the presence of the independent auditor as well as the Chief Executive Officer and Chief Financial Officer, the Committee dealt with the financial statements and the Combined Management Report for Siemens Energy AG and the Group, including the non-financial statement and the reporting in accordance with Regulation (EU) 2019/2088 (EU Taxonomy Regulation). The Audit Committee also discussed the Half-year Financial Report and the quarterly statements with the Executive Board and the auditor. It furthermore discussed, in the presence of the auditor, the report on the review of the Condensed Interim Consolidated Financial Statements and Interim Group Management Report for the first six months of 2025. The Committee engaged the auditor elected for fiscal year 2025 by the Shareholders' Meeting, KPMG AG Wirtschaftsprüfungsgesellschaft, and specified the auditor's fee. It also engaged the auditor to provide a limited assurance report on the Group non-financial statement. It monitored the selection, independence and qualification of the auditor and assessed the quality of the audit and the auditor's performance, including the additional services rendered. The Chair of the Audit Committee was also in regular contact with the auditor, including between meetings.

The Committee concerned itself with the audit of the accounts and oversight over the accounting process, the effectiveness of the internal control system, the risk management system and the internal auditing system, the reports on compliance matters and material legal disputes, as well as the tax position of the Company, and inquired about related-party transactions exceeding certain thresholds. It reviewed the strategy and business engagement of Internal Audit, including its resources and personnel capacity, and approved the audit plan for fiscal year 2026. The Committee also reviewed the Company's credit lines, financial obligations and general liquidity position, as well as the external forecasts. It regularly met with management and the auditor to discuss the financial effects of the quality issues of the Wind Power-business Siemens Gamesa and tracked the provisions established in previous years. Lastly, the Committee explored the consequences of the still pending implementation in Germany of Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive) and received a report about the status of implementation within the Company. The practice of closed sessions without the Executive Board in attendance at the end of each meeting, which had been adopted as standard practice at the Committee's constituent meeting on November 9, 2020, was retained and the confidential communication between the Committee and the auditor promoted.

The **Sustainability and Finance Committee** convened five times in the reporting period. One meeting was held in person, one meeting was held virtually via video conference, and three meetings were held as hybrid meetings. During the year under review, one resolution was adopted via the Electronic Boardroom. The topic of sustainability/ESG was one focus of the Committee's activities. In this connection, the Committee concerned itself with the Company's sustainability program and the Sustainability Report. The main focus was on reducing the emissions from its own operations, inclusion and diversity, and health and safety at the Company. A further topic at the meetings was the discussion and approval of various investments and one divestment measure of Siemens Gamesa. Lastly, the Committee addressed the pension system.

The **Remuneration Committee** convened five times in the year under review. One meeting was held as an in-person meeting, two meetings as hybrid meetings, and two meetings as virtual meetings via video conference. In particular, the Remuneration Committee prepared the resolutions of the Supervisory Board concerning the review of the appropriateness of Executive Board compensation, the definition of the target and maximum compensation, the definition of the performance criteria and targets for variable compensation and the Compensation Report. The Remuneration Committee also concerned itself in detail with preparing the Supervisory Board resolution on the compensation system for the Executive Board members and with the requirements for variable compensation and their elimination in connection with the early exit from the German government back guarantee. A further topic discussed by the Remuneration Committee was the potential impact on Executive Board compensation of Executive Order 14173 issued by the US administration. The Remuneration Committee also prepared the Supervisory Board resolution on the appointment of the auditor for the Compensation Report for fiscal year 2025.

The **Digitalization and Artificial Intelligence Committee** established by the Supervisory Board on February 20, 2025, convened twice in the year under review. The meetings were held as hybrid meetings. The Committee's activities focused on the further development of the digitalization and AI strategy, the strategic role of AI, key areas of application in the business areas and priority AI initiatives. In addition, the Committee addresses questions of AI governance and the market dynamics of digital and AI-based technologies in the energy sector. One particular focus was the in-depth discussion of digitalization and AI in one business area.

The **Special Committee Siemens Gamesa** was dissolved effective November 7, 2024, by a resolution of the Supervisory Board taken on September 25, 2024. It convened once in fiscal year 2025; the meeting was held as a virtual meeting via video conference. This meeting focused on the Task Force's report on the status of the investigation of the technical issues of Siemens Gamesa, especially in respect of the issues that had resulted in the publication of the ad hoc release on June 22, 2023, and reports from external experts, particularly entrusted with the technical analysis and assessment of the quality issues and the validation of potential remedies.

The **Nominating Committee** convened twice in fiscal year 2025. One meeting was held in person and one meeting was held virtually via video conference. It dealt in depth with the succession planning for the Supervisory Board. One focus of the Committee's work was the preparation of the Supervisory Board's proposals concerning the regular election of shareholder representatives to the Supervisory Board by the Shareholders' Meeting 2025. In this connection, the Nomination Committee was supported by a reputable external consultant. In selecting potential candidates and preparing a proposed resolution for the Supervisory Board, the Nomination Committee considered especially the targets for the composition of the Supervisory Board – including the skills profiles and diversity concept – and the qualification matrix adopted by the Supervisory Board. A key aspect was the question of which skills the Supervisory Board needs to strengthen in the future in light of the Company's strategic evolution.
The **Mediation Committee** did not have to be convened in the reporting year.
The composition of the Committees and information about the respective chairs can be found in the **Corporate Governance Statement** and online at **www.siemens-energy.com/sb-committees**.

Corporate governance

In September 2025, the Executive Board and the Supervisory Board approved the annual Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act ("Aktiengesetz"). The most recent Declaration of Conformity and further information on corporate governance can be found in the **Corporate Governance Statement** pursuant to Sections 289f and 315d of the German Commercial Code ("Handelsgesetzbuch"). The Declaration of Conformity for 2025 and past declarations of conformity are made permanently available to shareholders on the Company's website at **www.siemens-energy.com/german-corporate-governance-code**.

Self-assessment of the Supervisory Board

The Supervisory Board regularly evaluates the effectiveness of its work as a body and of its Committees' way of working. At its meeting in December 2025, the Supervisory Board discussed in detail the recommendations and measures that had been prepared at the meeting in August 2024 and at the separate meetings of the shareholder and employee representatives. On this basis, the collaboration of the Committees was fine-tuned and the efficiency of the meetings enhanced. The topics for more detailed consideration by the Supervisory Board were added to the agenda and discussed in detail in the year under review.
Also in the year under review, an online survey of the Supervisory Board members was conducted. This addressed matters such as the composition of the Supervisory Board, the reports by the Executive Board to the Supervisory Board, the agenda items and the organization of meetings, training and development, the consideration of compliance issues, the organization of the Committees and their relationship with the full Supervisory Board. The findings were discussed in detail at the September meeting. Moreover, some meetings included an open feedback session to discuss the efficiency of the Supervisory Board. No major deficits were identified. Collaboration within the Supervisory Board and its Committees was assessed as trust-based, respectful and constructive. Also discussed were the timely provision of information and greater exploration of potential financial and risk issues. It was agreed that the November meeting of the Supervisory Board would focus on the discussion of any proposals for optimization so that these can be included in the future work of the Supervisory Board.

Review of potential conflicts of interest

The members of the Supervisory Board of Siemens Energy AG are obliged to disclose to the Supervisory Board as a whole any conflicts of interest, especially those arising as a result of an advisory or governing body function at customers, suppliers and lenders of Siemens Energy AG or at other third parties. In connection with the issues relating to Siemens AG, potential conflicts of interest of those members of the Supervisory Board who also hold board positions at Siemens AG were reviewed; no such conflicts were identified. Regarding a measure that was subject to approval, one member of the Supervisory Board took the precaution of reporting a potential conflict of interest. A review showed that it was not necessary to exclude the member from discussion or voting.

Training and development

Generally speaking, the members of the Supervisory Board make use of the training and development measures required to discharge their duties under their own responsibility with support from the Company. Deep dives are held during meetings of the Supervisory Board to provide specific training and enhance Company-related expertise. These concerned, in particular, the various business areas, the regions in which the Company operates and the relevant support functions. Specific training is provided by way of internal information events. As required, the members of the Supervisory Board are informed about the relevant regulatory environment and other legal developments that may affect them.
Needs-based information events are provided for new Supervisory Board members. In addition, they are given the opportunity for dialogue with the members of the Executive Board and the managers of specialist central functions on fundamental and current topics to provide them with a detailed overview of the matters of relevance to the Company (onboarding). The two new members were given appropriate support in the course of their induction. In various onboarding sessions, they met all the members of the Executive Board and representatives of various specialist functions and familiarized themselves with the Company's business model, strategy, structures and key issues. The program also included a site visit that provided insights into the portfolio and the Company's production and manufacturing methods. This offering was also used by other members of the Supervisory Board.

INDIVIDUAL DISCLOSURE OF MEETING ATTENDANCE

The Supervisory Board considers it very important that all members of the Supervisory Board and its Committees make every effort to attend the meetings of the Supervisory Board and its Committees. As a rule, the Supervisory Board members should attend meetings in person. When selecting potential candidates, the Nomination Committee and the Supervisory Board consider factors such as a person's time commitments and their positions on other supervisory boards and comparable governance bodies to ensure the fullest possible attendance at meetings. Confirmation is required from a potential candidate that they can dedicate the expected amount of time to the role.
The attendance rate of members at meetings of the Supervisory Board and its committees was 97 percent in the reporting year. In the reporting year, meetings were not held exclusively as face-to-face meetings, but also as face-to-face meetings with the option of virtual participation (so-called hybrid meetings) or as virtual meetings via video conference. No meetings were held as conference calls. The attendance record of each individual member at the meetings of the Supervisory Board and its Committees was as follows:

(Number of meetings / % attendance)	Full Supervisory Board		Presiding Committee		Audit Committee		Sustainability and Finance Committee		Nomination Committee		Remuneration Committee		Digitalization and Artificial Intelligence Committee		Special Committee Siemens Gamesa	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Joe Kaeser Chairman	7/7	100	8/8	100	5/5	100	5/5	100	2/2	100	5/5	100				
Robert Kensbock 1st Deputy Chairman	7/7	100	8/8	100	5/5	100	5/5	100			5/5	100	2/2	100	1/1	100
Dr. Hubert Lienhard 2nd Deputy Chairman	7/7	100	8/8	100			2/2	100	2/2	100	5/5	100	2/2	100	1/1	100
Günter Augustat	7/7	100					5/5	100								
Manfred Bäreis	7/7	100			5/5	100										
Manuel Bloemers	6/7	86									3/5	60				
Dr. Christine Maria Bortenlänger (until February 20, 2025)	3/3	100			3/3	100					2/2	100				
Anja-Isabell Dotzenrath (since February 20, 2025)	4/4	100											2/2	100		
Dr. Andrea Fehrmann	7/7	100			5/5	100										
Dr. Andreas Feldmüller	7/7	100									5/5	100				
Nadine Florian	6/7	86			2/3	67							2/2	100	1/1	100
Prof. Sigmar Gabriel	7/7	100					2/2	100			3/3	100				
Prof. Dr. Veronika Grimm	7/7	100							2/2	100						
Jürgen Kerner	7/7	100	7/8	88			4/5	80							1/1	100
Thomas Pfann	7/7	100					2/2	100					2/2	100		
Simone Menne	7/7	100			5/5	100										
Hildegard Müller (until February 20, 2025)	3/3	100			3/3	100										
Laurence Mulliez	7/7	100			5/5	100									1/1	100
Matthias Rebellius	6/7	86					2/3	67							1/1	100
Cornelia Schau	7/7	100														
Geisha Jimenez Williams	6/7	86					5/5	100	2/2	100						
Prof. Dr. Feiyu Xu (since February 20, 2025)	4/4	100			2/2	100							2/2	100		
		97		97		96		94		100		94		100		100

AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS DISCUSSED IN DETAIL

The independent auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, Germany, audited the financial statements, Consolidated Financial Statements and Combined Management Report for Siemens Energy AG and the Group for the fiscal year ending September 30, 2025, and issued an unqualified opinion. KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, Germany, has been the independent auditor of the Siemens Energy Group since fiscal year 2024. The audit opinions were signed by the independent auditors Dr. Stephanie Dietz and Martin Schmitt for the second year in succession.

The financial statements of Siemens Energy AG and the Combined Management Report for Siemens Energy AG and the Group were issued in accordance with German legal requirements. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as applicable in the European Union (EU), and the additional requirements of German law pursuant to Section 315e (1) of the German Commercial Code. The auditor conducted the audit in accordance with Section 317 of the German Commercial Code and the EU Auditor Directive, taking into account the German generally accepted standards for the audit of financial statements promulgated by the Institut

der Wirtschaftsprüfer (IDW), and in supplementary compliance with the International Standards on Auditing (ISA). The Executive Board distributed the documents specified and the Executive Board's proposal for the appropriation of net income to the Supervisory Board in advance and explained these in detail at the respective meetings.

The dividend proposal was discussed in detail at the meeting of the Audit Committee on November 12, 2025; the financial statements, the Consolidated Financial Statements and the Combined Management Report at the meeting of the Audit Committee on December 9, 2025. The Audit Committee addressed in particular the key audit matters described in the audit opinion, including the audit procedures performed. Another topic of discussion at the meeting of the Audit Committee was the assessment of audit quality. The Audit Committee conducted an assessment on the basis of predefined indicators.

The reports of the independent auditor, including the audit report on the Compensation Report, were available to all members of the Supervisory Board and were discussed at length in the presence of the auditor at the Supervisory Board's meeting to approve the financial statements on December 10, 2025. The auditor reported on the scope, focus and main results of its audit and in particular addressed the key audit matters and the audit procedures performed. No significant weaknesses of the internal control system and the risk management system were reported.

The Supervisory Board agrees with the results of the audit. No objections are to be raised following the final results of the audit by the Audit Committee and of the review by the full Supervisory Board. The annual financial statements and consolidated financial statement prepared by the Executive Board were approved by the Supervisory Board. The annual financial statements for 2025 are thus adopted. The Audit Committee and Supervisory Board reviewed the Executive Board's proposal to use the net income to distribute a dividend of € 0.70 per share entitled to a dividend. The Supervisory Board deemed the proposal to be appropriate and gave its approval.

Following preparation by the Remuneration Committee, the Executive Board and Supervisory Board prepared the Compensation Report for 2025. On the basis of an engagement issued by the Supervisory Board, KPMG reviewed the content of the Compensation Report, reported its findings to the Remuneration Committee and Supervisory Board and confirmed that the Compensation Report complied in all material respects with the accounting requirements of Section 162 of the German Stock Corporation Act.

The Audit Committee and Supervisory Board also thoroughly reviewed the non-financial statement as of September 30, 2025, which is included in the "Group sustainability statement" in the Combined Management Report. Following explanation by the Executive Board, the auditor presented the main findings of its audit. The audit by KPMG was performed with limited assurance. In addition, individual key figures within the sustainability reporting were audited using the reasonable assurance standard. The audit of the non-financial statement was concluded with the issue of an unqualified audit opinion, which was signed for the second time in a row by auditor Stephanie Vogl and for the first time by auditor Lea Edelmann. The Supervisory Board raised no objections.

CHANGES TO THE SUPERVISORY BOARD AND EXECUTIVE BOARD

There were no changes to the Executive Board during the reporting period.

At the end of the Shareholders' Meeting on February 20, 2025, shareholder representatives Dr. Christine Bortenlänger and Hildegard Müller left the Supervisory Board. As new shareholder representatives on the Supervisory Board, the Shareholders' Meeting elected Anja Dotzenrath and Prof. Dr. Feiyu Xu for a term of three years – from 2025 to 2028.

For the Supervisory Board

Joe Kaeser

Chairman

4.5 Corporate Governance pursuant to Sections 289f and 315d of the German Commercial Code

In this statement, the Executive Board and Supervisory Board report on the corporate governance of the Company and the Group in accordance with Sections 289 f and 315 d German Commercial Code and Principle 23 of the German Corporate Governance Code 2022 (Code). The Compensation Report can be found in chapter **4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act**. It is, along with the independent auditor's statement according to s. 162 of the Stock Corporation Act ("Aktiengesetz"), the current compensation system according to s. 87a para. 1 and 2 sentence 1 of the Stock Corporation Act, and the latest shareholders' resolution on compensation according to s. 113 para. 3 of the Stock Corporation Act, also available on our website at **www.siemens-energy.com/remuneration-system**. More information on corporate governance is available online at **www.siemens-energy.com/corporate-governance**.

Declaration of conformity with the German Corporate Governance Code

The Executive Board and the Supervisory Board of Siemens Energy AG approved the following Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz):

"Declaration of Conformity by the Executive Board and the Supervisory Board of Siemens Energy AG with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act

Since submission of the last Declaration of Conformity in September 2024, Siemens Energy AG has complied with all the recommendations of the Government Commission on the German Corporate Governance Code in the version dated April 28, 2022 ("Code"), published by the Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) with the following deviations:

- Recommendations C.4 and C.5 were not complied with. According to recommendation C.4, a Supervisory Board member who is not a member of any Executive Board of a listed company shall not accept more than five Supervisory Board mandates at non-group listed companies or comparable functions, with an appointment as chair of a Supervisory Board being counted twice. According to recommendation C.5, members of the Executive Board of a listed company shall not accept more than two Supervisory Board mandates in non-group listed companies or comparable functions, and shall not serve as the chair of a Supervisory Board in a non-group listed company.

  At Siemens Energy, rather than regarding the recommended maximum number of mandates for Executive Board and Supervisory Board members as a fixed upper limit, a judgment on whether the number of relevant mandates is appropriate as defined by the Code should be made on a case-by-case basis. This assessment should consider the anticipated workload arising from the accepted mandates, which may differ from case to case.

- Section G of the Code has been deviated from for the following reasons: The guarantee pledged by the Federal Republic of Germany in December 2023 (the government guarantee), which was redeemed in June 2025, precluded variable compensation for the members of the Executive Board for fiscal years 2024 and 2025. Accordingly, no variable compensation was granted for the respective fiscal years.

Siemens Energy AG will in future comply with all recommendations of the Code, with the exception of recommendations C.4 and C.5, from which Siemens Energy AG continues to deviate for the reasons stated above. Additionally, Siemens Energy AG will deviate from recommendation G.10 sentence 2 in fiscal year 2026:

- According to recommendation G.10 sentence 2, granted long-term variable remuneration components shall be accessible to management board members only after a period of four years. For the period following the redemption of the government guarantee, the members of the Executive Board will once be granted an equity component (section I.3 of the Compensation System) in fiscal year 2026, which is already accessible at the end of fiscal year 2027 and thus after less than four years. This aims at incentivizing the Executive Board members to achieve clearly defined performance targets in line with the company strategy in the first years after redemption of the government guarantee.

Munich, September 2025

Siemens Energy AG

The Executive Board The Supervisory Board"

The latest Declaration of Conformity is available on the Siemens Energy AG website at **www.siemens-energy.com/german-corporate-governance-code**.

Corporate constitution (Unternehmensverfassung)

The term "Siemens Energy Group" refers to Siemens Energy AG and its Group companies. As a German stock corporation (Aktiengesellschaft), Siemens Energy AG, domiciled in Munich, registered at the commercial register at the district court of Munich under registry number HRB 252581, has three governing bodies: the Executive Board, the Supervisory Board, and the Shareholders' Meeting. Their duties and powers are derived primarily from the Stock Corporation Act and the articles of association of Siemens Energy AG, as well as from the bylaws.

Composition and operation of the Executive Board

As of September 30, 2025, the Executive Board of Siemens Energy AG was composed of six members. The members of the Executive Board and their memberships to be disclosed in accordance with Section 285 No. 10 German Commercial Code can be found at the end of this chapter.

As the top management body, the Executive Board is bound to serving the interests of the Company and achieving sustainable growth in company value. The members of the Executive Board are jointly responsible for the entire management of the Company and decide on the Basic issues of business policy and corporate strategy as well as on the Company's annual and multi-year plans.

The Executive Board prepares the Company's quarterly statements and half-year financial report, the financial statements and Consolidated Financial Statements, and the Combined Management Report of Siemens Energy AG and the Group. In addition, the Executive Board ensures that the Company adheres to statutory requirements, official regulations and internal Company policies and works to achieve compliance with these provisions and policies within the Group. The Executive Board has established a comprehensive compliance management system. Protection is offered to employees and third parties who provide information on unlawful behavior within the Company. Details on the compliance management system are available on the Company's website at: **www.siemens-energy.com/compliance.**

The Supervisory Board has issued Bylaws for the Executive Board that contain the rules for cooperation both within the Executive Board and between the Executive Board and the Supervisory Board. Without prejudice to the principle of the Executive Board members' joint responsibility and their obligation to peer cooperation, the Supervisory Board has issued a business allocation plan that, most recently effective as of October 1, 2025, specifies the Executive Board portfolios and the individual Executive Board members' responsibilities. The Labor Director (Arbeitsdirektor) is appointed in accordance with the requirements of Section 33 of the German Codetermination Act (Mitbestimmungsgesetz). As a rule, first-time appointments to the Executive Board should not exceed three years. Members of the Executive Board shall, as a rule, not be over 63 years of age. Executive Board committees have not been set up.

As a rule, a portfolio assigned to an individual member is that member's own responsibility. Activities and transactions in a particular Executive Board portfolio that are considered to be extraordinarily important for the Company or associated with an extraordinary economic risk require the prior consent of the full Executive Board.

The same applies to activities and transactions for which the President or another member of the Executive Board demands a prior decision by the Executive Board. The President is responsible for the coordination of all Executive Board portfolios. Further details are available in the Bylaws for the Executive Board at: **www.siemens-energy.com/articles-of-association-&-bylaws**.

The Executive Board and the Supervisory Board cooperate closely for the benefit of the Company. The Executive Board informs the Supervisory Board regularly, comprehensively, and without delay on all issues of importance to the entire Company with regard to strategy, planning, business development, financial position and results of operations, compliance, and entrepreneurial risks. At regular intervals, the Executive Board also discusses the status of strategy implementation with the Supervisory Board.

The members of the Executive Board are subject to a comprehensive prohibition on competitive activity for the period of their employment at Siemens Energy AG. They are bound to serving the interest of the Company. When making their decisions, they may not be guided by personal interests nor may they exploit for their own advantage business opportunities offered to the Company. Executive Board members may conduct additional activities of material nature outside the company – in particular, Supervisory Board positions outside the Siemens Energy Group – only with the approval of the Presiding Committee of the Supervisory Board. The Supervisory Board is responsible for decisions regarding any adjustments to Executive Board compensation that are necessary in order to take account of possible compensation for secondary activities. Every Executive Board member is under an obligation to disclose conflicts of interest without delay to the Chair of the Supervisory Board and to the President of the Executive Board, and to inform the other members of the Executive Board thereof.

Information on the areas of responsibility and the curricula vitae of the members of the Executive Board are available on the Company's website at: **www.siemens-energy.com/executive-board**. Information on the compensation paid to the members of the Executive Board is provided in chapter **4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act.**

Composition and operation of the Supervisory Board

The Supervisory Board consists of 20 members and comprises an equal number of ten shareholder representatives and ten employee representatives in accordance with the German Codetermination Act.

The members of the Supervisory Board representing shareholders are elected by simple majority by the Shareholders' Meeting. Elections to the Supervisory Board are conducted, as a rule, on an individual basis. The Supervisory Board's employee representatives are elected in accordance with the provisions of the German Codetermination Act. The members of the Supervisory Board and their memberships to be disclosed in accordance with Section 285 No. 10 German Commercial Code can be found at the end of this chapter.

The Supervisory Board oversees and advises the Executive Board in its management of the Company's business. At regular intervals, the Supervisory Board discusses business development, planning, strategy, including the innovation strategy and the sustainability strategy, and their implementation. It reviews the financial statements and Consolidated Financial Statements, the Combined Management Report of Siemens Energy AG and the Group, including the Group Non-financial Statement, and the proposal for the appropriation of Net income. It approves the financial statements of Siemens Energy AG as well as the Consolidated Financial Statements, based on the results of the preliminary review conducted by the Audit Committee and taking into account the reports of the independent auditors. The Supervisory Board decides on the Executive Board's proposal for the appropriation of Net income and the Report of the Supervisory Board to the Shareholders' Meeting. In addition, the Supervisory Board and the Audit Committee of the Supervisory Board monitor the Company's adherence to statutory provisions, official regulations and internal Company policies (compliance) and addresses the non-financial statement. The Supervisory Board may inspect and audit the company's books and records and also appoint individual members or, for certain tasks, special experts to do so.

The Supervisory Board also appoints the members of the Executive Board and determines each member's portfolios. The Supervisory Board approves – on the basis of a proposal by the Remuneration Committee – the compensation system for Executive Board members and defines their concrete compensation in accordance with this system. It sets the individual targets for the variable compensation and the total compensation of each individual Executive Board member, reviews the appropriateness of total compensation, and regularly reviews the Executive Board compensation system. Important Executive Board decisions – such as those regarding major acquisitions, divestments, fixed asset investments, or financial measures – require Supervisory Board approval unless the bylaws for the Supervisory Board specify that such authority be delegated to the Sustainability and Finance Committee of the Supervisory Board.

The Supervisory Board regularly reviews how effectively the Supervisory Board and its committees perform their duties. An online survey was conducted among the members of the Supervisory Board also in fiscal year 2025, the results of which were discussed in detail in September 2025. The practice of discussing the effectiveness of the Supervisory Board's and its Committees' work in an open forum at the end of various Supervisory Board meetings and acting upon the respective suggestions was continued in fiscal year 2025.

Separate preparatory meetings of the shareholder representatives and of the employee representatives are held regularly in order to prepare the Supervisory Board meetings. The Supervisory Board also meets regularly without the Executive Board in attendance. Every Supervisory Board member is under an obligation to disclose conflicts of interest to the Supervisory Board. In that regard, the Supervisory Board in particular takes into account that some of its members are at the same time board members at the Company's largest shareholder. Information regarding any conflicts of interest that have arisen and their handling, for example by way of abstaining or not attending the deliberations, is provided in the Report of the Supervisory Board. Special informational (onboarding) events are held in order to familiarize new Supervisory Board members with the Company's business model and the structures of the Siemens Energy Group.

Details regarding the work of the Supervisory Board are provided in chapter **4.4 Report of the Supervisory Board**. The curricula vitae of the members of the Supervisory Board are published on the Company's website at **www.siemens-energy.com/supervisory-board** and are updated annually. Information on the compensation paid to the members of the Supervisory Board is provided in chapter **4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act**.

Supervisory Board committees

The Supervisory Board has established seven standing committees: the Presiding Committee, the Audit Committee, the Remuneration Committee, the Sustainability and Finance Committee, the Committee for Digitalization and Artificial Intelligence, the Nominating Committee and the Mediation Committee in accordance with Section 27 para. 3 of the German Codetermination Act. Their duties, responsibilities, and procedures fulfill the requirements of the German Stock Corporation Act and the Code. The chairs of these committees provide the Supervisory Board with regular reports on their committees' activities. The Special Committee Siemens Gamesa, established with effect from July 4, 2023, was dissolved with effect from November 7, 2024.

The **Presiding Committee** coordinates the work of the Supervisory Board; it also prepares the Supervisory Board meetings and the self-assessment of the effectiveness of the Supervisory Board and its committees. It discusses the long-term succession planning for the Executive Board, makes proposals regarding the appointment and dismissal of Executive Board members, and is responsible for concluding, amending, extending, and terminating employment contracts with members of the Executive Board. When making recommendations for first-time appointments, the Presiding Committee takes into account that these appointments should not exceed an initial term of three years. In preparing recommendations regarding the appointment of Executive Board members, the Presiding Committee takes into account the statutory provisions and the profile of requirements defined by the Supervisory Board, along with the diversity concept, and considers the age limit for Executive Board members defined by the Supervisory Board, and the statutory minimum participation requirement. The Presiding Committee concerns itself with questions regarding the Company's corporate governance and prepares the resolutions to be approved by the Supervisory Board regarding the Declaration of Conformity with the Code – including the explanation of deviations from the Code – and the Report of the Supervisory Board to the Shareholders' Meeting. Furthermore, the Presiding Committee submits recommendations to the Supervisory Board for the composition of the Supervisory Board committees and for the positions of their chairs, as well as for the position of the chair of the Supervisory Board, and decides whether to approve contracts and business transactions with Executive Board members and parties related to them, to the extent they require the Supervisory Board's approval in accordance with s. 112 of the Stock Corporation Act or otherwise. Ultimately, the Presiding Committee is responsible for the decision if the Executive Board requires the approval of the Presiding Committee for the appointment or dismissal of management positions determined under its bylaws.

As of September 30, 2025, the Presiding Committee had the following members: Joe Kaeser (Chairman), Robert Kensbock, Jürgen Kerner and Dr. Hubert Lienhard.

The **Audit Committee** attends to auditing the accounts and overseeing the accounting process, the effectiveness of the internal control system and the risk management system, including the coverage of sustainability targets, the effectiveness of the internal auditing system and the internal process for related-party transactions. It is responsible for preparing the Supervisory Board's audit of the financial statements, the Consolidated Financial Statements, and Combined Management Report of Siemens Energy AG and the Siemens Energy Group and for the audit of the Executive Board's proposal for the appropriation of Net income by the Supervisory Board. On the basis of the independent auditors' report on their audit of the financial statements, the Audit Committee makes, after its preliminary review, recommendations regarding Supervisory Board approval of the financial statements of Siemens Energy AG and the Consolidated Financial Statements. The Audit Committee discusses the quarterly statements and the half-year financial report with the Executive Board and the independent auditors and deals with the auditors' reports on the review of the half-year Consolidated Financial Statements and interim group management report. The Audit Committee attends to monitoring the Company's adherence to statutory provisions, official regulations, and internal Company policies (compliance), as well as the Group's non-financial statement and the country-by-country reporting. The Audit Committee receives regular reports from the Internal Audit Department.

It prepares the Supervisory Board's recommendation to the Shareholders' Meeting concerning the election of the independent auditors and submits the corresponding proposal to the Supervisory Board. It awards the audit contract to the independent auditors elected by the Shareholders' Meeting and monitors the independent audit of the financial statements, particularly the selection, independence, rotation and qualification of the auditor, as well as the quality of the audit, the auditor's performance and the additional services rendered. In doing so, it observes the applicable statutory provisions, particularly the requirements under Regulation (EU) 537/2014 regarding statutory audit. The Chair of the Audit Committee is also in regular communication with the independent auditors outside the meetings, and reports thereof to the Audit Committee.

As of September 30, 2025, the Audit Committee had the following members: Laurence Mulliez (Chair), Manfred Bäreis, Dr. Andrea Fehrmann, Simone Menne, Robert Kensbock and Prof. Dr. Feiyu Xu. The members of the Audit Committee are, as a group, familiar with the sector in which the Company operates. Pursuant to the German Stock Corporation Act, at least one member of the Audit Committee must have expertise in the field of accounting and at least one other member must have expertise in auditing. As per the Code, expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements, whereby accounting and auditing also comprise sustainability reporting and its audit. The chair of the audit committee shall have appropriate expertise in at least one of the two areas and shall be independent. The Audit Committee in its current composition meets these requirements. The chair of the Audit Committee, Ms. Laurence Mulliez, has long-standing experience as audit committee chair at an international company listed in the European Union, and has served as a member on other audit committees; she therefore achieved special knowledge and experience both in accounting and in auditing, including mandatory sustainability reporting, through her professional activities. As per the Supervisory Board's assessment, Ms. Mulliez is also independent. Moreover, with Simone Menne the Audit Committee comprises at least one further member, who has obtained the required special knowledge and expertise in both areas; Ms. Menne had been longstanding Chief Financial Officer of, inter alia, a listed company and is currently chair of the audit committee of a DAX40 company and member in the audit committee of another listed company.

The **Remuneration Committee** prepares the proposals for decisions at the Supervisory Board's plenary meetings regarding the system of Executive Board and Supervisory Board compensation, including the implementation of this system in Executive Board contracts, the definition of the targets for variable Executive Board compensation and the determination of whether these targets have been achieved, the determination and review of the appropriateness of the total compensation of individual Executive Board members, and the resolution on the annual Compensation Report, including the appointment of the auditor.

As of September 30, 2025, the Remuneration Committee had the following members: Dr. Hubert Lienhard (Chair), Manuel Bloemers, Dr. Andreas Feldmüller, Prof. Sigmar Gabriel, Joe Kaeser and Robert Kensbock.

The **Sustainability and Finance Committee** is in particular tasked with addressing, subject to other committees' competencies, sustainability matters (Environmental, Social, Governance – ESG). In addition, the Committee discusses and prepares the negotiations and resolutions of the Supervisory Board on the financial situation and resources of the Company, including the annual budget, as well as investments in tangible assets and financial measures, and resolves in lieu of the Supervisory Board on transactions that require Supervisory Board approval, if their volume is between €300 million and €600 million. Moreover, the Committee deals with the corporate, brand and design image of the Company.

As of September 30, 2025, the Sustainability and Finance Committee had the following members: Joe Kaeser (Chairman), Günter Augustat, Robert Kensbock, Jürgen Kerner, Matthias Rebellius and Geisha Williams. The Chair of the Audit Committee attends the meetings of the Sustainability and Finance Committee if there are overlaps to items of the Audit Committee.

The **Committee for Digitalization and Artificial Intelligence** was established with effect from 20 February 2025. It advises and monitors the Executive Board on the definition and implementation of the company's digital and AI strategy, as well as on the identification of requirements for the company's competitiveness and on the company's measures and projects as far as the area of digitization and AI is concerned. It deals with the analysis of fundamental trends and developments in the field of digitization and AI and assesses their relevance for the company.

As of September 30, 2025, the Committee for Digitization and Artificial Intelligence comprised the following members: Dr. Hubert Lienhard (Chairman), Anja-Isabel Dotzenrath, Nadine Florian, Robert Kensbock, Thomas Pfann and Prof. Dr. Feiyu Xu.

The **Nominating Committee** is responsible for making recommendations to the Supervisory Board on suitable candidates for election by the Shareholders' Meeting as shareholder representatives on the Supervisory Board. It is to be ensured that, besides possessing the necessary knowledge, skills, and expertise, the proposed candidates are familiar with the sector in which the Company operates. The objectives defined by the Supervisory Board for its composition should be taken into consideration, as should diversity and expertise in the sustainability issues of importance to the Company, and the fulfillment of the profile of required skills and expertise developed by the Supervisory Board.

As of September 30, 2025, the Nominating Committee had the following members: Joe Kaeser (Chairman), Prof. Dr. Veronika Grimm, Dr. Hubert Lienhard and Geisha Williams.

The **Mediation Committee** to be established in accordance with Section 27 para. 3 of the Co-Determination Act makes proposals to the Supervisory Board for the appointment of members of the Executive Board, if the majority of two thirds of the Supervisory Board members' votes as required by Section 31 para. 2 of the Co-Determination Act is not reached. As of September 30, 2025, the Mediation Committee, besides the Chair and the first Deputy Chair of the Supervisory Board, comprised of Jürgen Kerner and Dr. Hubert Lienhard.

The **Special Committee Siemens Gamesa** was responsible for advising, supporting and monitoring the Executive Board on certain matters in the Wind Power business Siemens Gamesa. Ultimately, it comprised of Dr. Hubert Lienhard (Chairman), Nadine Florian, Robert Kensbock, Jürgen Kerner, Laurence Mulliez and Matthias Rebellius. The Chairman of the Supervisory Board was a regular guest at the committee. With effect as of November 7, 2024, the Supervisory Board has dissolved the Special Committee and appointed Mr. Kensbock and Dr. Lienhard as monitors to further advise and supervise Siemens Gamesa in respect of the matters addressed by the Special Committee.

In the event that the Chair of the Supervisory Board is deemed to be non-independent in accordance with the guidelines of important proxy advisors, the Supervisory Board may appoint a member of the Supervisory Board as **Lead Independent Director**. The Lead Independent Director must be independent within the meaning of the recommendations of the German Corporate Governance Code and meet the independence criteria of the major proxy advisors. He is usually Deputy Chair of the Supervisory Board, member of the Presiding Committee, Chair of the Remuneration Committee and a member of the Nomination Committee. He is entitled to convene meetings of the Supervisory Board, to place items on the agenda of the Supervisory Board and to participate as a guest in meetings of the Supervisory Board committees. In addition, he may hold discussions with shareholders and other stakeholders on Supervisory Board-related topics and receive suggestions. Finally, he may chair the Shareholder's Meeting if the Chair of the Supervisory Board is prevented from doing so. As of September 30, 2025, Dr. Hubert Lienhard held the role of Lead Independent Director.

More details are available in the bylaws for the Supervisory Board at: **www.siemens-energy.com/articles-of-association-&-bylaws**.

Share transactions by members of the Executive and Supervisory Boards

Pursuant to Article 19 of EU Regulation No. 596/2014 of the European Parliament and Council of April 16, 2014, on market abuse (Market Abuse Regulation), members of the Executive Board and the Supervisory Board are legally required to disclose all transactions conducted on their own account relating to the shares or debt instruments of Siemens Energy AG or to the derivatives or financial instruments linked thereto if the total value of such transactions entered into by a board member or any closely associated person reaches or exceeds €20,000 in any calendar year. All transactions reported to Siemens Energy AG in accordance with this requirement are duly published and are available on the Company website at: **www.siemens-energy.com/managers-transactions**.

Details regarding transactions with members of the Executive and Supervisory Boards as related individuals are available in **3.6 Notes to Consolidated Financial Statements** in **Note 28 Related party transactions**.

Shareholders' Meeting and investor relations

Shareholders exercise their rights at the Shareholders' Meeting. Among other things, they decide on the appropriation of the Net income, the ratification of the acts of the members of the Executive Board and the Supervisory Board, as well as amendments to the Articles of Association and measures changing the Company's capital stock. In addition, the Shareholders' Meeting resolves on the approval of intercompany agreements, the approval of the remuneration system for the members of the Executive Board presented by the Supervisory Board, the remuneration of the Supervisory Board and the approval of the remuneration report prepared jointly by the Executive Board and the Supervisory Board.

The ordinary Shareholders' Meeting takes place once a year, usually in the first five months of the financial year. The Executive Board and Supervisory Board give an account of the past financial year. In special cases, the Stock Corporation Act provides for the convening of an extraordinary general meeting. With the appropriate authorization in the Articles of Association, Shareholders' Meetings can also be held in virtual format.

The Company offers its shareholders the opportunity to exercise their voting rights in writing or by electronic communication (postal vote) or by proxies appointed by the Company. Powers of attorney and instructions can be issued, amended or revoked electronically – even on the day of the Shareholders' Meeting. The meeting will be broadcast live on the Internet via video stream. All documents required by law, including the Annual Report and the agenda, will be accessible on the Company's website under **www.siemens-energy.com/hauptversammlung** from the date of the convening.

The ordinary Shareholders' Meeting 2025 was held on February 20, 2025 as a virtual Shareholders' Meeting without the physical presence of shareholders or their proxies. The Executive Board has announced that it will hold the Annual General Meeting in 2026 in presence.

As part of investor relations activities, investors are informed comprehensively about developments within the Company. For communication purposes, Siemens Energy AG makes extensive use of the Internet. We publish quarterly statements, half-year financial reports and Annual Reports, earnings releases, ad hoc announcements, analyst presentations, letters to shareholders, as well as the financial calendar for the current year, which contains the publication dates of significant financial communications and the date of the Shareholders' Meeting, at: **www.siemens-energy.com/investorrelations**. The Chairman of the Supervisory Board regularly attends Corporate Governance Roadshows and discusses Supervisory-Board-specific topics with investors.

Further information on corporate governance practices

Suggestions of the Code

Siemens Energy AG voluntarily complies with the Code's suggestions, with the following exception:

Pursuant to suggestion A.8 of the Code, in the case of a takeover offer, the Executive Board should convene an extraordinary Shareholders' Meeting at which shareholders will discuss the takeover offer and may decide on corporate actions. The convening of a Shareholders' Meeting, including where such meeting is held virtually – even taking into account the shortened time frames stipulated in the German Securities Acquisition and Takeover Act ("Wertpapiererwerbs- und Übernahmegesetz") – is an organizational challenge for large publicly listed companies. It appears doubtful whether the associated effort is justified in cases where no relevant decisions by the Shareholders' Meeting are intended. The convening of an extraordinary Shareholders' Meeting should therefore be decided on a case-by-case basis.

Business Conduct Guidelines

The Business Conduct Guidelines provide the ethical and legal framework within which Siemens Energy AG and its group companies want to conduct their activities and remain on course for success. They contain the basic principles and rules for the conduct within the Company and in relation to our external partners and the general public. They set out how Siemens Energy AG and its group companies meet their ethical and legal responsibility as a Company.

Equal participation of men and women in management positions

During the reporting period, the composition of the Supervisory Board complied with the statutory requirements for the minimum participation of men and women.

The current composition of Siemens Energy AG's Executive Board complies with the requirements of Section 76 para. 3a AktG, according to which there is an obligation on stock-listed companies that are subject to parity co-determination and whose Executive Board comprises more than three members, to have at least one female and one male member on the executive board,

During the reporting period, at Siemens Energy AG as the parent company of the Siemens Energy Group, an average of 31 employees were employed. In June 2021, the Executive Board, on the basis of a position evaluation system that is applied Group-wide, defined one management level for Siemens Energy AG and set a target of at least 25 % for the proportion of women for this management level by September 30, 2025. As of September 2025, this target had been achieved. For the employees on said management level, the Executive Board has set a new target for the proportion of women of at least 30 % by 2030. Based on the number of employees on September 30, 2025, this equals at least eight women.

The Executive Board takes diversity into account when filling management positions. Further information is available in chapter **2.10 Group Sustainability Statement** in section **2.10.3.1.7 Equal treatment and opportunities for all**.

Statutory provisions on equal participation of men and women in management positions that may be applicable to group companies other than Siemens Energy AG remain unaffected.

Diversity concept for the Executive Board

In September 2025, the Supervisory Board approved the following diversity concept for the composition of the Executive Board:

When making an appointment to a specific Executive Board position, the Supervisory Board's decision must be guided by the Company's best interest, taking into consideration all circumstances in the individual case. In the view of the Supervisory Board, the decisive criteria for the selection of members of the Executive Board are in particular their personal suitability, expertise in their prospective areas of responsibility, convincing leadership qualities, achievements to date, international experience, knowledge of the Company, and the ability to adjust business models and processes in a changing global environment. It must be ensured that the members of the Executive Board collectively have the knowledge, skills, and experience, as is required to optimally fulfill their duties as Executive Board members for a company active in the field of energy and technology, such as Siemens Energy.

When considering which personality would best complement the Executive Board, the Supervisory Board also pays attention to aspects of diversity, in particular age, gender, educational and professional background, and internationality. The aim is to achieve a composition that is diverse and comprises individuals who complement one another in an Executive Board that brings different perspectives to the management of the Company.

- The Supervisory Board considers it helpful if different age groups are represented on the Executive Board. In accordance with the recommendation of the German Corporate Governance Code, the Supervisory Board has defined an age limit for the members of the Executive Board. Accordingly, the members of the Executive Board shall, as a rule, not be older than 63 years of age.
- Diversity also means gender diversity. When selecting individuals for Executive Board positions, the statutory minimum participation of women and men on the Executive Board will be complied with.
- In addition to the expertise and management and leadership experience required for their specific tasks, the Executive Board members are to have a broad range of knowledge and experience and wide educational and professional backgrounds.
- Collectively, the Executive Board shall have experience in the business areas that are important for Siemens Energy, namely energy generation, energy transmission, engineering and construction.
- The Executive Board shall collectively possess knowledge of, and experience in, the areas of technology, strategy, innovation, manufacturing and production, marketing and sales, finances, corporate social responsibility, law and compliance, as well as the development and management of human resources.
- Siemens Energy operates globally with a workforce stemming from numerous countries and global customer and supplier bases. Therefore, the composition of the Executive Board should take into account internationality of its members in the sense of different cultural backgrounds or international experience. The aim is to ensure that there is intercultural openness and the corresponding understanding and ability to assess international issues and contexts within the Executive Board.

Status of implementation of the diversity concept for the Executive Board

The diversity concept for the Executive Board is implemented as part of the process for making appointments to the Executive Board by the Supervisory Board. When selecting candidates and/ or making proposals for the appointment of Executive Board members, the Supervisory Board and the Presiding Committee of the Supervisory Board take into account the requirements defined in the diversity concept for the Executive Board.

The current composition of the Executive Board fulfills the diversity concept adopted by the Supervisory Board. The members of the Executive Board cover a broad spectrum of knowledge and experience and exhibit diversity with regard to professional and educational background in the Executive Board's current composition. The Executive Board has all the knowledge and experience that is considered essential in view of the activities of Siemens Energy. All Executive Board members have international experience. The various career paths and personalities within the Executive Board reflect the complex tasks it faces.

At the end of fiscal year 2025, the Executive Board comprised two women and four men. The Company therefore complied with the minimum participation requirement specified by Germany's Second Management Positions Act. The average age of the Executive Board members stood at 51 years at the end of fiscal year 2025, whereby the youngest member was 43, and the oldest member 56 years old. No Executive Board member was older than 63 years of age during the reporting period.

Jointly with the Executive Board and with the support of the Presiding Committee, the Supervisory Board conducts long-term succession planning for the Executive Board. In the process, the Supervisory Board considers the criteria set out in the diversity concept it has approved for the Executive Board's composition as well as the requirements of the German Stock Corporation Act, the Code and the bylaws for the Supervisory Board. The Chair of the Executive Board continuously maintains a list of internal candidates and aligns it with the Chair of the Supervisory Board. If a decision on succession is pending, the Presiding Committee, taking account of the specific qualification requirements and the aforementioned criteria, develops an ideal profile on the basis of which it compiles a short-list of available candidates. In doing so, both the internal list as well as – if required with the support of external advisors – external candidates are considered. The Presiding Committee conducts interviews with these short-listed candidates and subsequently submits a recommendation for a resolution to the full Supervisory Board.

Objectives for the composition of the Supervisory Board, Profile of Required Skills and Expertise, Diversity Concept

The diversity concept for the Supervisory Board, together with the objectives regarding the Supervisory Board's composition and the profile of required skills and expertise for the Supervisory Board, were approved by the Supervisory Board most recently in September 2024:

The Supervisory Board of Siemens Energy AG shall be composed so as to ensure that it is able to effectively monitor and advise the Executive Board.

Requirements for the individual members of the Supervisory Board

- **Personality and integrity**
  Each member of the Supervisory Board shall have the personality and integrity needed to perform their duties properly. He/ she shall put the interests of the Company at the heart of all their activities at all times and be aware of and comply with their statutory duty of confidentiality in particular.

- **Individual professional abilities**
  Each member of the Supervisory Board must have the knowledge, skills and experience necessary to carry out the functions of a Supervisory Board member in a multinational publicly traded company. Members of the Supervisory Board must be familiar with conditions on the capital markets and with the specific features of a company listed on the stock exchange. Each member of the Supervisory Board should know and understand the main product groups, customer groups and sales markets of the Company and its strategy.

- **Availability**
  Each member of the Supervisory Board must have sufficient time to exercise the mandate with the necessary regularity and diligence. Consideration should be given to the fact that,
    - six Supervisory Board meetings are generally held every year;
    - sufficient time should be allowed for preparation of the meetings and, in particular for the detailed inspection of documents pertaining to the Annual and Consolidated Financial Statements;
    - members are required to attend the Annual Shareholders' Meeting;
    - depending on any membership of further Supervisory Board committees, additional time and effort may be required to participate in and prepare committee meetings;
    - additional extraordinary Supervisory Board and/ or committee meetings may be necessary.

  As a rule, a member of the Supervisory Board shall not accept more than five supervisory board mandates at listed companies or companies with comparable requirements; anyone who is an executive board member of such a company shall not accept more than two supervisory board mandates at listed companies or companies with comparable requirements. Serving as chair of a supervisory board counts twice. Mandates at companies domiciled abroad shall be considered equivalent to mandates within Germany. A judgment on whether the number of mandates is appropriate should be made on a case-by-case basis, considering the anticipated individual workload.

- **Age limit**
  As a rule, only persons under the age of 75 on the date of election shall be nominated for election as a member of the Supervisory Board.

- **Limit restricting the number of terms on the Supervisory Board**
  Recommendation for election by the Annual Shareholders' Meeting shall take into account the fact that the Supervisory Board has resolved, as a rule, to limit membership on the Supervisory Board to three full terms of office. The Supervisory Board considers it important to regularly exchange its members, while at the same time maintaining continuity within the Board, as long-standing board membership ensures that significant experience and knowledge is acquired and promotes trustful cooperation within the Supervisory Board, and with the Executive Board.

Requirements for the Supervisory Board as a whole

- **Professional diversity**
    - With regard to the composition of the Supervisory Board, care shall be taken to ensure that its members collectively possess the professional skills required to fulfill their duties and that they have knowledge and experience in the business areas that are important for Siemens Energy, in particular those of energy generation, transmission, distribution, and storage. As a group, the members of the Supervisory Board must be familiar with the sector in which the Company operates.
    - In acting in the interests of the Company, the Supervisory Board as a whole shall be able to include the interests of all relevant stakeholders such as employees, customers, investors, and the general public, and actively support organizational and technical change.
    - The Supervisory Board as a whole shall possess expertise in those areas that are considered essential in view of the activities of Siemens Energy, in particular in the areas of strategy, innovation, procurement, manufacturing and production, marketing and sales, research and development, law, in particular corporate governance and compliance, and human resources.
    - Technological competence and an understanding of technology shall further be appropriately represented on the Supervisory Board. With a view to supporting the infrastructure transformation in particular, efforts should be made to ensure that the necessary understanding of the requirements for digitalization and artificial intelligence, as well as software expertise, are represented on the Supervisory Board.
    - Expertise in the sustainability/ ESG issues of importance to the Company shall also be represented on the Supervisory Board; significant topics in this respect include, in particular, decarbonization and climate protection, as well as responsible operations.
    - It must be ensured that the Supervisory Board possesses adequate management and transformation experience. The Supervisory Board shall therefore also include members who have management or supervision experience as senior executives or members of a supervisory board or comparable body at a medium-sized or large company with international operations.
    - The Supervisory Board as a whole must possess the necessary financial competence, especially in the areas of accounting and auditing. At least one member of the Audit Committee must have expertise in the area of accounting and at least one further member of the Audit Committee must have expertise in the area of auditing. The expertise in the area of accounting shall comprise special knowledge of and experience in the application of accounting principles and internal control and risk management systems and the expertise in the area of auditing shall comprise special knowledge of and experience in auditing. Accounting and auditing also include sustainability reporting and the auditing thereof. The Chair of the Audit Committee should have the appropriate expertise in at least one of these two areas.

- **Diversity/ internationality**
  Siemens Energy is an open and innovative company that operates globally with a workforce stemming from numerous countries and a global customer and supplier base. With regard to the composition of the Supervisory Board, attention shall accordingly be paid to achieving sufficient diversity. In particular, this includes diversity in terms of cultural background and differences in educational and professional backgrounds, experience and ways of thinking. Having this in mind, the Supervisory Board shall include an appropriate number of members possessing international experience, so as to ensure that there is intercultural openness and the corresponding understanding, as well as the ability to assess international issues and contexts.

  Diversity also includes a broad age range of the members of the Supervisory Board and the appropriate representation of the genders on the Supervisory Board. Pursuant to the German Stock Corporation Act (AktG), a supervisory board that is subject to codetermination must be made up of at least 30% women and at least 30% men. The Nomination Committee shall include at least one female member.

- **Independence**
  The Supervisory Board shall include an appropriate number of members representing the shareholders who are independent as determined by the shareholder representatives on the Supervisory Board. At least six shareholder representatives shall be independent of the Company and the Executive Board. The Chair of the Supervisory Board and the Chair of the Audit Committee shall be independent. Supervisory Board members shall not be members of governing bodies of significant competitors nor exercise advisory functions at significant competitors and shall not hold a personal relationship with a significant competitor. No more than two former members of the Executive Board of Siemens Energy AG shall belong to the Supervisory Board.

Implementation of the objectives regarding the Supervisory Board's composition as well as the profile of required skills and expertise and the diversity concept for the Supervisory Board; independent Supervisory Board members

In the process of selecting suitable candidates, the Nominating Committee of the Supervisory Board takes into account the objectives regarding the Supervisory Board's composition and the requirements defined in its diversity concept. Most recently, the Supervisory Board and the Nominating Committee have considered the relevant objecttives, including the skills profile and the diversity concept, when proposing the candidates for the election of the shareholder representatives at the 2025 Shareholders' Meeting.

When proposing new Supervisory Board members for election by the Shareholders' Meeting, the Nominating Committee of the Supervisory Board will make sure that the candidates have sufficient time to perform their duties.

The Supervisory Board is of the opinion that, with its current composition, it meets the objectives for its composition and fulfills the profile of required skills and expertise as well as the diversity concept.

The Supervisory Board members have the specialist and personal qualifications considered necessary. As a group, they are familiar with the sector in which the Company operates and have the knowledge, skills, and experience essential for Siemens Energy. A considerable number of Supervisory Board members are engaged in international activities and/ or have many years of international experience. Appropriate consideration has been given to diversity in the Supervisory Board. As of September 30, 2025, the Supervisory Board comprised nine women, six of which among the shareholder representatives and three among the employee representatives. That results in a share of 45% female members on the Supervisory Board. Prof. Dr. Veronika Grimm and Geisha Williams are members of the Nominating Committee.

The implementation status is shown in detail in the below qualification matrix.

In the assessment of the Supervisory Board, at least nine of the Supervisory Board members representing the shareholders are independent and there are thus an appropriate number of independent members within the meaning of the Code. These Supervisory Board members are: Anja-Isabel Dotzenrath, Prof. Dr. Veronika Grimm, Joe Kaeser, Dr. Hubert Lienhard, Simone Menne, Laurence Mulliez, Prof. Sigmar Gabriel, Geisha Williams and Prof. Dr. Feiyu Xu. The regulation restricting the number of terms on the Supervisory Board is complied with.

Qualification Matrix

on the implementation status of the objectives regarding the Supervisory Board's composition, including the profile of required skills and expertise and the diversity concept

		Joe Kaeser	Robert Kensbock	Dr. Hubert Lienhard	Günter Augustat	Manfred Bäreis	Manuel Bloemers	Anja-Isabel Dotzenrath	Dr. Andrea Fehrmann	Dr. Andreas Feldmüller	Nadine Florian
Duration of Membership	Member since	25/09/20	10/11/20	25/09/20	10/11/20	10/11/20	01/09/22	20/02/25	10/11/20	10/11/20	10/11/20
Personal ability	Independence*	✓	n/a	✓	n/a	n/a	n/a	✓	n/a	n/a	n/a
	Age limit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Limit on number of terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity / Internationality	Gender	male	male	male	male	male	male	female	female	male	female
	Year of birth	1957	1971	1951	1968	1962	1980	1966	1970	1962	1976
	Nationality	German	German	German	German	German	German	German	German	German	German
	International experience	✓	✓	✓	✓	✓		✓		✓	✓
	Educational background	Business Administration	Technical Drawer	Studies of Chemistry	Chartered Engineer (TU) Energy and process Engineering	High School Diploma, Technician	Chemical Laboratory Technician, Economist	Master Electrical Engineering, Master Business Engineering	Studies of Sociology, Doctorate (Dr. Phil)	Certified Mechanical Engineer, Doctorate (Dr.-Ing.)	Prof. Training as Office Administrator
Professional ability	Important business areas (esp. Energy generation, transmission, distribution, storage)	✓	✓	✓	✓	✓		✓		✓	
	Stakeholder Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Change Management	✓		✓	✓	✓	✓	✓	✓	✓	✓
	Technological competence (incl. software and digitalization)		✓	✓	✓	✓		✓		✓	
	Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Innovation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Supply Chain Management (procurement / manufacturing)		✓	✓	✓	✓		✓		✓	✓
	Marketing and sales	✓		✓	✓	✓		✓		✓	
	Law, esp. Corporate Governance and Compliance	✓	✓[1]	✓	✓[1]	✓[1]	✓[1]	✓	✓[1]	✓[1]	✓[1]
	Human resources (including Leadership Development, Personnel Development, Talent Management)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sustainability, in particular decarbonization, climate protection and responsible operations	✓	✓[2]	✓	✓[2]	✓[2]	✓[2]	✓	✓[2]	✓	✓[2]
	Management resp. transformation experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial competence	Expert accounting	✓									
	Expert auditing	✓									

		Prof. Sigmar Gabriel	Prof. Dr. Veronika Grimm	Jürgen Kerner	Simone Menne	Laurence Mulliez	Thomas Pfann	Matthias Rebellius	Cornelia Schau	Geisha Williams	Prof. Dr. Feiyu Xu
Duration of Membership	Member since	25/09/20	26/02/24	10/11/20	26/02/24	25/09/20	01/09/22	25/09/20	26/02/24	25/09/20	20/02/25
Personal ability	Independence*	✓	✓	n/a	✓	✓	n/a		n/a	✓	✓
	Age limit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Limit on number of terms	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Diversity / Internationality	Gender	male	female	male	female	female	male	male	female	female	female
	Year of birth	1959	1971	1969	1960	1966	1966	1965	1970	1961	1969
	Nationality	German	German	German	German	French / UK	German	German / Swiss	German	U.S.	German
	International experience	✓	✓	✓	✓	✓		✓	✓	✓	✓
	Educational background	Studies of German, Literature, Politics and Sociology	Prof. of Economics	Information Electronics Technician	Certified Economist	MBA	Professional Machine Fitter	Chartered Engineer (FH) Electrical Engineering	Technical Drawer	BSc Engineering, Master Business Administration	MSc, PhD and habilitation in Computer Linguistics
Professional ability	Important business areas (esp. Energy generation, transmission, distribution, storage)	✓	✓		✓	✓	✓	✓	✓	✓	
	Stakeholder Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Change Management		✓	✓	✓	✓		✓		✓	✓
	Technological competence (incl. software and digitalization)		✓		✓		✓	✓	✓	✓	✓
	Strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Innovation		✓	✓	✓	✓	✓	✓	✓	✓	✓
	Supply Chain Management (procurement / manufacturing)			✓	✓	✓	✓	✓	✓		
	Marketing and sales					✓		✓		✓	
	Law, esp. Corporate Governance and Compliance	✓	✓	✓[1]	✓	✓	✓[1]	✓	✓[1]		✓
	Human resources (including Leadership Development, Personnel Development, Talent Management)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Sustainability, in particular decarbonization, climate protection and responsible operations	✓	✓	✓	✓	✓	✓[2]	✓		✓	✓
	Management resp. transformation experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial competence	Expert accounting				✓	✓					
	Expert auditing				✓	✓					

✓ means that the criterion is met. The statements relating to professional ability are based on the Supervisory Board's self-assessment. A check equals at least "good knowledge" and accordingly the ability to well understand the facts of a matter and to make informed decisions, based on already existing qualification and additional trainings undergone by the Supervisory Board members. On a scale from 1 (highest) to 5 (lowest), this corresponds to a rating of at least 2.

* In accordance with the criteria specified by the German Corporate Governance Code, "n/a" for employee representatives.

[1] Law of co-determination (German Co-Determination Act, Works Constitution Act).

[2] Labor relations and social matters.

Members of the Executive Board and positions held by Executive Board members

In fiscal year 2025, the following members served on the **Executive Board**:

				Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises	
Name	**Date of birth**	**First appointed**	**Term expires**	**External positions (as of September 30, 2025)**	**Group company positions (as of September 30, 2025)**
Dr.-Ing. Christian Bruch **President and Chief Executive Officer**	April 7, 1970	May 1, 2020	April 30, 2030	• Positions outside Germany: • FLSmidth & Co. A/S, Copenhagen, Denmark (Deputy Chair, since April 2, 2025)[1] •	• -
Karim Ahmed Amin Aly Khalil (called Karim Amin)	July 8, 1977	March 1, 2022	February 28, 2030	-	• Siemens Energy Ltd., Riyadh, Saudi Arabia • Siemens Energy Co. Ltd. Shanghai, China (Company Supervisor) • Siemens Energy W.L.L., Doha, Qatar
Maria Ferraro	May 21, 1973	May 1, 2020	November 30, 2027	Positions outside Germany: • Capgemini SE, Paris, France [1]	• -
Tim Holt	September 1, 1969	April 1, 2020	November 30, 2027	Positions outside Germany: • Siemens Energy India Ltd., Mumbai, India (since March 25, 2025)[1] • Siemens Ltd., Mumbai, India[1]	• -
Anne-Laure Parrical de Chammard (called Anne-Laure de Chammard)	June 8, 1982	November 1, 2022	July 31, 2029	• Positions outside Germany: • Renault SA, Boulogne-Billancourt, France (since April 30, 2025)[1]	-
Vinod Mohan Philip	August 7, 1974	October 1, 2022	July 31, 2029	• -	• -

[1] Listed Company

Members of the Supervisory Board and positions held by Supervisory Board members

In fiscal year 2025, the **Supervisory Board** had the following members:

Name	Occupation	Date of birth	Member since	Term expires	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises (as of September 30, 2025)
Joe Kaeser **Chairman**	Chairman of the Supervisory Board of Siemens Energy AG and Chairman of the Supervisory Board of Daimler Truck Holding AG	June 23, 1957	September 25, 2020	2029[1]	German positions: • Daimler Truck AG, Stuttgart (Chair) • Daimler Truck Holding AG, Stuttgart (Chair)[2] • Siemens Energy Management GmbH, Munich (Chair) Positions outside Germany: • Linde plc., Dublin, Ireland[2]
Robert Kensbock* **1. Deputy Chairman**	Chairman of the Central Works Council of Siemens Energy Global GmbH & Co. KG	March 13, 1971	November 10, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich (Deputy Chair)
Dr. Hubert Lienhard **2. Deputy Chairman**	Supervisory Board Member of various German enterprises	January 12, 1951	September 25, 2020	2029[1]	German positions: • EnBW Energie Baden-Württemberg AG, Karlsruhe[2] • Heraeus Holding GmbH, Hanau • Kaefer Management SE, Bremen • Siemens Energy Management GmbH, Munich • TransnetBW GmbH, Stuttgart
Günter Augustat*	Chairman of the Group Works Council Siemens Energy AG, Member of the Central Works Council Siemens Energy Global GmbH & Co. KG, Chairman of the Works Council Berlin-Huttenstraße	June 1, 1968	November 10, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich
Manfred Bäreis*	Chairman of the Works Council, Siemens Energy Global GmbH & Co. KG	August 24, 1962	November 10, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich
Manuel Bloemers*	Trade Union Secretary at the Managing Board of IG Metall – Branch Office Düsseldorf	July 25, 1980	September 1, 2022	2029[1]	German positions: • Salzgitter AG, Salzgitter[2] • Siemens Energy Management GmbH, Munich
Dr. Christine Bortenlänger[4]	Member of various Supervisory Boards	November 17, 1966	September 25, 2020	February 20, 2025	German positions: • Covestro AG, Leverkusen[2] • Covestro Deutschland AG, Leverkusen • MTU Aero Engines AG, Munich[2] • Siemens Energy Management GmbH, Munich • TÜV Süd AG, Munich
Anja-Isabel Dotzenrath	Member of various Supervisory Boards	September 30, 1966	February 20, 2025	2028[1]	German positions: • BayWa r.e. AG, Munich (Deputy Chair, since May 20, 2025) • Siemens Energy Management GmbH, Munich
Dr. Andrea Fehrmann*	Trade Union Secretary, IG Metall Regional Office for Bavaria	June 21, 1970	November 10, 2020	2029[1]	German positions: • Airbus Defence and Space GmbH, Taufkirchen (until April 1, 2025) • Siemens AG, Berlin und Munich[2] • Siemens Energy Management GmbH, Munich • Siemens Healthineers AG, Munich [2]

Name	Occupation	Date of birth	Member since	Term expires	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises (as of September 30, 2025)
Dr. Andreas Feldmüller*	Expert Community Manager and Chairman of the Central Committee of Spokespersons of Siemens Energy Global GmbH & Co. KG and of the Group Committee of Spokespersons of Siemens Energy AG	April 24, 1962	November 10, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich
Nadine Florian*	Chairwoman of the European Works Council of Siemens Energy, member of the Central Works Council of Siemens Energy Global GmbH & Co. KG and Chairwoman of the Works Council Duisburg	August 23, 1976	November 10, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich
Prof. Sigmar Gabriel	Former German Federal Minister, Author, Publicist	September 12, 1959	September 25, 2020	2029[1]	German positions: • Deutsche Bank AG, Frankfurt am Main[2] • Heristo AG, Bad Rothenfelde (Deputy Chair) • Rheinmetall AG, Düsseldorf (since May 13, 2025) • Siemens Energy Management GmbH, Munich
Prof. Dr. Veronika Grimm	University Professor	September 5, 1971	February 26, 2024	2027[1]	German positions: • Siemens Energy Management GmbH, Munich
Jürgen Kerner*	Second Chairman of IG Metall	January 22, 1969	November 10, 2020	2029[1]	German positions: • Airbus GmbH, Hamburg (until December 31, 2024) • MAN Truck & Bus SE, Munich (Deputy Chair) • Siemens AG, Berlin und Munich[2] • Siemens Energy Management GmbH, Munich • ThyssenKrupp AG, Essen (Deputy Chair)[2] • Traton SE, Munich (Deputy Chair)[2]
Simone Menne	Member of various Supervisory Boards	October 7, 1960	February 26, 2024	2028[1]	German positions: • Henkel AG & Co. KGaA, Düsseldorf[2] • Siemens Energy Management GmbH, Munich Positions outside Germany: • International Airlines Group S.A., Madrid, Spain (since June 19, 2025)[2] • Johnson Controls International plc, Cork, Ireland (until March 31, 2025)[2] • Russell Reynolds Associates Inc., New York, USA
Hildegard Müller[4]	President of the Managing Board of Verband der Automobilindustrie (VDA) e.V.	June 29, 1967	September 25, 2020	February 20, 2025	German positions: • RAG-Stiftung, Essen • Siemens Energy Management GmbH, Munich • Vonovia SE, Bochum[2] Positions outside Germany: • Atos SE, Bezons, France (since January 31, 2025)[2]

Name	Occupation	Date of birth	Member since	Term expires	Memberships in supervisory boards whose establishment is required by law or in comparable domestic or foreign controlling bodies of business enterprises (as of September 30, 2025)
Laurence Mulliez	Chair of the Board of Voltalia SA	February 6, 1966	September 25, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich Positions outside Germany: • Globeleq Ltd., Guernsey, United Kingdom (Chair, until August 11, 2025) • Morgan Advanced Materials plc, Windsor, United Kingdom (until November 1, 2024)[2] • Voltalia SA, Paris, France (Chair)[2]
Thomas Pfann*	Chairman of the Works Council Nuremberg K, Deputy Chairman of the Group Works Council of Siemens Energy AG, Deputy Chairman of the Central Works Council of Siemens Energy Global GmbH & Co. KG	February 1, 1966	September 1, 2022	2029[1]	German positions: • Siemens Energy Management GmbH, Munich
Matthias Rebellius	Member of the Managing Board of Siemens AG and CEO Smart Infrastructure	January 2, 1965	September 25, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich Positions outside Germany: • Arabia Electric Ltd. (Equipment), Jeddah, Saudi Arabia (Deputy Chair, until February 20, 2025)[3] • Siemens Ltd., Mumbai, India[2,3] • Siemens Ltd., Riyadh, Saudi Arabia (Deputy Chair, until February 20, 2025)[3] • Siemens Schweiz AG, Zurich, Switzerland (Chair)[3] • Siemens W.L.L., Doha, Qatar (until December 30, 2024)[3]
Cornelia Schau*	Deputy Chair of the Works Council Erlangen of Siemens Energy Global GmbH & Co. KG	May 30, 1970	February 26, 2024	2029[1]	German Positions: • Siemens Energy Management GmbH, Munich
Geisha Jimenez Williams	Independent Board member of various U.S. based companies	July 21, 1961	September 25, 2020	2029[1]	German positions: • Siemens Energy Management GmbH, Munich Positions outside Germany: • Artera Services LLC, Atlanta, USA • Meritage Homes Corp., Scottsdale, USA (since January 6, 2025)[2] • Osmose Utility Services, Inc., Peachtree City, USA (Chair)
Prof. Dr. Feiyu Xu	University Professor	January 30, 1969	February 20, 2025	2028[1]	German positions: • Frankfurter Allgemeine Zeitung GmbH, Frankfurt/Main (since July 1, 2025) • Siemens Energy Management GmbH, Munich • ZF Friedrichshafen AG, Friedrichshafen Positions outside Germany: • Airbus SE, Amsterdam, The Netherlands[2] • Chain IQ Group AG, Baar, Switzerland • Zühlke Group AG, Zurich, Switzerland

* Supervisory Board member of the employees

1 The term ends at the end of the ordinary Shareholders' Meeting

2 Listed company

3 Group mandate of Siemens AG

4 Information as of the date of departure from the Supervisory Board on February 20, 2025.

4.6 Compensation Report of Siemens Energy AG for fiscal year 2025 pursuant to Section 162 of the German Stock Corporation Act

Munich, December 10, 2025

Dear shareholders,

At the Annual Shareholders' Meeting in February 2025, we presented to you an adjusted compensation system for the Executive Board, which particularly takes into account the restrictions on the Executive Board compensation related to the federal guarantee entered into at the end of 2023. You approved this compensation system by a large majority. I deeply appreciate the confidence you have placed in us. It encourages us to continue on the path we have set for Siemens Energy together with our Executive Board.

During the term of the federal guarantee in fiscal year 2025, the Executive Board members' compensation was limited to fixed compensation. This restriction was accompanied by a mandatory waiver of variable compensation – and thus of the majority of total compensation – resulting in compensation significantly below market level.

In fiscal year 2025, an early replacement of the federal guarantee was possible due to improved margins, increased cash flow and a strengthened balance sheet. It was replaced by a new guarantee facility from a consortium of banks to secure our large-scale project business. This "early exit" from the obligations of the federal guarantee was an extraordinarily important milestone in the young history of our Company. Due to the termination of the federal guarantee, the restrictions on the Executive Board compensation have also been lifted.

Thus, from fiscal year 2026 onwards, variable compensation components and compensation at market level can again be granted to the Executive Board members. Consequently, the Compensation Committee and the full Supervisory Board reviewed the appropriateness of the Executive Board compensation in fiscal year 2025 and decided on adjustments to raise the compensation for fiscal year 2026 to a competitive, market-appropriate level. Along with increased fixed compensation, the Executive Board members will again be granted short-term variable compensation (Bonus) and long-term variable compensation (Siemens Energy Stock Awards) for fiscal year 2026, each with adjusted target amounts. Furthermore, in line with the approved compensation system, the one-off compensation components will be applied in fiscal year 2026 which were conditionally granted to the Executive Board members during the period of the compensation restrictions for the first fiscal year following the end of those restrictions.

Additionally, the Compensation Committee evaluated recent regulatory developments in the United States with respect to their implications for Executive Board compensation. To mitigate potential risks for our U.S. business and to ensure compliance with the new regulations there, the targets for current tranches of long-term variable compensation have been adjusted accordingly, and a new ESG performance criterion has been defined for the future.

As customary, we will inform you about this, along with other developments regarding the compensation of the Executive Board and the Supervisory Board in fiscal year 2025 in a transparent and comprehensive manner.

Like the entire Supervisory Board, I place great value on the continued exchange with you on this important topic.

For the Remuneration Committee of the Supervisory Board

Hubert Lienhard

Chair of the Remuneration Committee

This combined report by the Executive Board and the Supervisory Board is based on the requirements of Section 162 of the German Stock Corporation Act (Aktiengesetz) and recommendations and suggestions in the German Corporate Governance Code (DCGK). The compensation report includes individualized disclosure of compensation awarded or due to the members of the Executive Board and members of the Supervisory Board in fiscal year 2025 (October 1, 2024, to September 30, 2025) and fiscal year 2024 (October 1, 2023, to September 30, 2024) as well as other disclosures required by the German Stock Corporation Act. The report was subject to both a formal and voluntary content audit by KPMG AG Wirtschaftsprüfungsgesellschaft, Munich.

The compensation report will be presented for approval to the Annual Shareholders' Meeting in February 2026. The compensation report for fiscal year 2024 was approved by 99.43% by the Annual Shareholders' Meeting on February 20, 2025.

4.6.1 Compensation of the members of the Executive Board

A. Compensation system

A.1 Compensation system during and after the end of the compensation restrictions

The compensation of the members of the Executive Board in fiscal year 2025 was determined based on the compensation system that has been in effect since October 1, 2024. This system was approved by the shareholders of Siemens Energy AG at the Annual Shareholders' Meeting on February 20, 2025, with 97.81% of the votes cast ("Say on Pay"). A full description of the compensation system for the members of the Executive Board can be found in Siemens Energy AG's Notice of the 2025 Annual Shareholders' Meeting, which is available for download on the Company's internet site. The table below provides a summary overview.

Compensation system during the compensation restrictions

In fiscal year 2025, the 'compensation system during the compensation restrictions' shown in the left column of the overview was applied. This system takes into account the specific requirements arising from the guarantee agreement between Siemens Energy AG and the Federal Republic of Germany. The federal guarantee was agreed upon in December 2023 by Siemens Energy AG with the Federal Republic of Germany to partially secure the guarantee facility concluded with a bank consortium for financing the operating business.

The conditions of the guarantee included certain restrictions on the Executive Board compensation. Accordingly, no member of the Executive Board of Siemens Energy was allowed to receive compensation for fiscal years in which one or more guarantees were issued under the guarantee facility backed by the federal government exceeding the fixed compensation of this member as of October 1, 2023, subject to any mandatory statutory obligations of the Company to the contrary. The payment of variable compensation for fiscal years prior to October 1, 2023, was excluded from this restriction. Consequently, no variable compensation could be granted to the members of the Executive Board for the period covered by the guarantee conditions ("compensation restrictions"); accordingly, the members of the Executive Board had waived their right vis-à-vis Siemens Energy to receive such compensation components.

In accordance with the compensation restrictions, the compensation system stipulated that no short-term variable compensation ("Bonus") or long-term variable compensation ("Stock Awards") could be granted to the members of the Executive Board. The compensation system also provided for a suspension of the obligations of the Executive Board members under the Share Ownership Guidelines for fiscal years subject to the compensation restrictions.

At the beginning of fiscal year 2025, the federal guarantee was still in effect, meaning that neither short-term variable compensation ("Bonus") nor long-term variable compensation ("Stock Awards") could be granted for the fiscal year 2025, and the Share Ownership Guidelines remained suspended.

Compensation system after the end of the compensation restrictions

In June 2025, the originally secured guarantee credit line could be replaced by a new guarantee facility, thereby allowing for the early termination of the federal guarantee. Consequently, the compensation restrictions were lifted and will no longer be in effect from fiscal year 2026 onwards.

Starting from fiscal year 2026, the "compensation system after the end of the compensation restrictions," as described in the right-hand column of the table below and approved by the 2025 Annual Shareholder's Meeting, will be applied. In addition to the reinstated variable compensation and the revival of the obligations under the Share Ownership Guidelines, the system includes, in particular, one-off compensation for the first fiscal year following the lifting of the compensation restrictions. The one-off compensation consists of both non-performance-related and performance-related elements and is intended – as defined in the compensation system – as an incentive for continuity within the Executive Board.

Further details regarding the one-off compensation are available in the "Preview of Executive Board compensation for fiscal year 2026" at the end of the compensation report.

Executive Board compensation system	
Compensation system during the compensation restrictions	**Compensation system after the end of the compensation restrictions**
Base salary	
Fixed base salary that is normally paid out in 12 monthly installments (exceptions permitted for place of employment outside of Germany)	
Fringe benefits	
In-kind compensation and customary fringe benefits (like the provision of a company car, subsidies for insurance policies and assumption of costs for preventive medical examinations) as well as coverage of benefits in connection with a place of employment outside Germany	
Retirement benefits	
Granting of a fixed cash amount for personal pension provision (pension substitute)	
Short-term variable compensation (Bonus)	
Suspended during the compensation restrictions	Performance period: 1 year Performance criteria: • Profit Margin (1/3) • Free Cash Flow (1/3) • Individual targets (1/3) Cap: 150%
Long-term variable equity-based compensation (Stock Awards)	
Suspended during the compensation restrictions	Performance period: 4 years Performance criteria: • Total Shareholder Return (40%) • Earnings per Share (40%) • ESG (20%) Cap: 250%
One-off compensation (as approved by the 2025 Annual Shareholders' Meeting)	
-	Non-performance-based Retention Component Performance-based Equity Component Performance-based Early Exit Component
Maximum compensation	
Chief Executive Officer: €9,950,000 Ordinary Executive Board members: €4,950,000	Chief Executive Officer: €9,950,000 Ordinary Executive Board members: €5,950,000 For compensation commitments made for the first fiscal year after the end of the compensation restrictions, as a one-time exception, the maximum compensation will be increased to 400% of the specified maximum compensation
Malus and clawback	
Option of withholding (malus) or reclaiming (clawback) variable compensation based on incorrect data, e.g. in the event of incorrect consolidated financial statements, and serious breaches of duty and compliance	
Share Ownership Guidelines	
Extension of build-up phase on a case-by-case basis	Chief Executive Officer: 300% of base salary Ordinary Executive Board members: 200% of base salary

A.2 Key elements of Executive Board compensation

According to the Supervisory Board, the compensation system for the Executive Board contributes to advancing the business strategy and fosters the sustainable and long-term growth of Siemens Energy.

The structure of the Executive Board's compensation is based on the following principles:

Key principles of Executive Board compensation	
Contribution to the Company's strategy	The compensation system for members of the Executive Board should contribute to implementing the Company's strategy by setting appropriate incentives.
Sustainable orientation of compensation	Within the variable compensation, a substantial portion – approximately 40% of the target direct compensation and 60% of the variable compensation – is determined based on performance measurement over a multi-year period. The focus on sustainability is further strengthened by anchoring performance criteria reflecting Environmental, Social and Governance (ESG) factors in the long-term equity-based compensation.
Focus on industry-specific requirements	Executive Board compensation can be structured to reflect the Company's specific challenges, for example, by way of differentiation in compensation levels based on a specific function of the individual Executive Board members, or via the flexibility to adjust relative performance measurement in line with growing business segments.
Alignment of performance and pay	Exceptional performance should be rewarded appropriately in compensation. Performance under the established targets should lead to an appreciable reduction in compensation.
Consideration of Executive Board members' collective and individual performance	The compensation system offers the Supervisory Board the possibility to, on the one hand, consider Executive Board members' individual responsibilities and, on the other hand, their overall performance as a governing body. Accordingly, the Supervisory Board has the opportunity to set individual targets for Executive Board members in the short-term variable compensation, alongside financial targets applicable to all members of the Executive Board.
Consistency of compensation systems throughout the organization	The compensation system for members of the Executive Board is compatible with compensation systems for the management and employees of the Group.
Appropriateness of compensation	Executive Board members' compensation is appropriate for the market and takes consideration of the Company's size, complexity, and economic situation.

A.3 Criteria for assessing the appropriateness of Executive Board compensation

The review of the appropriateness of Executive Board compensation generally is conducted based on a comparison with German companies of similar size and complexity. As of September 30, 2025, Siemens Energy is a constituent of the DAX index, which comprises 40 of the largest publicly listed German companies. Given its relative positioning in the DAX on the basis of revenue, number of employees and market capitalization, the Supervisory Board believes that this index serves as a suitable benchmark for assessing how customary the total compensation is compared to other companies and therefore as a basis for the market assessment of the appropriateness of compensation.

In addition, the Supervisory Board – when assessing appropriateness within the company - takes account of Executive Board compensation in proportion to compensation for the workforce of Siemens Energy in Germany, including any changes over time. For this vertical comparison, the Supervisory Board determines the ratio of the Executive Board's compensation to the compensation of top executives (Senior Management contract group) and the rest of the workforce (employees covered by the collective bargaining agreement as well as professionals outside of the collective bargaining agreement) in Germany.

B. Total target compensation of the Executive Board in fiscal year 2025

B.1 Contract composition of Executive Board compensation

Each of the Executive Board members in office as of September 30, 2025, receives their compensation based on an employment contract with Siemens Energy AG that runs parallel to their appointment to the Executive Board. Dr.-Ing. Christian Bruch, Maria Ferraro, Anne-Laure de Chammard and Vinod Philip receive their compensation exclusively from Siemens Energy AG. Karim Amin and Tim Holt receive a portion of their compensation from Siemens Energy Group companies. For fiscal year 2025, Karim Amin received approximately 50% of his total target compensation from Siemens Energy LLC (United Arab Emirates), and Tim Holt received around 30% of his total target compensation from Siemens Energy Inc. (United States). Karim Amin received approximately 50% and Tim Holt approximately 70% of their respective total target compensation from Siemens Energy AG. The additional employment relationships with Siemens Energy Group companies thus did not lead to any additional compensation. In accordance with Section 162 para. 1 of the German Stock Corporation Act, the table "Compensation awarded or due fiscal year 2025" discloses the total compensation from all group companies.

B.2 Composition of total target compensation in fiscal year 2025

According to the compensation system, Executive Board compensation generally comprises both fixed and variable components. Total target compensation represents the level of compensation that is realized if all targets are met and the price of Siemens Energy's shares remains constant. In the Supervisory Board's view, target compensation thereby sets incentives for strong performance by the Company, the Executive Board as a

whole and by each member. Failing to reach targets can lead to a substantial reduction in compensation, as each member of the Executive Board's target compensation is typically comprised of greater than 60% variable compensation.

For each compensation component, the Supervisory Board determines a maximum amount at the beginning of the fiscal year. An explanation of the maximum amounts is provided in the respective section of the following chapters.

In fiscal year 2025, the target compensation of the Executive Board members was limited to fixed compensation components. Due to the compensation restrictions under the federal guarantee and the corresponding waiver by the Executive Board members, no variable compensation components were granted to the Executive Board members for the fiscal year 2025 – in line with the compensation system applicable during the period of the compensation restrictions – nor was the Executive Board compensation adjusted.

The following table shows the total target compensation of the members of the Executive Board for fiscal year 2025, taking into account the forfeiting of the variable compensation under the applicable compensation restrictions.

Total target compensation Fiscal year 2025

Members of the Executive Board in office as of September 30, 2025		Fixed compensation				Variable compensation			
	(in k €)	Base salary	Pension substitute	Fringe benefits[1]	**Sum**	Bonus	Stock Awards	**Sum**	**Total**
Dr.-Ing. Christian Bruch	**Target**	**1,560**	**500**	**77**	**2,137**	**0**	**0**	**0**	**2,137**
	Share (%)	73%	23%	4%	100%	0%	0%	0%	100%
	Minimum	1,560	500	77	2,137	0	0	0	2,137
	Maximum	1,560	500	77	2,137	0	0	0	2,137
Maria Ferraro	**Target**	**834**	**300**	**28**	**1,162**	**0**	**0**	**0**	**1,162**
	Share (%)	72%	26%	2%	100%	0%	0%	0%	100%
	Minimum	834	300	28	1,162	0	0	0	1,162
	Maximum	834	300	28	1,162	0	0	0	1,162
Tim Holt[2]	**Target**	**831**	**267**	**63**	**1,161**	**0**	**0**	**0**	**1,161**
	Share (%)	72%	23%	5%	100%	0%	0%	0%	100%
	Minimum	831	267	63	1,161	0	0	0	1,161
	Maximum	831	267	63	1,161	0	0	0	1,161
Karim Amin[3]	**Target**	**714**	**150**	**490**	**1,354**	**0**	**0**	**0**	**1,354**
	Share (%)	53%	11%	36%	100%	0%	0%	0%	100%
	Minimum	714	150	490	1,354	0	0	0	1,354
	Maximum	714	150	490	1,354	0	0	0	1,354
Anne-Laure de Chammard	**Target**	**680**	**150**	**159**	**989**	**0**	**0**	**0**	**989**
	Share (%)	69%	15%	16%	100%	0%	0%	0%	100%
	Minimum	680	150	159	989	0	0	0	989
	Maximum	680	150	159	989	0	0	0	989
Vinod Philip	**Target**	**680**	**150**	**45**	**875**	**0**	**0**	**0**	**875**
	Share (%)	78%	17%	5%	100%	0%	0%	0%	100%
	Minimum	680	150	45	875	0	0	0	875
	Maximum	680	150	45	875	0	0	0	875

[1] The respective target amounts for fringe benefits equal the value of benefits granted in fiscal year 2025.

[2] Beginning with fiscal year 2023, Tim Holt's target compensation is agreed upon in US Dollars. Base salary for fiscal year 2025: US$916,700; Pension Substitute for fiscal year 2025 = US$295,000. Bonus and Stock Awards were forfeited for fiscal year 2025. Conversion into Euros is conducted for the base salary and fringe benefits using the respective monthly average Euro-US Dollar exchange rate. The Pension Substitute is converted using the average exchange rate during fiscal year 2025 (€1 = US$1.1056). Any contributions to retirement plans that Tim Holt receives as part of his employment with Siemens Energy Inc. are offset against the pension substitute. The value of contributions owed to these retirement plans for fiscal year 2025 amounted to US$110,004 (€99,501 at the average exchange rate during fiscal year 2025 (€1 = US$1.1056)).

[3] With exception of base salary paid by Siemens Energy LLC (UAE), Karim Amin's compensation is paid out in Euros. Base salary paid by Siemens Energy LLC (UAE) is paid in UAE Dirham in accordance with local regulations. A correction is performed at regular intervals to ensure that the compensation paid out in UAE Dirhams corresponds to the target compensation in Euros. The average monthly Euro-Dirham exchange rate is applied for conversions.

C. Fixed compensation components in fiscal year 2025

C.1 Base salary

In accordance with the compensation system, the Executive Board members received a base salary in the form of a fixed amount for the fiscal year 2025. Thus, the maximum amount of the base salary corresponded to the respective target amount.

C.2 Fringe benefits

For fringe benefits, the Supervisory Board, in accordance with the compensation system, sets a maximum monetary value – based on a percentage of base salary – at the beginning of the fiscal year for each member of the Executive Board. The Supervisory Board set a maximum value of 8% of the base salary for fiscal year 2025.

According to the compensation system, this limit can be increased, in particular in the event of an Executive Board member having their place of employment outside of Germany.

For Tim Holt and Karim Amin, whose places of employment are in the United States and the United Arab Emirates, respectively, the Supervisory Board increased the maximum value by US$450,000 and €450,000, respectively, to account for additional benefits like tax equalization payments and expenses for tax advisory services, including any tax gross-ups covered by the Company. The maximum value for Anne-Laure de Chammard was increased by €450,000 to account for benefits granted in connection with the maintenance of a second residence. Further, the Supervisory Board approved an increase of the maximum value of benefits for Maria Ferraro by €50,000 to account for benefits granted to her on an individual basis by Siemens AG prior to the spin-off of Siemens Energy, for example the reimbursement of expenses for tax advisory services.

The amount of the maximum monetary value of the fringe benefits therefore remained unchanged for all Executive Board members compared to fiscal year 2024.

C.3 Retirement benefits

For fiscal year 2025, the Supervisory Board elected to make use of its option to grant the members of the Executive Board an unrestricted cash payment ("pension substitute"). The pension substitute was set as a fixed amount. Alternatively, the compensation system provides the option for the members of the Executive Board to participate in the Company's pension plan ("Beitragsorientierte Siemens Energy Altersversorgung", abbreviated as "BSAV"), under which the Company can grant contributions – defined as a fixed amount in euros – to a member's pension account.

Maria Ferraro has a pension commitment under the BSAV that was transferred from Siemens AG to Siemens Energy in connection with the Company's spin-off. Vinod Philip also has a pension commitment under the BSAV from his time as a senior manager at Siemens AG and Siemens Energy. Since the commencement of their Executive Board member roles, neither Maria Ferraro nor Vinod Philip has received any contributions to the BSAV from the Company. Entitlement to BSAV arises on application on reaching the age of 62. Payment is generally made in twelve annual installments; a different number of installments, a lump sum or an annuity are possible on application. Their pension account is credited with an annual interest payment (guaranteed interest) on January 1st of each year. The guaranteed interest rate is currently 1.0%.

As of September 30, 2025, the defined benefit obligation for Maria Ferraro's and Vinod Philip's pension obligation according to IFRS amounted to €0.2 million each.

D. Variable compensation components in fiscal year 2025

The following section provides an overview of the regular variable compensation components, including short-term variable compensation (Bonus) and long-term variable compensation (Siemens Energy Stock Awards).

The Early Exit Component will be reported in the Compensation Awarded or Due for 2025 due to the payout in fiscal year 2025 (refer to section H for details). The Early Exit Component is a component of the one-off compensation specified in the "compensation system for the period following the lifting of the compensation restrictions". The one-off compensation was granted in the interest of the long-term well-being of the company for the first fiscal year following the lifting of the compensation restrictions from the federal guarantee. The focus of the Early Exit Component was on facilitating an early exit from the federal guarantee – a key milestone that, along with saving fees linked to the federal guarantee in the range of three-digit millions, enhances the financial strength of Siemens Energy. After the drawdown and rundown phase of the guarantee facility secured by the federal guarantee has ended early in June 2025, the payment was already made in fiscal year 2025 – subject to the continued Executive Board position on October 1, 2025. In accordance with the payment condition, the award vests in fiscal year 2026 (on October 1, 2025).

D.1 Short-term variable compensation (Bonus)

The short-term variable compensation (bonus) serves to tie a substantial portion of Executive Board member's compensation to the annual performance of the Siemens Energy Group.

For fiscal year 2025, similar to fiscal year 2024, no short-term variable compensation was granted due to the compensation restrictions under the federal guarantee and in line with the compensation system.

D.2 Long-term equity-based variable compensation (Siemens Energy Stock Awards)

The allocation of Siemens Energy Stock Awards at the beginning of a fiscal year ("Stock Awards tranche") serves as long-term equity-based variable compensation, tying the Executive Board compensation to the long-term growth of the Company and the Siemens Energy Share. Each Stock Award confers the right to receive one Siemens Energy Share. Stock Awards vest after a period of approximately four years, contingent upon attaining pre-defined performance targets.

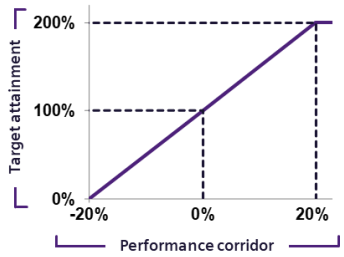
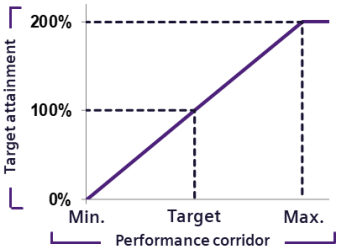
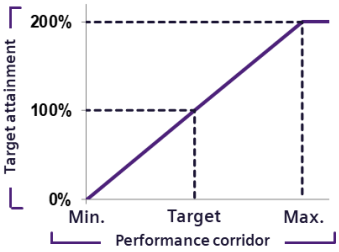
D.2.1 No Siemens Energy Stock Awards allocated in fiscal year 2025 (tranche 2025)

Due to the compensation restrictions associated with the federal guarantee and in accordance with the compensation system, no Stock Awards tranche was allocated for the fiscal year 2025, as was also the case for fiscal year 2024.

D.2.2 Unvested Siemens Energy Stock Awards tranches (tranches 2022 and 2023)

For the fiscal years 2022 and 2023, Stock Awards tranches were granted to the members of the Executive Board who were in office in each of these fiscal years. These were exempt from the compensation restrictions under the federal guarantee. The number of Stock Awards to be granted is calculated by multiplying the maximum level of target attainment – 200% – by the target amount and then dividing this number by the price of Siemens Energy Shares in Xetra trading on the grant date, less estimated discounted dividends during the approximately four-year vesting period ("grant price"). At the end of the vesting period, members of the Executive Board are entitled to receive one Siemens Energy Share at no cost for each Stock Award. The final number of Stock Awards is determined by the degree to which the established targets are achieved during the four-year performance period. Should the achievement of the set targets at the end of the four-year performance period be less than 200%, the final number of Stock Awards will be reduced in accordance with the actual target achievement. In any case, the Stock Awards value is capped at 250%. If the monetary value of the final number of Stock Awards exceeds 250% of the target amount (cap), a corresponding number of Stock Awards for the amount exceeding the cap will be forfeited without replacement. The following strategically relevant performance criteria were employed in the Stock Awards tranches 2022 and 2023 compensation:

Siemens Energy Stock Awards tranches 2022 and 2023
Performance criteria

Performance criterion	Total Shareholder Return ("TSR")	Earnings per Share ("EPS"), undiluted	Environmental, Social & Governance ("ESG")
Weighting	40%	40%	20%
Target setting	For Siemens Energy and the comparison indices, change in share price plus dividends during the performance period (36 months) is compared to the corresponding average value for the reference period (12 months). The difference in percentage points for Siemens Energy and respective index determines target attainment.	At the beginning of a Stock Awards tranche, the Supervisory Board defines a 100% target value for the average EPS from continuing operations over the four fiscal years of the vesting period, as well as EPS values representing 0% and 200% target attainment.	Several equally weighted performance criteria for the ESG component are set at the beginning of the tranche. At the beginning of the tranche, the Supervisory Board also sets quantitative target values for each criterion that correspond to a target attainment of 0%, 100% and 200%.
Performance corridor			

The specific target achievement of a Stock Awards tranche is disclosed ex post in the compensation report after four years.

The ESG component includes the performance criteria "CO_2 Emissions" and "Employee Engagement", each weighted at 50% within the ESG component (equivalent to 10% of the total Stock Awards target). When the tranches were granted, the ESG component also included the performance criterion "Women in Top Leadership Positions", with each performance criterion weighted at 1/3 within the ESG component.

In May 2025, the Supervisory Board removed the performance criterion "Women in Top Leadership Positions" for the tranches 2022 and 2023, and the remaining performance criteria "CO_2 Emissions" and "Employee Engagement" were each weighted equally within the ESG component. This was prompted by regulatory developments in a significant sales market, particularly the U.S. government's Executive Order 14173 (Ending Illegal Discrimination and Restoring Merit-Based Opportunity) issued on January 21, 2025. After a thorough analysis of the potential impacts, incorporating both internal and external legal assessments, the Supervisory Board concluded that the removal of the performance criterion "Women in Top Leadership Positions" — while maintaining the equally weighted remaining performance criteria — was necessary to avoid significant risks to Siemens Energy's business operations in the U.S. and thus in the interest of the Company's long-term prosperity. Furthermore, the adjustment represented an appropriate design from an incentive perspective, aligning closely with the economic objectives of the original provision.

Through this retroactive adjustment of the performance targets set at the beginning of the tranches 2022 and 2023 within the ESG component, the Supervisory board – based on Section 87a para. 2 of the German Stock Corporation Act – temporarily deviated from the relevant compensation system approved by the Annual Shareholder's Meeting on February 10, 2021, which does not explicitly allow for retroactive adjustments of performance targets. This deviation was limited to the aforementioned tranches, limited in time, and, given the circumstances, objectively necessary in the interest of the company.

Therefore, the following ESG targets apply to the ongoing Stock Awards tranches 2022 and 2023:

Siemens Energy Stock Awards –
Target setting ESG targets (all outstanding tranches)

	Target values (Target assessment at the end of the last fiscal year of the vesting period)			
	Tranche 2022 (Target end of FY 2025)		**Tranche 2023** (Target end of FY 2026)	
	CO_2 Scope 1+2 (kt)[1]	eNPS (points)[2]	CO_2 Scope 1+2 (kt)[1]	Engagement Factor (Percent)[2]
Baseline value	244	-10.4	181	72
0%	220	0	190	68
100%	195	5	160	73
200%	170	10	130	78

[1] Target setting for Siemens Energy excluding Siemens Gamesa. These baseline values served as the basis for target setting by the Supervisory Board and may slightly deviate from the figures reported in the Siemens Energy Sustainability Report due to delays in CO_2 reporting. In the compensation report for fiscal year 2022, the values under "Baseline value" represented the respective CO_2 Emissions including Siemens Gamesa (Tranche 2022: 273 kt).

[2] eNPS = Employee Net Promoter Score; both performance criteria are based on an annual employee survey in which employees are asked about their attitude towards the company. Targets were set for Siemens Energy excluding Siemens Gamesa.

D.2.3 Siemens Energy Stock Awards transfer in fiscal year 2025 (tranche 2021)

In fiscal year 2025, the Stock Awards from the 2021 tranche became due and were fulfilled after a vesting period of approximately four years. These had already been granted prior to the onset of the compensation restrictions under the federal guarantee and were exempt from them. The Stock Awards from the 2021 tranche were contingent upon three performance criteria: 40% based on Relative Total Shareholder Return (TSR), 40% on undiluted Earnings per Share (EPS), and 20% on a sustainability target determined by the performance of Siemens Energy (excluding Siemens Gamesa) in the areas of Environmental, Social & Governance (ESG).

The TSR target achievement for the tranche 2021 was determined by comparing the TSR development of the Siemens Energy share with the TSR development of the two industry indices "STOXX Global 1800 Industrial Goods and Services" and "MVIS US-Listed Oil Services 25." For this purpose, a TSR performance value was first calculated for the Siemens Energy Share and each index individually, based on the average month-end prices from November 2021 to October 2024, and compared to a corresponding TSR reference value derived from the average month-end prices from November 2020 to October 2021. The calculated development values were then compared with each other. The achievement of the TSR target was measured at 70% based on the comparison with the "STOXX Global 1800 Industrial Goods and Services" and 30% based on the comparison with the "MVIS US-Listed Oil Services 25." This ultimately corresponded to a TSR target achievement of 0%.

To measure the EPS target, the average undiluted Earnings per Share of the four fiscal years that elapsed during the vesting period, i.e. the fiscal years 2021 to 2024, was compared with a target value set by the Supervisory Board at the beginning of the tranche. This ultimately corresponded to an EPS target achievement of 0%.

To measure the ESG target, the ESG performance of the Siemens Energy Group (excluding Siemens Gamesa) was assessed on the basis of three equally weighted internal Siemens Energy ESG performance criteria from the categories Environment, Social & Governance at the end of fiscal year 2024. The target achievement from the ESG performance criterion was 166.05%.

This resulted in a weighted overall target achievement of 33.21%.

Siemens Energy Stock Awards tranche 2021
Target attainment

Performance criterion	Weight	Target corridor 0%	Target corridor 100%	Target corridor 200%	Actual value	Target attainment	
Relative Total Shareholder Return (TSR)	40.00%	-20.00%	0.00%	20.00%	-47.84%	0.00%	33.21%
Earnings per Share (EPS; in €)	40.00%	0.40	0.80	1.20	-1.35	0.00%	
Environmental, Social & Governance (ESG)[1]	20.00%	-	-	-	-	166.05%	
CO_2 Scope 1+2 (kt)[2]	*33.34%*	*252.00*	*236.00*	*220.00*	*150.00*	*200.00%*	
eNPS (points)[3]	*33.33%*	*0.00*	*10.00*	*20.00*	*18.18*	*181.80%*	
Women in Top Leadership Positions[4]	*33.33%*	*22.00%*	*25.00%*	*28.00%*	*25.49%*	*116.33%*	

[1] Targets were set for Siemens Energy excluding Siemens Gamesa.

[2] This target is based on the direct greenhouse gas emissions from sources owned or controlled by the company (Scope 1) or indirect emissions from the consumption of purchased energy and district heating (Scope 2).

[3] eNPS = Employee Net Promoter Score; this performance criterion is based on an annual employee survey in which employees are asked about their attitude towards the company.

[4] The relevant population for calculating the proportion of Women in Top Leadership Positions is determined based on the value of the function. The so-called Position Class (PC) of a function reflects its value. The population PC 64-72 includes approximately 100 of the highest-rated functions of the Siemens Energy group excluding Siemens Gamesa.

D.2.4 Summary disclosures on equity-based compensation in fiscal year 2025

The following table provides a summary of (i) the Stock Awards that were contractually granted to the members of the Executive Board but were not delivered in fiscal year 2025 due to conditions that had not yet been met (performance and expiration of the vesting period), as well as (ii) the compensation granted in fiscal year 2025, i.e. the compensation received in the form of delivered Siemens Energy Shares after the performance and vesting conditions were met. The initial grant of Siemens Energy Stock Awards took place in November 2020 (tranche 2021); therefore, the receipt of Siemens Energy Shares from Stock Awards occurred for the first time in November 2024. The value of the shares transferred from the Stock Awards tranche 2021 was determined based on the lowest daily price of €45.42 on November 14, 2024 (date of transfer). The fair market value at grant is determined according to "IFRS 2 share-based compensation" at the time of the grant.

Equity-based compensation – granted and awarded FY 2025

Members of the Executive Board in office as of September 30, 2025	Stock Awards Tranche	Grant date	Number of Stock Awards granted[1]	Fair market value at grant (€)[2]	Vesting date[3]	Number of shares awarded in FY 2025	Value of shares awarded in FY 2025 (€)	Number of Stock Awards as of Sept. 30, 2025
Dr.-Ing. Christian Bruch	2023	16.11.2022	320,943	2,400,029	Nov. 2026	0	0	320,943
	2022	10.11.2021	157,120	1,714,965	Nov. 2025	0	0	157,120
	2021	10.11.2020	194,530	2,554,373	Nov. 2024	32,302	1,467,157	0
Maria Ferraro	2023	16.11.2022	177,938	1,330,629	Nov. 2026	0	0	177,938
	2022	10.11.2021	78,560	857,482	Nov. 2025	0	0	78,560
	2021	10.11.2020	97,265	1,277,199	Nov. 2024	16,151	733,578	0
Tim Holt	2023	16.11.2022	163,657	1,223,843	Nov. 2026	0	0	163,657
	2022	10.11.2021	78,560	857,504	Nov. 2025	0	0	78,560
	2021	10.11.2020	97,265	1,277,199	Nov. 2024	16,151	733,578	0
Karim Amin	2023	16.11.2022	132,700	992,364	Nov. 2026	0	0	132,700
	2022[4]	01.03.2022	51,905	244,738	Nov. 2025	0	0	51,905
Anne-Laure de Chammard	2023	16.11.2022	121,642	909,647	Nov. 2026	0	0	121,642
Vinod Philip	2023	16.11.2022	132,700	992,331	Nov. 2026	0	0	132,700

[1] At the beginning of the vesting period of approximately four years, the maximum possible number of Stock Awards is conditionally granted. If target attainment is less than 200%, the number of Stock Awards is adjusted downward accordingly.

[2] To determine the fair market value, target attainment of 200% is assumed for the Total Shareholder Return (TSR) component and 100% target attainment for the Earnings per Share (EPS) and Environmental, Social & Governance (ESG) components. The fair market value at grant is calculated based on the date on which the terms and conditions of the grant were agreed upon. For tranche 2023, December 13, 2022, was the relevant date for all members of the Executive Board. For the tranche 2022, the relevant date was December 10, 2021, for Dr.-Ing. Christian Bruch, Maria Ferraro and Tim Holt, and September 20, 2022, for Karim Amin. For the tranche 2021, December 14, 2020, was the relevant date for all members of the Executive Board.

[3] The vesting period of the Stock Awards tranche 2023 (2022) ends on the day in November 2026 (2025) on which the financial results for fiscal year 2026 (2025) are published.

[4] The grant date for the Stock Awards tranche 2022 for Karim Amin as an Executive Board member corresponds to the commencement of his Executive Board member mandate on March 1, 2022.

E. Compliance with maximum compensation as defined by Section 87a German Stock Corporation Act

E.1 Compliance with maximum compensation for fiscal year 2021

In fiscal year 2025, the members of the Executive Board received the final component of their compensation for fiscal year 2021 through the delivery of shares from the long-term equity-based compensation for fiscal year 2021 (Stock Awards tranche 2021). The following table lists all components of the compensation for fiscal year 2021 and compares the total thereof with the agreed maximum compensation for fiscal year 2021. The maximum compensation for fiscal year 2021 was complied with for all Executive Board members who were active in fiscal year 2021 and received shares from the Stock Awards tranche 2021 in fiscal year 2025.

Compliance with maximum compensation as defined under Section 87a of the German Stock Corporation Act for fiscal year 2021 (in k €)

Members of the Executive Board in office as of September 30, 2025[1]	Compensation awarded or due FY 2021 without Stock Awards tranche 2021		Value of Stock Awards tranche 2021		Compensation awarded or due FY 2021 with Stock Awards tranche 2021		Maximum compensation 2021 as defined by Section 87a para.1 s. 2 No.1 German Stock Corporation Act
Dr.-Ing. Christian Bruch	3,418	+	1,467	=	**4,885**	<	**9,950**
Maria Ferraro	1,671	+	734	=	**2,405**	<	**4,950**
Tim Holt	1,610	+	734	=	**2,344**	<	**4,950**

[1] Since Anne-Laure de Chammard, Karim Amin and Vinod Philip were not yet Executive Board members in fiscal year 2021, they are not mentioned in the above table.

E.2 Compliance with maximum compensation for fiscal year 2025

The Supervisory Board sets a binding annual maximum compensation amount for each member of the Executive Board, in line with Section 87a para. 1 s. 2 No. 1 of the German Stock Corporation Act. The following table shows that the compensation for each member of the Executive Board for fiscal year 2025 is below the applicable maximum compensation. As the variable compensation does not apply due to the utilization of the federal guarantee and the associated compensation restrictions, the compensation for fiscal year 2025 cannot be higher than the compensation awarded or due in fiscal year 2025. The Early Exit Component of the one-off compensation provided for in the "compensation system after the end of the compensation restrictions" pertains to fiscal year 2026. Therefore, it is not included in the following table concerning compliance with the maximum compensation for fiscal year 2025. In section H. of the compensation report, it is listed in the overview of the compensation granted and due in fiscal year 2025, as it – subject to the continued Executive Board position on October 1, 2025 – was already paid to the Executive Board members in fiscal year 2025, after the drawdown and rundown phase of the guarantee facility secured by the federal guarantee was completed early in June 2025.

Thus compliance with the maximum compensation within the meaning of Section 87a German Stock Corporation Act is ensured for fiscal year 2025.

Compliance with maximum compensation as defined under Section 87a of the German Stock Corporation Act for fiscal year 2025 (in k €)

Members of the Executive Board in office as of September 30, 2025	Compensation awarded and due FY 2025 without Early Exit Component		Maximum compensation 2025 as defined by Section 87a para.1 s. 2 No.1 German Stock Corporation Act
Dr.-Ing. Christian Bruch	**3,605**	<	**9,950**
Maria Ferraro	**1,896**	<	**4,950**
Tim Holt	**1,895**	<	**4,950**
Karim Amin	**1,354**	<	**4,950**
Anne-Laure de Chammard	**989**	<	**4,950**
Vinod Philip	**875**	<	**4,950**

F. Malus and clawback rules for variable compensation

In certain cases, the Supervisory Board has the option of withholding (malus) or reclaiming (clawback) the short-term and long-term variable compensation, for example in the event of severe breaches of duty, compliance violations, and (or) severely unethical behavior, or in the event that variable compensation was paid out based on incorrect data.

In its meeting in November 2025, the Supervisory Board determined that it had no indication of circumstances that could lead to the application of malus or clawback rules. Consequently, the Supervisory Board did not make use of its authority to withhold or reclaim variable compensation in fiscal year 2025.

G. Share Ownership Guidelines

According to Siemens Energy's Share Ownership Guidelines, members of the Executive Board are required to hold Siemens Energy Shares equal in value to a multiple of their base salary – 300% for the President and CEO and 200% for all other members. Base salary is defined as the respective member's annual base salary for the month of September preceding the respective measurement date. Members of the Executive Board are allowed a build-up phase of approximately 4.5 years in order to acquire the required number of shares. If the value of the acquired shares falls below the holding requirement due to fluctuations in Siemens Energy's share price, the members of the Executive Board must purchase additional shares.

The Share Ownership Guidelines continued to apply during the period of compensation restrictions; however, the build-up phase was extended in individual cases, and the obligation of the Executive Board members under the Share Ownership Guidelines was suspended for this period. The compensation restrictions under the federal guarantee have been lifted at the end of fiscal year 2025. The first review of compliance with the Share Ownership Guidelines will take place at the earliest at the beginning of the third quarter of fiscal year 2026, with review dates varying by individual case.

H. Compensation awarded or due in fiscal year 2025

The following table shows the individual compensation awarded or due to the members of the Executive Board within the meaning of Section 162 para. 1 s. 1 of the German Stock Corporation Act.

A "vesting-based" presentation is generally made in this context. Accordingly, "compensation awarded" comprises the compensation paid for the fiscal year in which the activity on which the compensation is based is performed. "Compensation due" refers to the compensation that is due in a fiscal year but has not yet been paid. For the compensation system of Siemens Energy AG, this means that the short-term variable compensation paid in January of a year for an activity in the previous fiscal year is already classified as awarded for the previous fiscal year and is therefore reported as compensation for this fiscal year. The pension substitute, which is generally paid in January for the previous fiscal year, is also classified as granted for the previous fiscal year and reported as compensation for this fiscal year.

In the case of long-term variable compensation, any compensation from a tranche of Stock Awards is earned in full at the end of the approximately four-year vesting period for that tranche, meaning that these shares are reported as awarded compensation for the fiscal year in which the vesting period ends. Therefore, the compensation from the Stock Awards tranche 2021 from the 2021 compensation system is shown in the table below, with the transfer taking place in fiscal year 2025 after the approximately four-year vesting period.

The compensation awarded or due in fiscal year 2025, in accordance with the "compensation system during the compensation restrictions," is shown in the following table. In addition to the generally vesting-based presentation, the Early Exit Component is presented in the following table on a cash basis. This component of the one-off compensation provided in the "compensation system after the end of the compensation restrictions" was – subject to the continued Executive Board position on October 1, 2025 – already paid to the Executive Board members in fiscal year 2025, after the drawdown and rundown phase of the guarantee facility secured by the federal guarantee has ended early in June 2025. Therefore, it is reported as compensation "awarded" in fiscal year 2025.

Compensation awarded or due

Members of the Executive Board in office as of September 30, 2025		**Dr.-Ing. Christian Bruch** **President and CEO** (Appointed May 2020)				**Maria Ferraro** **Chief Financial Officer (CFO)** (Appointed May 2020)			
Fiscal year		2024		2025		2024		2025	
		k €	Share (in %)	k €	Share (in %)	k €	Share (in %)	k €	Share (in %)
Fixed compensation	Base salary	1,560	73.6	1,560	23.6	834	72.3	834	21.4
	Fringe benefits	61	2.9	77	1.2	20	1.7	28	0.7
	Pension substitute[1]	500	23.5	500	7.6	300	26.0	300	7.7
	Sum	**2,121**	**100**	**2,137**	**32.4**	**1,154**	**100**	**1,162**	**29.8**
Variable compensation	**Short-term variable compensation**								
	Bonus	0	0.0	0	0.0	0	0.0	0	0.0
	Long-term variable compensation								
	Stock Awards tranche 2021	-	-	1,467	22.2	-	-	734	18.8
	Sum	**0**	**0.0**	**1,467**	**22.2**	**0**	**0.0**	**734**	**18.8**
	Early Exit Component		-	3,000	45.4	-	-	2,000	51.3
	Total compensation	**2,121**	**100**	**6,605**	**100**	**1,154**	**100**	**3,896**	**100**

[1] The Supervisory Board decided to grant Dr.-Ing. Christian Bruch and Maria Ferraro a pension substitute in cash for fiscal year 2024 as well as fiscal year 2025. This is typically paid out in January of the following year.

Compensation awarded or due

Members of the Executive Board in office as of September 30, 2025 (*continued*)		**Tim Holt** **Member of the Executive Board** (Appointed April 2020)[1]				**Karim Amin** **Member of the Executive Board** (Appointed March 2022)			
Fiscal year		2024		2025		2024		2025	
		k €	Share (in %)	k €	Share (in %)	k €	Share (in %)	k €	Share (in %)
Fixed compensation	Base salary	845	72.9	831	21.5	714	66.0	714	21.3
	Fringe benefits[2]	43	3.7	63	1.6	218	20.1	490	14.6
	Pension substitute[3]	272	23.4	267	6.9	150	13.9	150	4.5
	Sum	**1,161**	**100**	**1,161**	**30.1**	**1,082**	**100**	**1,354**	**40.4**
Variable compensation	**Short-term variable compensation**								
	Bonus	0	0.0	0	0.0	0	0.0	0	0.0
	Long-term variable compensation[4]								
	Stock Awards tranche 2021	-	-	**734**	**19.0**	-	-	-	-
	Sum	**0**	**0.0**	**734**	**19.0**	**0**	**0.0**	**0**	**0.0**
	Early Exit Component[5]	-	-	1,965	50.9	-	-	2,000	59.6
	Total compensation	**1,161**	**100**	**3,860**	**100**	**1,082**	**100**	**3,354**	**100**

[1] Starting with fiscal year 2023, Tim Holt's target compensation is contractually agreed in US dollars. Conversion into euros for disclosure purposes is done for base salary (fiscal year 2025: US$916,700; fiscal year 2024: US$916,700) and fringe benefits (fiscal year 2025: US$69,416; fiscal year 2024: US$46,352) using the respective monthly average euro-US dollar exchange rate.

[2] For Tim Holt and Karim Amin, fringe benefits for fiscal year 2025 also include the monetary benefit for security installations in their homes including taxed assumed by the company, which were arranged by the company in accordance with Siemens Energy's current security policy. The monetary value of these installations, including taxes assumed by the company, is not subject to the upper limit for the monetary value of fringe benefits set at the beginning of the fiscal year. The monetary value for Tim Holt amounted to €886 (US$1,000, monthly average exchange rate May, 2025: 1€ = US$1.1277) and for Karim Amin €19,963. Furthermore, the fringe benefits for Tim Holt and Karim Amin also include benefits related to their places of employment in the United States and the United Arab Emirates, respectively. For Karim Amin, these benefits were higher in the fiscal year 2025 compared to the fiscal year 2024 due to rising tax advisor costs and tax equalization payments.

[3] The Supervisory Board decided for fiscal year 2025 and for fiscal year 2024 to grant Tim Holt and Karim Amin a pension substitute in cash. This is typically paid out in January of the following year. Tim Holt accrued the right to receive contributions to retirement plans in connection with his employment as Chairman of Siemens Energy Inc. (USA) amounting to US$110,004 (€99,501; fiscal year 2025: €1 = US$1.1056) for fiscal year 2025 and US$189,602 (€174,877; fiscal year 2024: €1 = US$1.0842) for fiscal year 2024. For fiscal year 2025 as well as for fiscal year 2024, contributions to US retirement plans were subtracted from the pension substitute granted (US$295,000), such that the difference of US$184,996 (€167,334) will be paid out for fiscal year 2025 and the difference of US$105,398 (€97,213) was paid out for fiscal year 2024.

[4] In October 2023, Karim Amin received 3,838 Siemens Energy Shares with a value at the time of €46,574 resulting from a grant he received in September 2020 under the Building Siemens Energy Incentive, an incentive plan that was granted to selected senior managers of the Company. Members of the Executive Board in September 2020 did not participate in the Building Siemens Energy Incentive. In November 2024, Karim Amin furthermore received 5,047 Siemens Energy shares with a value at the time of €233,222 resulting from a grant he received in November 2020 for his role as senior manager of Siemens Energy LLC.

[5] The amount of the Early Exit Component for Tim Holt was agreed and paid out in US dollars and amounted to US$2,171,600. In this presentation, the figures are shown in euros at the average EUR-USD exchange rate for the year of US$1.1056

Compensation awarded or due

Members of the Executive Board in office as of September 30, 2025 (*continued*)		**Anne-Laure de Chammard** **Member of the Executive Board** (Appointed November 2022)[1]				**Vinod Philip** **Member of the Executive Board** (Appointed October 2022)			
Fiscal year		2024		2025		2024		2025	
		k €	Share (in %)	k €	Share (in %)	k €	Share (in %)	k €	Share (in %)
Fixed compensation	Base salary	680	68.0	680	22.7	680	72.1	680	23.6
	Fringe benefits[1]	170	17.0	159	5.3	113	11.9	45	1.6
	Pension substitute[2]	150	15.0	150	5.0	150	15.9	150	5.2
	Sum	**1,000**	**100**	**989**	**33.1**	**942**	**100**	**875**	**30.4**
Variable compensation	**Short-term variable compensation**								
	Bonus	0	0.0	0	0.0	0	0.0	0	0.0
	Long-term variable compensation[3]								
	Stock Awards tranche 2021	-	-	-	-	-	-	-	-
	Sum	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
	Early Exit Component	-	-	2,000	66.9	-	-	2,000	69.6
	Total compensation	**1,000**	**100**	**2,989**	**100**	**942**	**100**	**2,875**	**100**

[1] For Anne-Laure de Chammard, fringe benefits include reimbursement of moving expenses, expenses in connection with maintaining a second residence at her place of employment in Berlin and the reimbursement of trips home. For Vinod Philip, the values shown for the 2025 fiscal years include the value of security installations in his home, including taxes assumed by the company, which were arranged by the company in accordance with Siemens Energy's current security policy. The value of these installations, including taxes assumed by the Company, is not subject to the upper limit for the monetary value of fringe benefits set at the beginning of the fiscal year. For fiscal year 2025 (2024), the monetary value of the security installations amounted to €8,733 (€75.821).

[2] The Supervisory Board decided for fiscal year 2025 and for fiscal year 2024 to grant Anne-Laure de Chammard and Vinod Philip a pension substitute in cash. This is typically paid out in January of the following year.

[3] In October 2023, Vinod Philip received 3,396 Siemens Energy Shares with a value at the time of €41,210 resulting from a grant he received in September 2020 under the Building Siemens Energy Incentive, an incentive plan that was granted to selected senior managers of the Company. Members of the Executive Board in September 2020 did not participate in the Building Siemens Energy Incentive. In November 2024, Vinod Philip furthermore received 5,552 Siemens Energy Shares with a value at the time of €252,172 resulting from a grant he received in November 2020 by Siemens Energy for his role as senior manager.

I. Commitments in connection with early termination of the Executive Board mandate

If an Executive Board member leaves the Executive Board during the fiscal year, the Bonus is paid out on a pro-rata basis on the regular payout date. The number of Stock Awards granted at the beginning of the fiscal year in which the member of the Executive Board exits is reduced on a pro-rata basis. Depending on the circumstances of the departure from the Executive Board, unvested Stock Awards grants can remain in place, be forfeited without replacement or be settled in cash.

A severance payment is typically made in the event of mutually agreed termination without good cause. In line with the recommendations of the German Corporate Governance Code, this payment is limited to two years of annual compensation or the remaining value of the contract ("severance cap"). The severance payment will be calculated based on the monthly base salary (pre-tax) and one twelfth of the actual Bonus received in the last fiscal year before termination and the granted Stock Awards, each multiplied by the total number of months between the early termination by mutual agreement and end of the remaining term of the contract, at most 24 months. In-kind compensation will be settled by payment of an amount equal to 5% of the severance payment. A one-time payment to compensate for the pension substitute will be provided at the point that the appointment ends by mutual agreement. The amount of the special contribution is calculated based on one twelfth of the pension substitute granted in the last fiscal year before the end of the appointment, multiplied by the total number of months between the early termination by mutual agreement and end of the remaining term of the contract, at most 24 months (cap).

Executive Board members' employment contracts do not include any post-contractual non-competition clause and therefore also do not foresee any compensation for this case. If a post-contractual non-compete clause is agreed on, the compensation payment will be offset against the non-compete compensation.

There are no special provisions for the event that a change of control event occurs, that is, neither special rights to terminate the contract nor severance payments.

J. Preview of Executive Board compensation for fiscal year 2026

With the federal guarantee ending in June 2025 and the associated restrictions on the Executive Board compensation having been lifted, the members of the Executive board can be granted or promised the regular variable compensation again.

Accordingly, the Executive Board members will again receive compensation at market levels for the fiscal year 2026, including both short-term and long-term variable compensation components (Bonus and Stock Awards).

With respect to variable compensation, the Supervisory Board annually defines performance criteria for the following fiscal year and sets targets for these objectives.

Concerning the short-term variable compensation, the Supervisory Board has utilized the option – in accordance with Section I.1.2 of the compensation system – of defining an alternative financial indicator in lieu of Free Cash Flow pre tax. In line with the compensation system, Comparable Revenue Growth will be taken into account in lieu of Free Cash Flow pre tax in fiscal year 2026. Due to stable ratings, good liquidity, strong margins, and normalized financing conditions, it is now possible to shift the focus away from cash flow and instead focus on addressing the order backlog, enhancing capacity, and improving operational speed. The Supervisory Board has also utilized the option – in accordance with Section I.1.2 of the compensation system – of setting the targets for the Executive Board members responsible for a business area at 50% at the business area level for the performance criteria Profit Margin before Special Items and Comparable Revenue Growth.

For the long-term variable compensation, the Supervisory Board has defined the ESG performance criterion "Inclusion & Belonging" instead of the previous ESG performance criterion "Women in Top Leadership Positions". This performance criterion takes into account the results of an annual employee survey on "Inclusion & Diversity" and "Collaboration & Sense of Belonging." Furthermore, the Supervisory Board has decided that the target values for the ESG performance criterion "CO_2 Emissions Scope 1 and 2" should align with an adjusted target path in accordance with the CO_2 strategy for CO_2 reduction by 2030.

The target values and the attainment of the respective performance criteria will be reported in the next compensation reports (Bonus; Stock Awards):

Performance criteria in the variable compensation for fiscal year 2026

Bonus		**Change compared to fiscal year 2023**
1/3	Profit Margin before Special Items	none
1/3	Comparable Revenue Growth	New financial performance criterion „Comparable Revenue Growth" instead of the performance criterion "Free Cash Flow pre tax".
1/3	Individual targets (all members)	For all members: customer satisfaction as well as health & safety and two additional area specific targets
Stock Awards		**Change compared to fiscal year 2023**
40%	Relative Total Shareholder Return (TSR)	none
40%	Earnings per Share (EPS), undiluted	none
20%	Environmental, Social & Governance (ESG)	• New ESG performance criterion „Inclusion & Belonging" instead of the previous performance criterion "Women in Top Leadership Positions". • Changed target path in accordance with the Siemens Energy strategy for CO_2 reduction by 2030

Furthermore, in accordance with the compensation system and as approved by the 2025 Annual Shareholder's Meeting, the Executive Board members will receive the promised one-off compensation for fiscal year 2026 consisting of a Retention Component, an Equity Component, and an Early Exit Component. This compensation was granted for the first fiscal year following the lifting of the compensation restrictions from the federal guarantee to incentivize the Executive Board members to continue their roles and further develop the company, despite their waiver of a significant portion of their regular compensation. The Early Exit Component was already paid – subject to the continued Executive Board position on October 1, 2025 – in fiscal year 2025, after the drawdown and rundown phase of the guarantee facility secured by the federal guarantee has ended early in June 2025.

The Retention Component is a fixed cash amount that the Executive Board members will receive in the first fiscal year following the end of the drawdown phase and the lifting of the compensation restrictions. The payment will be made in October 2025.

As part of the Equity Component, each Executive Board member will receive a provisional allocation of a fixed number of Stock Awards in fiscal year 2026. The roughly two-year vesting period will start at the beginning of fiscal year 2026. After the expiration of the vesting period, each Turnaround Stock Award entitles the holder to receive Siemens Energy Shares at no additional cost. The number of Siemens Energy Shares to be transferred after the expiration of the vesting period will depend on the achievement of the performance criteria Relative Total Shareholder Return (TSR) and undiluted Earnings Per Share (EPS) (each weighted at 40%) and Environmental, Social & Governance (ESG) (weighted at 20%). The benchmark for the performance criterion TSR is the industry index "STOXX Global 1800 Industrial Goods & Services (Gross Return)." Under the ESG performance criterion, two metrics have been defined, each with a weighting of 50%: Environmental: CO_2 Emissions Scope 1 and 2, and Social: Employee Engagement.

The specific payout amounts for the one-off compensation components and the corresponding target achievements of their performance-related components will be disclosed in the compensation reports for the upcoming fiscal years 2026, 2027, and 2028.

4.6.2 Supervisory Board compensation

The compensation of the Supervisory Board is set by Section 12 of the Company's Articles of Association. The compensation and corresponding amendment of the Articles of Association to adjust the compensation was confirmed by the Annual Shareholders' Meeting on February 20, 2025, with 99.56% of the votes cast. Supervisory Board compensation consists solely of fixed compensation and reflects the level of responsibility and scope of activities required of members. The Chair and Deputy Chair receive additional compensation. The same applies to the chair and the membership in committees of the Supervisory Board – except for the Nomination Committee and the Mediation Committee – provided the respective committee is formed permanently (currently the Presiding Committee as well as the Audit Committee, Remuneration Committee, Sustainability and Finance Committee and the Committee for Digitalization and Artificial Intelligence formed on February 20, 2025). For participation in Supervisory Board meetings and committee meetings, each member receives €1,500 per meeting but no more than €3,000 per day in case more than one of such meetings is held on the same day. Members of the Siemens Gamesa Special Committee, which was dissolved as of November 7, 2024, did not receive any compensation in fiscal year 2025 for belonging to the committee but were paid attendance fees for participating in committee meetings.

Members of the Supervisory Board and (or) its committees who have held office for less than a full fiscal year receive their compensation on a pro-rata temporis basis. Members of the Supervisory Board are reimbursed for expenses incurred in the course of performing their duties, including any taxes applicable on those expenses. The Chair of the Supervisory Board is also provided an office with administrative support.

Compensation for the members of the Supervisory Board and its committees

Fixed compensation of the Supervisory Board

Chair	Deputy Chair	Member
€240,000	€180,000	€120,000

Additional compensation for committee work [1]

Audit Committee		Presiding Committee		Remuneration Committee Sustainability and Finance Committee Committee for Digitalization and AI [2]	
Chair	**Member**	**Chair**	**Member**	**Chair**	**Member**
€120,000	€60,000	€120,000	€60,000	€70,000	€40,000

[1] Members of the Special Committee Siemens Gamesa (dissolved on November 7, 2024), the Mediation Committee and the Nomination Committee do not receive compensation for their work on that committee.

[2] Formed with effect from February 20, 2025.

Compensation awarded comprises the compensation paid for the fiscal year in which the activity on which the compensation is based is performed in full. Compensation due refers to the compensation that is due in a fiscal year but has not yet been paid. The members of the Supervisory Board received the following compensation for fiscal years 2025 and 2024:

Compensation awarded or due

		Base compensation		Committee compensation		Attendance fees		Sum
Members of the Supervisory Board in office as of September 30, 2025	FY	In €	Share (in %)	In €	Share (in %)	In €	Share (in %)	In €
Joe Kaeser[3] (Chair)	2025	240,000	47.6	230,000	45.6	34,500	6.8	504,500
	2024	240,000	45.1	238,333	44.8	54,000	10.1	532,333
Robert Kensbock[1,3] (1. Deputy Chair)	2025	180,000	40.1	226,667	50.5	42,000	9.4	448,667
	2024	180,000	42.5	183,333	43.3	60,000	14.2	423,333
Dr. Hubert Lienhard[3] (2. Deputy Chair)	2025	180,000	44.1	193,333	47.4	34,500	8.5	407,833
	2024	180,000	46.9	140,833	36.7	63,000	16.4	383,833
Günter Augustat[1]	2025	120,000	67.4	40,000	22.5	18,000	10.1	178,000
	2024	120,000	66.9	40,000	22.3	19,500	10.9	179,500
Manfred Bäreis[1]	2025	120,000	60.6	60,000	30.3	18,000	9.1	198,000
	2024	120,000	59.7	60,000	29.9	21,000	10.4	201,000
Manuel Bloemers[1,3]	2025	120,000	69.2	40,000	23.1	13,500	7.8	173,500
	2024	120,000	73.0	23,333	14.2	21,000	12.8	164,333
Anja-Isabel Dotzenrath[2] (since Feb. 2025)	2025	80,000	69.2	26,667	23.1	9,000	7.8	115,667
Dr. Andrea Fehrmann[1]	2025	120,000	60.6	60,000	30.3	18,000	9.1	198,000
	2024	120,000	59.7	60,000	29.9	21,000	10.4	201,000
Dr. Andreas Feldmüller[3]	2025	120,000	67.4	40,000	22.5	18,000	10.1	178,000
	2024	120,000	73.0	23,333	14.2	21,000	12.8	164,333
Nadine Florian[1]	2025	120,000	63.8	51,667	27.5	16,500	8.8	188,167
	2024	120,000	55.9	60,000	28.0	34,500	16.1	214,500
Sigmar Gabriel	2025	120,000	66.2	43,333	23.9	18,000	9.9	181,333
	2024	120,000	74.9	26,667	16.6	13,500	8.4	160,167
Prof. Dr. Veronika Grimm	2025	120,000	90.9	0	0.0	12,000	9.1	132,000
	2024	80,000	87.0	0	0.0	12,000	13.0	92,000
Jürgen Kerner[1]	2025	120,000	48.3	100,000	40.2	28,500	11.5	248,500
	2024	120,000	45.5	100,000	38.0	43,500	16.5	263,500
Simone Menne	2025	120,000	60.6	60,000	30.3	18,000	9.1	198,000
	2024	80,000	61.3	40,000	30.7	10,500	8.0	130,500
Laurence Mulliez	2025	120,000	46.2	120,000	46.2	19,500	7.5	259,500
	2024	120,000	44.7	120,000	44.7	28,500	10.6	268,500
Thomas Pfann[1]	2025	120,000	66.7	43,333	24.1	16,500	9.2	179,833
	2024	120,000	66.9	40,000	22.3	19,500	10.9	179,500
Matthias Rebellius	2025	120,000	74.9	26,667	16.6	13,500	8.4	160,167
	2024	120,000	73.3	16,667	10.2	27,000	16.5	163,667
Cornelia Schau[1]	2025	120,000	92.0	0	0.0	10,500	8.0	130,500
	2024	80,000	91.4	0	0.0	7,500	8.6	87,500
Geisha Jimenez Williams	2025	120,000	67.4	40,000	22.5	18,000	10.1	178,000
	2024	120,000	64.2	40,000	21.4	27,000	14.4	187,000
Prof. Dr. Feiyu Xu[2] (since Feb. 2025)	2025	80,000	50.4	66,667	42.0	12,000	7.6	158,667

		Base compensation		Committee compensation		Attendance fees		Sum
Supervisory Board members who left in fiscal year 2025	FY	In €	Share (in %)	In €	Share (in %)	In €	Share (in %)	In €
Dr. Christine Maria Bortenlänger[2,3] (bis Feb. 2025)	2025	50,000	48.2	41,667	40.2	12,000	11.6	103,667
	2024	120,000	51.8	83,333	35.9	28,500	12.3	231,833
Hildegard Müller[2] (bis Feb. 2025)	2025	50,000	59.5	25,000	29.8	9,000	10.7	84,000
	2024	120,000	68.0	40,000	22.7	16,500	9.3	176,500
Sum	**2025**	**2,660,000**	**57.8**	**1,535,000**	**33.3**	**409,500**	**8.9**	**4,604,500**
	2024	2,520,000	57.2	1,335,834	30.3	549,000	12.5	4,404,834

[1] These employee representatives on the Supervisory Board as well as representatives of the labor unions on the Supervisory Board have elected to transfer their compensation to the Hans Boeckler Foundation, in line with the guidelines of the Confederation of German Trade Unions.

[2] These shareholder representatives were appointed as members of the Supervisory Board of Siemens Energy AG during the year or left the Supervisory Board during the year. Their base compensation and committee compensation for fiscal year 2025 were therefore determined on a pro-rata temporis basis, rounded up to the next full month.

[3] The compensation for fiscal year 2024 was reported as slightly higher for these Supervisory Board members in the 2024 compensation report due to a calculation error.

4.6.3 Other

The Company provides a directors' and officers' liability group insurance policy for Supervisory and Executive Board members and certain other employees of the Siemens Energy Group. The policy is taken out for and renewed one year at a time. It covers the personal liability of the insured individuals in cases of financial loss associated with their activities on behalf of the Company. With effect from their appointment as members of the Executive Board, these individuals are subject to a mandatory deductible that complies with the requirements of the German Stock Corporation Act.

4.6.4 Comparative presentation

In accordance with Section 162 para. 1 s. 2 No. 2 of the German Stock Corporation Act, the following table shows the change in compensation for members of the Executive Board and members of the Supervisory Board in comparison to the average compensation of the workforce in Germany on a full-time equivalent basis. Further, change over time in the Company's financial performance is reported on the basis of two performance criteria that are used for managing the Group.

The Sustainability and Finance Committee as well as the Related Party Transaction Committee (dissolved as of September 30, 2023) were constituted on December 3, 2020. The members of these committees received compensation for work on committees on a pro-rata temporis basis, rounded up to the next full month. Therefore, part of the increase in compensation for fiscal year 2022 is due to the fact that the committees were active for the entire fiscal year. The Remuneration Committee was constituted on March 1, 2024; the Committee for Digitalization and Artificial Intelligence was constituted on February 20, 2025. The members of these committees also received compensation for work on committees on a pro-rata basis, rounded up to the next full month.

Comparative presentation – Change in the compensation of the members of governing bodies, the average compensation of employees and the profit situation of the Company

		2021	2022	In %	2023	In %	2024	In %	2025	In %
Development of compensation (in k €)										
Executive Board (in office as of September 30, 2025)	Dr.-Ing. Christian Bruch (President & CEO)	3,418	3,524	3%	3,333	(5)%	2,121	(36)%	6,605	211%
	Maria Ferraro	1,671	1,720	3%	1,812	5%	1,154	(36)%	3,896	237%
	Tim Holt	1,610	1,901	18%	1,971	4%	1,161	(41)%	3,860	233%
	Karim Amin	-	892	-	1,583	77%	1,082	(32)%	3,354	210%
	Anne-Laure de Chammard	-	-	-	3,405	-	1,000	(71)%	2,989	199%
	Vinod Philip	-	-	-	1,429	-	942	(34)%	2,875	205%
EBM who left in FY 2022	Dr.-Ing. Jochen Eickholt	1,715	2,112	23%	-	-	-	-	-	-
Supervisory Board (in office as of September 30, 2025)[1]	Joe Kaeser (Chair)[5]	508	535	5%	526	(2)%	532	1%	505	(5)%
	Robert Kensbock[5] (1. Deputy Chair)	357	427	19%	419	(2)%	423	1%	449	6%
	Dr. Hubert Lienhard[5] (2. Deputy Chair)	299	318	6%	316	0%	384	21%	408	6%
	Günter Augustat	154	177	15%	174	(2)%	180	3%	178	(1)%
	Manfred Bäreis	175	201	15%	200	(1)%	201	1%	198	(1)%
	Manuel Bloemers[5]	-	12	-	129	1,022%	164	27%	174	6%
	Anja-Isabel Dotzenrath	-	-	-	-	-	-	-	116	-
	Dr. Andrea Fehrmann	175	201	15%	200	(1)%	201	1%	198	(1)%
	Dr. Andreas Feldmüller[5]	154	172	12%	171	(1)%	164	(4)%	178	8%
	Nadine Florian	175	201	15%	207	3%	215	4%	188	(12)%
	Sigmar Gabriel	165	172	4%	171	(1)%	160	(6)%	181	13%
	Prof. Dr. Veronika Grimm	-	-	-	-	-	92	-	132	43%
	Jürgen Kerner	213	255	20%	256	1%	264	3%	249	(6)%
	Simone Menne	-	-	-	-	-	131	-	198	52%
	Laurence Mulliez	200	251	26%	267	6%	269	1%	260	(3)%
	Thomas Pfann	-	15	-	172	1,060%	180	4%	180	0%
	Matthias Rebellius	165	175	6%	180	3%	164	(9)%	160	(2)%
	Cornelia Schau	-	-	-	-	-	88	-	131	49%
	Geisha Jimenez Williams	168	177	5%	174	(2)%	187	8%	178	(5)%
	Prof. Dr. Feiyu Xu	-	-	-	-	-	-	-	159	-
SBM who left in FY 2025	Dr. Christine Maria Borten-länger[5]	234	243	3%	241	(1)%	232	(4)%	104	(55)%
	Hildegard Müller	190	202	6%	201	(1)%	177	(12)%	84	(52)%
SBM who left in FY 2024	Horst Hakelberg	154	172	12%	178	3%	62	(65)%	-	-
	Prof. Dr. Ralf P. Thomas	261	216	(17)%	201	(7)%	86	(57)%	-	-
	Randy Zwirn	131	131	0%	135	3%	62	(54)%	-	-
SBM who left in FY 2022	Rüdiger Groß	152	160	5%	-	-	-	-	-	-
	Hagen Reimer	119	119	0%	-	-	-	-	-	-
Workforce in Germany[2]	Excl. SG	104	107	3%	111	4%	-	-	-	-
	Incl. SG	-	-	-	109	-	116	6%	120	4%

Comparative presentation – Change in the compensation of the members of governing bodies, the average compensation of employees and the profit situation of the Company (continued)

	2021	2022	In %	2023	In %	2024	In %	2025	In %
Development of the Company's profit situation									
Siemens Energy AG: Net profit (in millions of €)[3]	172	(6)	(177)	48	53	89	41	663	574
Siemens Energy Group: Profit Margin before Special Items[4]	2.3%	1.3%	(1,0)PP	(8,9)%	(10,2)PP	1.0%	9,9PP	6,0%	5,0PP
Siemens Energy Group: Undiluted Earnings per Share (EPS; in €)	(0.63)	(0.56)	0.07	(5.47)	(4.91)	1.37	6.84	1.63	0.26

[1] With the exception of Anja-Isabel Dotzenrath and Prof. Dr. Feiyu Xu, the shareholder representatives were appointed as members of the Supervisory Board of Siemens Energy AG via resolution of the Extraordinary Shareholders' Meeting on August 20, 2020, with effect from September 25, 2020. Anja-Isabel Dotzenrath and Prof. Dr. Feiyu Xu were appointed as members of the Supervisory Board via resolution of the Shareholders' Meeting on February 20, 2025. The employee representatives Manuel Bloemers and Thomas Pfann were appointed as members of the Supervisory Board of Siemens Energy AG by a resolution of the Munich District Court on August 2, 2022, effective from September 1, 2022. The employee representative Cornelia Schau was appointed as a member of the Supervisory Board of Siemens Energy AG with effect from February 26, 2024. Their base compensation for fiscal year 2022 and 2024 and 2025, respectively, is determined on a pro-rata temporis basis, rounded up to the next full month (fiscal year 2022 = 1/12 months, fiscal year 2024 = 8/12 months; fiscal year 2025 = 8/12 months). The remaining employee representatives were appointed to the Supervisory Board of Siemens Energy AG by a resolution of the Munich District Court on November 10, 2020.

[2] From fiscal year 2023, the disclosed total workforce in Germany comprises employees (full time equivalent as of September 30 of the fiscal year) of Siemens Energy in Germany including Siemens Gamesa (SG) (fiscal year 2025: 26,549, fiscal year 2024: 25,644, fiscal year 2023: 25,073). Until fiscal year 2023, the disclosed total workforce comprised employees of Siemens Energy in Germany excluding Siemens Gamesa (fiscal year 2023: 21,921; fiscal year 2022: 21,882; fiscal year 2021: 22,424). This figure excludes interns, working students, doctoral students and trainees. Compensation for the workforce is calculated based on personnel expenses recorded for the fiscal year, less expenses for the Executive Board's compensation, divided by the number of employees. In order to maintain comparability with compensation for the Executive and Supervisory Boards, the disclosed average compensation of the workforce consists of the following elements: wages and salaries, variable compensation elements, capital accumulation benefits, one-off payments, specific allocations, employer contributions to social insurance plans, statutory accident insurance, employer allowance for health and long-term care insurance for privately insured and voluntarily publicly insured individuals, employer contributions to the public pension system, as well as expenses for shares that were transferred to employees as part of the Direct Match Program, an employee share purchase plan. One-off Stock Awards and share awards to managers and employees under special share-based compensation programs in connection with the spin-off of Siemens Energy from the Siemens Group granted in fiscal year 2021 are not included since the Executive Board did not receive any similar payments or equity grants. If these programs were considered, the average compensation for the workforce in Germany for fiscal year 2021 would be €1,984 higher than disclosed above. No such awards were granted in fiscal years 2022, 2023, 2024 and 2025.

[3] Percentage change of the net profit of Siemens Energy AG: fiscal year 2022: (103)%; fiscal year 2023: 896%; fiscal year 2024: 87%; fiscal year 2025: 648%.

[4] Fiscal years 2021-2022: Adjusted EBITA Margin before Special Items.

[5] The remuneration for FY 2024 was reported as slightly higher for these Supervisory Board members in the 2024 compensation report due to a calculation error.

Siemens Energy AG

The Executive Board

The Supervisory Board

4.7 Independent auditor's report on the audit of the compensation report prepared to comply with Section. 162 AktG ["Aktiengesetz": German Stock Corporation Act]

To Siemens Energy AG, Munich

Report on the audit of the compensation report

We have audited the attached compensation report of Siemens Energy AG, Munich, for the financial year from October 1, 2024 to September 30, 2025, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the management and the Supervisory Board

The management and the Supervisory Board of Siemens Energy AG are responsible for the preparation of the compensation report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the compensation report that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this compensation report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report, including the related disclosures, is free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the compensation report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the compensation report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the compensation report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's system internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the compensation report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the compensation report for the financial year from October 1, 2024 to September 30, 2025, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal audit of the compensation report

The substantive audit of the compensation report described in this independent auditor's report includes the formal examination of the compensation report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the compensation report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the compensation report.

Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to Siemens Energy AG, are set out in the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on January 1, 2024. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Munich, December 10, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German Version signed by:]

Dr. Dietz	Schmitt
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Published by

Siemens Energy AG
Otto-Hahn-Ring 6

81739 München

Media Relations: press@siemens-energy.com
Investor Relations: investorrelations@siemens-energy.com

siemens-energy.com