Sustainability at Siemens
Why to invest in Siemens

Investor Relations
Siemens sustainability track record
We have more than 15 years of leadership....

UN Global Compact
Carbon-neutral pledge
Charter of Trust
Eco Efficiency @Siemens


Environmental Portfolio
Business to Society®

Siemens sustainability framework

© CLIMATE GROUP
EP100
© CLIMATE GROUP
EV100
© CLIMATE GROUP
RE100
Siemens sustainability rating scores at a glance
…and a widely recognized sustainability performance

**Rating highlights**

- Green products and service / eco-design
- Compliance management system
- Environmental management system
- Customer relationship management
- Cybersecurity program
- Innovation management

**81 pts**

- More than 20 years in the World Index (top 10%), leading position: #1 in industry

**30.2 pts**

- High exposure similar to sub-industry average, strong management of ESG risks, among top 10% in Industrial Conglomerates industry

**AA**

- Constant leader for five years (AAA/AA)

**67 pts**

- Amongst top 4% of companies rated in the same industry

**A-**

- Over 10 years at leadership level (A/A-) in Climate Change

**1**

- Top rating in Quality score Environmental and Social

**Prime**

- Prime status in ESG Corporate Ratings since 2016

**59 pts**

- Constituent of the VigeoEiris EUROZONE 120 index since 2020
Siemens sustainability ecosystem commitments
Global challenges need a global approach to partners and standards

<table>
<thead>
<tr>
<th>Environment and climate</th>
<th>Social</th>
<th>Governance</th>
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</thead>
<tbody>
<tr>
<td>• Science Based Targets initiative (SBTI): 1.5 degree Celsius target commitment</td>
<td>• International Bill of Human Rights</td>
<td>• UN Agenda 2030 incl. 17 Sustainable Development Goals (SDGs)</td>
</tr>
<tr>
<td>• EV100, EP100, RE100 initiatives</td>
<td>• UN Guiding Principles on Business and Human Rights, UN Global Compact Women’s Empowerment Principles</td>
<td>• 10 Principles of UN Global Compact, UN Convention against Corruption (UNCAC)</td>
</tr>
<tr>
<td>• UN Framework Convention on Climate Change (UNFCC)</td>
<td>• OECD Due Diligence Guidance for Responsible Chains of Minerals from Conflict-Affected and High-Risk Areas</td>
<td>• OECD Guidelines for Multinational Enterprises</td>
</tr>
<tr>
<td>• WEF Alliance of CEO Climate Leaders</td>
<td>• International Labour Organization (ILO), e.g. Declaration on Fundamental Principles and Rights at Work, Vision Zero Fund</td>
<td>• OECD Anti-Bribery Convention</td>
</tr>
<tr>
<td>• WEF Alliance for Clean Air</td>
<td>• Healthy Workplaces Lighten the Load</td>
<td>• WEF Partnering Against Corruption Initiative (PACI)</td>
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<tr>
<td>• Carbon Pricing Leadership Coalition (CPLC)</td>
<td>• Charter of Trust</td>
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<tr>
<td>• EU Commission’s Circular Plastics Alliance</td>
<td></td>
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<tr>
<td>• UN CEO Water Mandate</td>
<td></td>
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<tr>
<td>• EU Business @ Biodiversity membership</td>
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Disclosure
Supporting the Task Force on Climate related Financial Disclosures
Mapping acc. to Sustainability Accounting Standards Board

Limited Assurance in line with Global Reporting Initiative
Reporting in line with CDP
Our DEGREE framework
360° view on Siemens priorities in our sustainability offerings and in own operations

Sustainability Offerings
- Ecarbonization: support the 1.5°C target to fight global warming
- Ethics: foster a culture of trust, adhere to ethical standards, and handle data with care
- Governance: apply state-of-the-art systems for effective and responsible business conduct
- Resource efficiency: achieve circularity and dematerialization
- Equity: foster diversity, inclusion, and community development to create a sense of belonging
- Employability: enable our people to stay resilient and relevant in a permanently changing environment

Sustainability in own Operations
Our **DEGREE** framework sets clear and measurable ambitions

<table>
<thead>
<tr>
<th>Decarbonization</th>
<th>Baseline</th>
<th>Progress until end of FY 21</th>
<th>Ambitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Net zero operations by 2030 in line with SBTi pathway¹ (Scope 1 and 2)</td>
<td>FY 19: 926 kt CO₂</td>
<td>-36%</td>
<td>-50% by 2030</td>
</tr>
<tr>
<td>2. Net zero supply chain by 2050, 20% emissions reduction by 2030</td>
<td>FY 20: 8,098 kt CO₂e</td>
<td>-1%</td>
<td>-20% by 2030</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Ethics</th>
<th>From FY20</th>
<th>Suppliers committed</th>
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</thead>
<tbody>
<tr>
<td>3. Striving to train 100% of our people on Siemens’ Business Conduct Guidelines every three years</td>
<td>--</td>
<td>ESG criteria anchored</td>
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</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Governance</th>
<th>--</th>
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<tbody>
<tr>
<td>4. ESG-secured supply chain based on supplier commitment to the Supplier Code of Conduct</td>
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<tr>
<td>5. Long-term incentives based on ESG criteria²</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Resource efficiency</th>
<th>FY 21: 26%</th>
<th>26%</th>
<th>100% by 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Next-level robust eco design for 100% of relevant Siemens product families by 2030</td>
<td>FY 21: 7,000 t</td>
<td>7,000 t</td>
<td>-50% by 2025</td>
</tr>
<tr>
<td>7. Natural resource decoupling through increased purchase of secondary materials for metals and resins³</td>
<td>--</td>
<td>Part of Eco Efficiency @ Siemens</td>
<td>--</td>
</tr>
<tr>
<td>8. Circularity through waste-to-landfill reduction of 50% by 2025 and toward zero landfill waste by 2030</td>
<td>FY 21: 7,000 t</td>
<td>7,000 t</td>
<td>-50% by 2025</td>
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</table>

<table>
<thead>
<tr>
<th>Equity</th>
<th>FY 20: 22.7%</th>
<th>27.5%</th>
<th>30% by 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. 30% female share in top management by 2025</td>
<td>FY 21: 98%</td>
<td>98%</td>
<td>100%</td>
</tr>
<tr>
<td>10. Access to employee share plans: maintain high level and expand globally to 100 %⁴</td>
<td>--</td>
<td>Roll-out continued</td>
<td>--</td>
</tr>
<tr>
<td>11. Global commitment to the New Normal Working Mode⁵</td>
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</table>

<table>
<thead>
<tr>
<th>Employability</th>
<th>FY 20: 7h</th>
<th>-2.5%</th>
<th>x2 by 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. Double digital learning hours by 2025</td>
<td>FY 20: 82%</td>
<td>87%</td>
<td>100% by 2025</td>
</tr>
<tr>
<td>13. Access to employee assistance program: maintain high level and expand globally to 100% by 2025</td>
<td>FY 20: 0.31</td>
<td>--</td>
<td>-30% by 2025</td>
</tr>
<tr>
<td>14. 30% improvement in Siemens’ globally Aggregated LTIFR⁶ by 2025</td>
<td>--</td>
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</tbody>
</table>

¹ Science Based Targets Initiative inclusive of Siemens Healthineers equivalent to 50% reduction in emissions from business operations (scope 1 and 2) by 2030.
² Assessment based on the Siemens internal ESG/Sustainability index, based on customer satisfaction (Net Promoter Score), CO₂ reduction, training hours.
³ Product specifications for the use of secondary plastics are in development.
⁴ Where legally possible and reasonable.
⁵ For employees with job profiles that make this possible and reasonable.
⁶ LTIFR: Lost Time Injury Frequency Rate (Siemens employees and temporary workers).
De-carbonization

- Already in 2015: 1st major industrial company to commit to net zero in own operations by 2030; 54% reduction by 2020 compared to 2014
- SBTi commitment and EV100, EP100, RE100 joiner
- Strong offering of decarbonization solutions in all businesses; saved at least ~88 million tons of CO2 emission in FY 21 at customers

DEGREE targets:
- Net zero operations by 2030 in line with SBTi pathway
- Net zero supply chain by 2050, -20% emissions by 2030

Ethics

- 181,000 employees trained on Business Conduct Guidelines in FY2020, promoting compliance
- Charter of Trust initiative founded to drive cybersecurity with cross-industry and global partners
- Data privacy management system and cybersecurity trainings

- Striving to train 100% of our people on Siemens’ Business Conduct Guidelines every 3 years

Governance

- Strong ESG / sustainability governance
- Code of Conduct with clear ESG requirements for suppliers and third party intermediaries
- AI-based “ESG Radar” due diligence tool for ESG risk assessment successfully rolled out

- ESG secured supply chain based on supplier commitment to the Supplier Code of Conduct
- Long-term incentives based on ESG criteria
**Resource efficiency**

achieve circularity and dematerialization

**Eco Efficiency @ Siemens program:**
- 26% of relevant product families with **robust ecodesign**
- **Secondary materials:** 38% of metals to manufacture products purchased from recycled sources
- **Landfill:** 94% recycling / recovery rate

**DEGREE targets:**
- 100% of relevant Siemens product families by 2030 covered by **robust eco design criteria**
- Natural resource decoupling through **purchase of secondary materials for metals and resins**
- Strive to zero landfill waste by 2030

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**Equity**

foster diversity, inclusion and community development to create a sense of belonging

- **> 27.5% top management positions** held by women
- ~ 180,000 Siemens employees own Siemens shares
- Embracing diversity
- **>500 projects for societal cohesion & quality of life**

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**Employability**

enable our people to stay resilient and relevant in a permanently changing environment

- **€165 million investment in education and training,** >100,000 digital employee learning opportunities
- FY21: 4,711 apprentices & dual students; ~ 1 million PLM **software licenses** sponsored for universities
- FY21: 13% improvement in **employee accident rate**
- Double digital learning hours by 2025
- Access to employee assistance program: expand globally to 100%  
- 30% improvement in Siemens’ **LTIFR** by 2025

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**Eco Efficiency @ Siemens program:**
- 26% of relevant product families with **robust ecodesign**
- **Secondary materials:** 38% of metals to manufacture products purchased from recycled sources
- **Landfill:** 94% recycling / recovery rate

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1. Where legally possible and reasonable
2. Aim of the concept: Enabling employees worldwide to work on a mobile basis for an average of two or three days a week, whenever feasible
3. LTIFR: Lost time injury frequency rate
Sustainability Offerings

Societal impact
Technology with purpose: creating impact for customers, suppliers, investors, people and the planet

Sustainability in own Operations
Decarbonization, resource efficiency and people centricity through all businesses

**Industry**
- Holistic decarbonization programs including financing solutions
- Smart building offerings incl. software and digital services for optimized energy efficiency
- Improved space & asset utilization
- Increased safety, security, indoor climates and air quality in buildings and infrastructure

**Buildings**
- Software, low/medium-voltage equipment for renewable integration and electrification
- EV-charging infrastructure & services for decarbonized mobility
- Power monitoring and analytics for increased energy efficiency
- Smart electrical products protecting people and assets

**Electrification**
- Trains are the most eco-friendly mode of transportation and a key lever for decarbonization
- Increased energy efficiency via automation and digitalization
- Comfort and well-being for passengers: safety, punctuality, capacity

**Mobility**
- Digital Enterprise portfolio based on data, digitalization, and automation, enabling industry to:
  - Design and manufacture more sustainable products
  - More resource & energy efficiency through smarter production
  - Manage product CO₂ footprints across value chains
  - Foster safe, healthy, and people centric environments

- Smart electrical products protecting people and assets
## Sustainability Offerings

<table>
<thead>
<tr>
<th>Industry</th>
<th>Buildings</th>
<th>Electrification</th>
<th>Mobility</th>
<th>Siemens Financial Services</th>
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<tbody>
<tr>
<td><strong>Decarbonization</strong></td>
<td><strong>Resource efficiency</strong></td>
<td><strong>People</strong></td>
<td><strong>Decarbonization programs</strong></td>
<td><strong>Optimized space utilization</strong></td>
</tr>
<tr>
<td>Digital Twin for sustainable product design across the lifecycle</td>
<td>Digital Twin for reduced material, water and energy usage</td>
<td>Digital Twin workflow and workstation design and simulation</td>
<td>Smart building offerings for increased safety, security, indoor climates and air quality</td>
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<tr>
<td>Production optimization</td>
<td>Innovative production technologies such as additive manufacturing</td>
<td>Health and safety in manufacturing</td>
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<tr>
<td>Transparent product Carbon Footprint Management</td>
<td>Circular lifecycle management</td>
<td>Smooth human-robot interaction</td>
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<tr>
<td><strong>People</strong></td>
<td><strong>People</strong></td>
<td><strong>People</strong></td>
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<td><strong>People</strong></td>
</tr>
<tr>
<td><strong>Optimized space utilization</strong></td>
<td><strong>Asset performance management</strong></td>
<td><strong>Secure and resilient power supply</strong></td>
<td><strong>Data-driven services for increased system capacity, availability, and reliability</strong></td>
<td><strong>Financing new clean technologies, new business models and sustainable innovation</strong></td>
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<tr>
<td></td>
<td>Digital and remote services</td>
<td><strong>Increased operator and user safety</strong></td>
<td><strong>Mobility as a Service offerings</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Digital and remote services</strong></td>
<td><strong>Protection of assets</strong></td>
<td><strong>Advanced user experience</strong></td>
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</table>
Customer CO₂ impact
Our products save >100x more CO₂ than caused in our own operations

~88,000 kt CO₂
annual savings from products installed by our customers

Based on Environmental Portfolio (31% of revenues)
Definition consistently applied for >15 years does not reflect full Siemens Scope 4 Impact as it does not include CO₂-savings from important portfolio elements such as Software or Automation. Planned to be updated along with implementation of EU Taxonomy disclosure

~600 kt CO₂
emissions caused by Siemens’ own operations in FY21
Scope 1 and 2
Most advanced digital factory for Motion Control – benefitting from our portfolio’s strength

Customer challenge
• Build a new lighthouse factory for Motion Control in Nanjing to cover the need of the fast growing Chinese market
• Show full potential of Siemens’ automation and digitalization capabilities to customers
• Plan and optimize with digital twin

Solution
• Holistic approach using the full-fledged Siemens DI portfolio
• Planned and optimized with digital twin before factory was built

Customer benefit
• +20% productivity
• +30% volume flexibility
• +50% material replenishment
• 40,000 m³ less water consumption p.a.
• 2,900 ton less CO₂ p.a.
COCA-COLA HELLENIC BOTTLING COMPANY

Reduced energy usage and improved sustainability

Customer challenge
Improve bottling plant efficiency and reduce emergency downtime

Solution
• Implement an end-to-end solution
• Developed MindSphere app for predictive maintenance
• Connect machines from sensors to edge to cloud

Customer benefit
• >4% reduction in equipment performance loss
• 13% energy use reduction; 110,000 EUR savings in first year
• Eliminated 4 emergency downtimes in first 6 months
Large carbon footprint from supermarkets due to inefficient refrigerators

Industry customer example

WILLIAMS ADVANCED ENGINEERING
Accelerating sustainable industrial innovation through digitalization

Customer challenge
Large carbon footprint from supermarkets due to inefficient refrigerators

Solution
• Digital Twin technology to develop new high performance air wings using Simcenter
• Control the fridge’s cold air curtain by installing novel air wings at the edge of fridge shelves

Customer benefit
• 1.103 TWh of energy saved
• 307k tons CO₂ avoided
• £151m saved by supermarkets
Clean waterways with artificial intelligence and IoT

Customer challenge

• Remove blockages and minimize the probability of a release of sewage water into rivers of Yorkshire to prevent flooding in public areas
• Cut pollution incidents by 50 percent within its Incident Reduction Plan 2020-2050

Solution

• Evaluating combined sewer overflow behavior in real time and providing a better understanding of the system’s performance of any issues
• Identifies if a sewer is blocked, not operating correctly, or if a sewer system is soon to have operational issues

Customer benefit

• Pinpoints problems within the network, more time to act and increases your operational efficiency
• Reduces flooding risks, pollution incidents, and sewer collapse
• 2 weeks earlier warning time, 3 times more effective predictions
Morgan State University wants to transform into a smart, sustainable, and efficient campus.

Strategic Energy & Sustainability master plan defines 4-phase campus modernization and transformation.

- Delivering a smart campus foundation with Desigo CC integrated automation, HVAC, security, fire and life safety systems, with a focus on energy efficiency, resiliency and sustainability (phase 1).
- Addressing utility systems, renewable energy and enabled digital services for continuous improvement & optimization (phase 2).

Improved infrastructure and operational excellence.

Deliver a healthy, safe, secure, and resilient campus setting.

- ~$10 million guaranteed savings in phase 1.
- >65% planned greenhouse gas emission reduction.
University of Birmingham needs a strong partner to achieve its carbon neutrality goal that can deploy technology to identify the optimal pathway to net zero.

The University of Birmingham, in partnership with Siemens, is combining digital sensor (23,000 Enlighted IoT sensors) and analytics technologies, artificial intelligence, decentralized energy generation and storage, renewable energy and concepts that help change users’ behavior to transform the University’s Edgbaston and Dubai campuses into the world’s smartest global campus.

Completely decarbonized campus will offer an attractive environment for students, creating a ‘Living Lab’.

University will play a leading role in energy efficiency and the use of renewable energy sources.

Reduction of ~3,000 tons of CO₂ annually.

A partnership to create the smartest and most sustainable university campus in the world.
Microgrid system supports community’s green ambitions on Terceira Island

Customer challenge
- Utility company EDA is increasing its share of renewables in the energy mix, while the rising demand from e-cars and higher load fluctuations from more prosumers challenge grid stability
- Lower costs and reduce reliance on diesel generation without sacrificing energy supply quality and reliability for islanders

Solution
- Installation of microgrid management system for real-time monitoring and prediction of energy consumption and production
- Implementation of an autonomous battery-based energy storage system to allow optimization of energy mix and boost resilience

Customer benefit
- Increased share of renewables in energy mix to ~60%
- Reduction of annual CO₂ emissions by more than 3,500 tons
- Grid resilience enhanced by supply diversity
- Cost reduction in comparison to diesel alone
FORD MOTOR COMPANY

Customized Electric Vehicle Charger for All-Electric F-150 Lightning

Customer challenge

• Unlock the full potential of the F-150 Lightning for end-customers with safe, efficient, and technologically advanced charging infrastructure

Solution

• Innovative custom-made EV charger that is the first bidirectional-ready EV solution set for release at retail customer scale
• Charging infrastructure enabling intelligent usage of the truck as interactive part of the home that can be used as power generation source during outages – the first electric truck to do so
• Safe operation with UL 9741 certification

Customer benefit

• Up to 90kWh electrical energy in case of grid outage
• Intelligent usage of truck as distributed energy resource
Sixth largest high-speed rail system

MOVING EGYPT
A modern, sustainable rail system that will transform the everyday

Customer challenge
- Bringing state-of-the-art rail technology to Egypt
- Strengthening economy through safe & reliable transport infrastructure
- Developing local jobs & skills and sustaining the environment

Solution
- Three lines with 2,000 km of electrified rail network: high-speed, commuter & freight lines
- Fully integrated system with Siemens trains & rail infrastructure
- Digital services and 15-years maintenance contract

Customer benefit
- About 500m journeys p.a. with significantly less travel time
- >1 Mt CO₂ savings p.a. for passenger and freight transport
- 70% less emissions compared to bus/car passenger travel
- >40,000 jobs to be created in Egypt, local skill development
Passenger shift from air travel to trains to reduce CO₂ emissions

Increased attractiveness and competitiveness of trains on medium-haul routes.

Delivering on increased punctuality and 100% system availability thanks to sensor-data-driven predictive maintenance via Railigent® application suite

Saving 88% CO₂ compared to air travel, emissions reduction of around 29,000 tons of CO₂ per year

Between Madrid-Barcelona, >30% more passengers, taken over from plane, competitive 350km/h top speed, less than 2 ½ hours travel time

Train availability close to 100%. Only one out of 3,000 trips noticeably delayed in last 3 years

Velaro E is specially equipped for service in the heat of Spain; designed for out-side temperatures as high as 50°C
MOBILITY-AS-A-SERVICE PLATFORMS (MaaS)
Driving the shift to sustainable modes of transport in Spain and the Netherlands

Customer challenge
• Allowing passengers to plan, book & ride their door-to-door trip with one single app and one account using all means of transport

Solution
• Integrating all modes of transport in one central IT-platform for each customer and offering MaaS to more than 64 million people

Customer benefit
• We enable multimodal travel using public transportation, bicycles, scooters, shuttles, etc. and make sustainable travel more attractive
• Rivier Joint Venture (Netherlands): MaaS providers joining forces to develop nationwide MaaS platform with an open platform philosophy, tailored to needs of travelers, attracting new riders
• Renfe (Spain):
  • MaaS will be available in 27 cities across Spain including Madrid, Barcelona, Valencia, Bilbao and Sevilla
  • Renfe predicts 650,000 new customers generating 1.8 million new trips in five years
Decarbonization

**Decarbonize energy**
Supporting the energy transition with tailored financing of wind, solar, battery
- e.g. Changhua 1 (Wind Offshore), Taiwan

**Decarbonize industry**
Financing of distributed energy systems, green hydrogen, microgrids
- e.g. Wunsiedel (Green H2), Germany

**Decarbonize transportation**
Tailored financing for eMobility, public transport, freight and passenger rail
- e.g. Pune Metro, India

- **Enable efficient manufacturing**
- Financing equipment, components and software to increase productivity
- e.g. Srisriyala (Process optimization), India

- **Enable efficient buildings**
- Financing of smart buildings and energy efficiency solutions
- e.g. National Halmstad (Energy efficiency), Sweden

- **Enable circular economy**
- Supporting asset re-use, re-marketing and lifecycle management and dematerialization
- e.g. You Mawo (Additive Manufacturing), Germany

- **Access to healthcare**
- Financing of hospitals and state-of-the-art medical equipment
- e.g. Reid Health (Hospital), USA

- **Access to education**
- Financing sustainable infrastructure of campuses and schools
- e.g. University of Birmingham (Building efficiency), UK

- **Access to food and water**
- Financing sustainable food and clean water supply to the benefit of people and planet
- e.g. 80Acres (Vertical Farming), USA

Financing new clean technologies, new business models and sustainable innovation
Leveraging our global ecosystems for Decarbonization
From Suppliers, Certifiers to Customers: Product Carbon Footprint management

**Carbon Web Assessment**
- General supplier carbon footprint focus
- Foster supplier dialogue and engagement for CO₂ reduction
- Enables suppliers to learn about own footprint, incl. reduction levers
- Sales opportunities to decarbonize supplier operations

**Estainium Network**
- Global network initiated by Siemens
- Independent, open, cross-industry
- Involves customers, suppliers, and certifiers

**SiGREEN**
- Connector into Estainium
- Using certified product carbon footprint data based on actual values
- Receive and exchange trustworthy product carbon footprint data with partners

**Green Digital Twin**
- Drives sustainable design and sourcing decisions
- Leveraging market-leading product carbon footprint data
- Based on TeamCenter Product Cost Management solution
Innovation is our response to sustainability challenges
Siemens technologies for decarbonization, resource efficiency and people

Strong investments into Research & Development …

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D in % of revenue</th>
<th>R&amp;D in €bn</th>
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<tbody>
<tr>
<td>FY 2021</td>
<td>~8%</td>
<td>4.9</td>
</tr>
<tr>
<td>FY 2022e</td>
<td>~5.5</td>
<td>4.9</td>
</tr>
</tbody>
</table>

… drive our innovation power and success

- 42,500 R&D employees
- 44,833 Inventions (FY21)
- 43,400 Patents granted
- 16 Research & Innovation Ecosystems (cooperation with universities, research institutes, start-ups)

Siemens Core Technologies
Innovation fields with high relevance for our businesses

- Data Analytics and AI
- Software Systems and Processes
- Sustainable Energy and Infrastructure
- Connectivity and Edge
- Automation
- Additive Manufacturing & Materials
- Simulation and Digital Twin
- Cybersecurity and Trust
- Power Electronics
- User Experience
- Integrated Circuits and Electronics
Sustainability Offerings

Societal impact
Technology with purpose: creating impact for customers, suppliers, investors, people and the planet

Sustainability in own Operations
Employability enable our people to stay resilient and relevant in a permanently changing environment

Equity foster diversity, inclusion, and community development to create a sense of belonging

Resource efficiency achieve circularity and dematerialization

Decarbonization support the 1.5°C target to fight global warming

Ethics foster a culture of trust, adhere to ethical standards and handle data with care

Governance apply state-of-the-art systems for effective and responsible business conduct
Strong track record in reducing CO2 emissions since 2014
Target: Net Zero in own operations by 2030 (Scope 1 & 2)

CO2 footprint in own operations

<table>
<thead>
<tr>
<th>Year</th>
<th>In kt CO2 for Siemens AG</th>
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<tbody>
<tr>
<td>FY 14</td>
<td>~2,200</td>
</tr>
<tr>
<td>FY 19</td>
<td>1,366</td>
</tr>
<tr>
<td>FY 20</td>
<td>926</td>
</tr>
<tr>
<td>FY 21</td>
<td>701</td>
</tr>
<tr>
<td>FY 30</td>
<td>595</td>
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SAG: -36% vs. FY 19

Net Zero CO2 by FY30

On track to become net zero in own operations by 2030 in line with SBTi pathway (incl. SHS)

1 Remaining CO2 emissions will be offset with high-quality CO2 certificates

- CO2 footprint already -54% from FY 14 to FY 20
- SBTi commitment (2021)
  - By 2030: 100% Electrical vehicles
  - 100% Renewable energy
  - 100% Net zero buildings
- Already 32 Siemens locations with net zero CO2 emissions
- Strategy and risk management as recommended by “Task Force on Climate-related Fin. Disclosures” (TFCD)
Supply chain and Siemens technology as strong lever for decarbonization (Scope 3)
Focus on carbon reduction at suppliers since 2017

**Upstream emissions: Carbon reduction at Suppliers**

- Supplier footprint as strong lever: **63,000 suppliers**, €28bn goods and services purchased from ~145 countries
- FY 21 achievement: **reduced Scope 3 upstream emissions** by ~1% compared to FY20, to 8 million tons CO₂ (excl. SHS) - despite 1.5% increase in purchasing volume
- Continuously fostering CO₂ awareness in the Supply Chain:
  - Since 2017: Drive **carbon reduction at suppliers** to increase awareness of more CO₂ efficient production
  - In FY 21 ~1,800 suppliers reported their efforts: average footprint CO₂ reduction of ~8%
  - Roll-out **Carbon Web Assessment** ongoing

**Scope 3 upstream**
Committed to reduce CO₂ emissions:
- -20% by 2030 compared to 2020
- CO₂-neutral supply chain by 2050

**Scope 3 upstream and downstream**
Committed to reduce CO₂ emissions by 15%
by 2030 in line with SBTi pathway

**Downstream emissions: Carbon reduction at Customers**

- Empowering **customers to reduce their CO₂ footprint** through our sustainability offerings
Employability
enable our people to stay resilient and relevant in a permanently changing environment

Equity
foster diversity, inclusion, and community development to create a sense of belonging

Decarbonization
support the 1.5°C target to fight global warming

Ethics
foster a culture of trust, adhere to ethical standards and handle data with care

Governance
apply state-of-the-art systems for effective and responsible business conduct

Resource efficiency
achieve circularity and dematerialization
Resource efficiency
We support restoring and preserving biodiversity

Energy
We increase energy efficiency and reduce consumption

Waste
We optimize our waste management by increasing re-use and recycling more waste

Eco-Design
We design our entire offering in an environmentally conscious and circular way

Water
We conserve water by analyzing our water stress and reducing negative impacts of water usage

Biodiversity

Commitments and Partnerships
Circular Plastics Alliance
CEO WATER MANDATE
Business @ Biodiversity

Siemens Biodiversity initiative
79 locations with active biodiversity measures
## Resource efficiency

### Our strong ambitions

<table>
<thead>
<tr>
<th>Energy</th>
<th>Waste</th>
<th>Eco-Design</th>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key ambitions</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>• Improve <strong>energy efficiency</strong> of our sites by 10% until 2030</td>
<td>• Waste-to-landfill reduction of 50% by 2025, and towards zero landfill by 2030</td>
<td>• Next level <strong>robust eco design</strong> for 100% of our relevant product families by 2030</td>
<td>• Managing water efficiently at own facilities and providing solutions for customers to handle water and wastewater more efficiently</td>
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<td></td>
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<td><a href="#">DEGREE target</a></td>
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<tr>
<td></td>
<td></td>
<td>• Natural resource decoupling through increased purchase of secondary materials for metals and resins</td>
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</tr>
<tr>
<td></td>
<td></td>
<td><a href="#">DEGREE target</a></td>
<td></td>
</tr>
<tr>
<td><strong>Where we stand</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Energy consumption potential identified and in realization through collaborative global ecosystem workshops</td>
<td>• Share of recycling and recovery in total waste in FY21: 92%</td>
<td>• Implemented already 26% of Siemens’ ecodesign in all relevant product families</td>
<td>• 84% of our locations have a <strong>water strategy</strong> in place</td>
</tr>
<tr>
<td></td>
<td>• <strong>Comprehensive global waste target setting</strong> and measure identification workshops</td>
<td>• 38% of metals used in manufacturing purchased from recycled sources</td>
<td>• Largest share of water used for cooling only; reduced water withdrawal by 2% y/y in FY 21</td>
</tr>
</tbody>
</table>

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Employability

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foster a culture of trust, adhere to ethical standards and handle data with care

Governance

apply state-of-the-art systems for effective and responsible business conduct

Resource efficiency

achieve circularity and dematerialization

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Ethical management of the company and compliance are non-negotiable for us. This goes beyond strict adherence to rules and firmly places integrity at the core of our culture and business operations.

Roland Busch, President and CEO of Siemens AG.
Ethics is the basis of sustainable business

Siemens has **zero tolerance** for corruption and other breaches of applicable law and our Business Conduct Guidelines. For us integrity matters – always.

181,000 employees were trained on our **Business Conduct Guidelines** since roll-out of campaign in 2020, in addition more than 350,000 specific target group trainings are completed by our employees each year.

The **Siemens Integrity Initiative** supports organizations and projects that combat corruption and fraud through Collective Action with more than 100 million USD.

The **compliance priorities** provide the basis for the ongoing development and continuous improvement of the company’s compliance system.
**Responsible Business Practices**
**Supply chain and human rights**

**Clear requirements for our suppliers**

- €28bn goods and services purchased, sourcing from ~145 countries (FY 21)
- 63,000 Suppliers committed to Code of Conduct
- 4,267 Supplier Self Assessments
- 319 Supplier Quality Audits
- 394 External Sustainability Audits

**We respect human rights along our value chain**

<table>
<thead>
<tr>
<th>Business Conduct Guidelines</th>
<th>Responsible Mineral Sourcing</th>
<th>Code of Conduct for Suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Commitment led from the top – monitored by management board and sustainability board; regular assessment of material human rights issues</td>
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<tr>
<td>• Environmental, social and human rights due diligence across the entire value chain (ESG Radar) – on supply chain, workplace, and customer behavior</td>
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<tr>
<td>• Regular stakeholder dialogues with external human rights advisors, investors, rating agencies, and NGOs</td>
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<td></td>
</tr>
<tr>
<td>• External collaborative dialogues such as Global Business Initiative on Human Rights (GBI), UN Global Compact, UN Guiding Principles</td>
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</tbody>
</table>
### Strong sustainability governance and accountability
Anchored across the organization

<table>
<thead>
<tr>
<th>Supervisory board</th>
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<tbody>
<tr>
<td>Managing Board (incl. CSO)</td>
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</table>

#### Sustainability governance

<table>
<thead>
<tr>
<th>Sustainability Board</th>
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</thead>
<tbody>
<tr>
<td><strong>Head</strong>: Chief Sustainability Officer (CSO)</td>
</tr>
<tr>
<td><strong>Members</strong>: Businesses, Countries, and Units with Governance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Anchoring of sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Businesses</strong></td>
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<tr>
<td><strong>Countries</strong></td>
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<tr>
<td><strong>Governance Functions</strong></td>
</tr>
</tbody>
</table>

20% of board members' and senior managers' long-term compensation (stock awards) based on ESG targets. For FY 22 three equally weighted components:

- CO₂ emissions
- Digital learning hours
- Net Promoter Score

**DEGREE** target
Cybersecurity
Holistic approach in own infrastructure and customer offerings

Cybersecurity securing Siemens infrastructure

- Cybersecurity as CEO priority and part of Core Technologies
- Strong governance at group level, across Siemens ecosystem
- Cybersecurity training for employees provided every year to mitigate human risk.
- Data privacy management system implemented; integral part of compliance. Compliance with applicable data protection laws of utmost importance
- Charter of Trust, co-founded in 2018

Cybersecurity in our products – Siemens ProductCERT

- Security Vulnerability Monitoring service since >10 years
- Looking for vulnerabilities in thousands of software and hardware components built into Siemens products or 3rd partly components.
- Providing emergency advice and regular patches
- Holistic approach, protecting operational hardware and software, and mitigate human risk

Exemplary offerings embedded in Siemens products

- Authentication and User Management, e.g. TIA Portal
- Access, know how and copy protection in S7-Controller
- Firewall and VPN-Appliances, e.g. SCALANCE

~ 1,300 cybersecurity experts work for Siemens
Equity and employability
People-centricity in own operations

Working at Siemens
• Global values and corporate culture for >300k employees
  DEGREE target
• Access to employee share plans: maintain high level and expand globally to 100% (98% in FY21)
  DEGREE target
• >180k employees as shareholder
• Global commitment to the New Normal Working Model: enabling employees worldwide to work on a mobile basis for average of 2-3 days a week, where feasible

Resilience & Well-Being
• Healthy & Safety: organized locally, integrated into each business and in each national company
• Improving global accident rate (Lost Time Injury Frequency Rate, LTIFR) by 30% by 2025: 13% in FY21 compared to FY20 (from 0.31 down to 0.27)
  DEGREE target
• 100% access to Employee Assistance Programs by 2025: 87% in FY21 (82% in FY20)
  DEGREE target

Diversity, equity, and inclusion
• Fostering an equitable workplace, where all our people are provided with equal access and opportunity to succeed - regardless of what group they identify with
• 30% female share in Top Management by FY25: 27.5% in FY21
  DEGREE target

Education and learning
• €165m¹ spent on training in FY21
• Double digital learning hours by 2025: Learning target already achieved in FY21
  DEGREE target

Corporate citizenship
• Access to technology
• Access to education
• Sustaining communities

1 | incl. SHS; €150m w/o SHS
Sustainability at Siemens
Why to invest in Siemens

Societal impact – Technology with purpose
Siemens’ technologies are our answer to limiting global warming to 1.5 degrees Celsius, preserve resources and healthy liveable environments.

Leveraging our global ecosystems
Sustainability has been part of our offerings, our operations and our governance for decades. We now leverage our global ecosystems to jointly tackle global sustainability challenges.

DEGREE – our holistic sustainability framework
Sustainability has many facets. At Siemens we have a holistic approach and are committed to transparent, clear priorities and showing a pathway to long-term ambitions.