# SIEMENS

# Annual Report Siemens, S.A. 2021

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# A. Company Actvity

# **Global Business** of the Company

**Despite the challenging** context of the pandemic, Siemens S.A. concluded the fiscal year with very positive economic and financial results, demonstrating its execution and resilience capabilities in particularly adverse times. All business units had an excellent year and strengthened their position with their customers, creating value and success for them by way technology with purpose able to transform people's daily lives.

The Company consolidated trusted partnerships with its customers and boosted its status as employer of choice, while steadily developing structuring projects in infrastructures related to sustainability, electric mobility, buildings and intelligent energy grids. Industry worked on projects in a number of sectors such as ports, water and wastewater treatment, mining and pharmaceuticals.

These projects, together with the strong performance of Global Business Services and Lisbon Tech Hub, are at the heart of the Company's good performance in Portugal during this fiscal year.

Highlights include the remarkable performance of Siemens S.A. in the export of goods and services to more than 50 countries, which reached a record high for the Company.

This was a particularly emblematic year for Siemens, as it celebrated **115 years of presence** in Portugal. To mark this event, the Company launched the 'Present in Portugal's Future' campaign which was featured in print, radio and online media, and aimed at strengthening Siemens' strategic partnership with the country and its transformative role in Portuguese society by always implementing technologies of the future.



Ilustração: Paulo Buchinho

In 2021 Siemens celebrated 115 years of presence in the country, but the commitment we assume with society and the planet is, and always has been, for a long term.

#TransformTheEveryday

Thereby, the Company showcased the impact of more than a century of helping build a sustainable future in its key areas of activity: industry, energy and infrastructure, mobility, information technologies, shared services and health.

Today, the Siemens brand assumes itself as 'transformer of the day-to-day lives of millions of people by way of technology with impact and purpose, to create a better and more sustainable future'. **#TransformTheEveryday** is the brand's new global motto.

Siemens Portugal teams continued to focus on the company's four strategic areas by: creating impact on customers; fostering a mindset of growth and resilience; empowering people, be they customers, partners or employees; creating technologies with purpose that help customers do more with less and guide the planet towards a more sustainable future.

As a result of this strategy, it is important to highlight the record result that Siemens Portugal achieved in **NPS 2021**, the global customer satisfaction survey conducted centrally by Siemens AG through individual interviews. The Company obtained an overall score of 70, which represents an increase of 13 percentage points compared to the 2019 results.

During the same period, the Company invested more than EUR 3 million in research & development (R&D) regarding 26 technology projects, which involved 138 employees. For this investment, Siemens applied for a tax credit in the amount of EUR 2.13 million, using the fiscal policy instrument **SIFIDE**. This result demonstrates the Company's technological qualities, and the research and development capabilities of its employees in key digitization projects, fighting climate change or increasing the resilience of infrastructures, industry or mobility. One of these R&D projects is the **Sustainable & Smart Campus** being implemented at the Company's premises in Alfragide. This initiative is an example of Siemens Portugal's commitment to sustainability and, at the same time, a true technology showcase, as it includes, for example, a photovoltaic plant, an energy storage system, a microgrid management system, chargers for electric vehicles, an intelligent building management platform and an integrated safety system that will contribute to the reduction CO2 emissions linked to the Alfragide campus.

Another highlight are the various awards and recognitions that the company received during this fiscal year. Spark Agency named Siemens as one of the 20 most attractive companies to work for in Portugal. Randstad, too, recognized the Company in exactly that category, based on a ranking set up in 2020, taking the Company 3rd place in the Information Technology sector. The Company was further distinguished – in the 'Manufacturing' category – by Exame Informática magazine, with the support of VISÃO, in the 'The Largest Technology Companies in Portugal' awards which distinguish companies that are most committed to Science and Technology. It was the technology branch which generated the highest turnover in production in Portugal. A key area for the national economy, especially when there is so much talk about the importance of re-industrializing the country.

In another part of the world, the **Angola branch of Siemens S.A.** started its business development activities in the country. A strong commitment of the Smart Infrastructure unit which has been reaping rewards in different vertical markets. Highlights go to the work carried out at **Luanda Refinery** whose end customer is **Sonangol**, and to the equipment supplied for **Leonor Carrinho substation**. With regard to indirect marketing, there is the strengthened presence of Siemens at **Electropanga**, and the training courses administered to its technicians. These activities have already resulted in new orders.



On the other hand, the **Mozambique branch of Siemens, S.A.** implemented for **Abinbev** the connection to the electrical grid of its brewery and provided simulation and protection software for the energy grids of **EDM**. For **GALP**, Siemens installed the automation system and LV and MV switchgear for Matola and Beira fuel parks. Finally, we highlight the project for the automation, supervision and remodeling of communication networks of Nacala Logistics Corridor for customer **Vale**. Currently, the organizational structure of Siemens S.A., headquartered in the national territory and represented in Angola and Mozambique through its branches, is based on the following business units: Digital Industries, Smart Infrastructure, Global Services – Global Business Services and Lisbon Tech Hub.

### Resilience amid COVID

The Company's rapid and adequate adaptation to the restrictions placed by the pandemic, and the perseverance, team spirit and commitment of its employees, made Siemens once again an example of resilience and a reference for other companies in the adverse conditions resulting from the COVID-19 pandemic. In addition to having managed to keep its operations running fairly normally, the Company kept its focus on complying with commitments taken on with its partners, customers and society.

In this context, one of the highlights of the fiscal year under review was when Siemens S.A. received the **COVID SAFE Label** for its premises at Alfragide, Freixieiro and Corroios. This label, awarded by the certification agency APCER, certifies that the Company complies with the guidelines of the Health Authorities, the Authority for Labor Conditions and the International Labor Organization, with regard to health and safety in the context of the COVID-19 pandemic.

To ensure a safe return of its employees to the office, Siemens implemented a number of measures for collective and individual protection in the Company. The entire process was digitalized and integrated into a platform to allow, specifically, for the completion of a 'Health Check' by employees, as well as pre-booking of workstations or meals in the canteen. Automatic monitoring of body temperature at the entrance to the buildings and a weekly supply of masks and disinfectant wipes were other measures that were maintained during this fiscal year. The Company continued to have medical posts at all its premises and also reinforced the response capability of these services. In addition to being able to schedule General Doctor appointments, request prescriptions for medication or exams, employees are now able to carry out rapid antigen tests for Covid-19.



Facilities in Alfragide, Corroios and Freixieiro received the certification COVID SAFE from APCER. However, as working from home has remained a reality in the Company and applies to all Siemens S.A. employees, except those who have functions that require permanent or partial physical presence at its premises or in its customers' projects, the Company **subsidized all employees with EUR 250 for the purchase of office supplies and IT equipment**, so that they could work more comfortably and easily from their homes. This subsidy continues to be given, including to new employees.

Still on the subject of subsidies, in December 2020, the Company awarded a **'Corona Bonus**' of EUR 750 to all employees. This **'bonus'** was award to acknowledge employees' commitment, dedication and contribution to the challenges that the pandemic posed to the Company. In total, Siemens supported each employee with EUR 1,000 to improve their quality of life, minimize the negative impacts of the pandemic, and to increase the comfort level at their "new" workplace.

Employee Health and Well-being has always been a concern for Siemens – even long before the pandemic – and is one of the areas that the Company is constantly improving on, in order to meet the needs and expectations of its employees, to retain their talent and to be an attractive company for those looking for a job or a new professional challenge. In this context, several measures related to mental health were implemented, such as psychological consultations and regular workshops given by psychologists from a partner company on topics such as sleep, stress and anxiety management, family management in times of pandemic, holidays, rest and nutrition.

The initiatives promoted by Siemens in this area contributed to the excellent ranking the Company achieved in the **Randstad Employer Brand Research 2021**, namely, 3rd place in the ranking of the best companies to work for in the Information Technology sector.

They also helped the Company continue to be able to recruit the talent its teams require. Since 1 October 2020, 193 new employees (net change) have been added. It is important to emphasize that, in recent months, recruitment and reception processes have been carried out remotely. The Company has also continued to integrate new junior talents, whenever interesting growth opportunities emerged in its different business areas, as well as in the competence centers and shared services. In total, during the same period, 160 interns were recruited. The **Finance Trainee Program** for the financial area, and the **Siemens Cloud Academy** and **SAP Academy** for information technologies contributed to this number.



Siemens Portugal is one of the most most attractive companies to work according to the Randstad Employer Brand Research in 2021.

### **Corporate** responsibility

**Creating value for the** societies in which the **Company operates is one** of Siemens' key missions anywhere in the world. This objective is materialized, among others, by way of its portfolio, its innovations, its activities, its investment aimed at the development of human resources, and its social responsibility initiatives. Within the scope of the latter, and during the past fiscal year, Siemens **Portugal supported several** entities through different donations with more than EUR 120,000, a historic value for the company.

During the month of June, the Company donated two pulmonary and cardiac ultrasound units to the National Health Service (SNS). While vital in any unit of the national health services given that they are uniquely suited to the needs during the pandemic, these ultrasound scanners will play a relevant role in the post-COVID stages, allowing monitoring of patients' health status, continuity of their care and, eventually, their recovery.

Such as setting up two field hospitals and delivering about 100 computers to associations and schools to support distance learning and screening centers so that they can record the information collected. The Company also donated automation equipment for a **ventilator research project** carried out by a consortium of national Polytechnic Institutes, as well as **17 fire detection equipment systems for the expansion project** of a hospital in the north of the country, and a **total of 1,000 meals for 25 families, comprising almost 100 persons** who live in the municipality of Amadora, where Siemens has its headquarters.

### Apoio à Sociedade durante a pandemia

#### SIEMENS

>100

Computadores recondicionados para ensino à distância a escolas de norte a sul do País

> 2 Ecógrafos para Serviço Nacional ® de Saúde

> > Donativo ao Município da Amadora para aquisição de

SAUDE

3840 Testes Rápidos

Apoio a projeto de cuidados pediátricos domiciliários para 115 Crianças

> 330 Famílias com 495 Crianças



#### 115 Computadores para apoio à literacia digital com impacto em >5000 alunos

EMERGENCIA

EDUCAÇÃO

>20 Equipamentos informáticos para apoio a instituicões

> 4940 Refeições 900

Cabazes de comida More recently, and at a time when more and more specialists recommended the massive testing of the population as one of the determining factors in the process of containing the pandemic, the City Council of Amadora was presented with a donation made by Siemens employees, the value of which had been doubled by Siemens' Caring Hands program. This donation allowed the acquisition and forwarding of 3,840 rapid tests to the city's Public Health Authority to aid in the diagnosis of COVID-19. These tests were used to quickly identify positive cases in the 17 Old Age Homes and the 12 School Groups run by the Municipality, allowing for early detection of contagion outbreaks. This support earned Siemens the municipal distinction of "Solidarity Company" awarded by Amadora Municipality, which was created with the aim of rewarding companies headquartered or operating in the municipality, which have distinguished themselves by their social responsibility work for the community.

Support for the Gil Foundation: Pediatric Home Care Project for 115 children

With regard to education, Siemens **joined UBBU** - **Aprende a Programar** (Learn Coding) to meet the challenge of enhancing the teaching of science, technology, engineering and mathematics (English acronym STEM) in the country. In addition to being one of the sponsors of this digital literacy platform for the next three years, the Company delivered 115 computers to equip computer rooms in schools in Greater Lisbon.

As a technology company which is constantly innovating, Siemens wants to inspire the younger generations to enjoy science and technology and to aspire a career in these fields. By encouraging digital literacy and computer science, the Company believes it is contributing to more and more young people choosing to follow this path throughout their academic career.

By way of **Gil Foundation**, the Company also supported a **project of pediatric home care for 115 children**, one for each year the Company has been operating in Portugal.



Betting on future generations: Siemens is associated with UBBU -Aprende a Programar, offering 115 laptops to equip the computer rooms of schools in greater Lisbon area.

## **Digital** Industries

**During the fiscal year under** review, Digital Industries (DI) achieved its best figures ever in Portugal in terms of orders received, having established strategic partnerships with companies from different industry sectors – such as ports, water treatment, mining and pharmaceuticals - with the aim of increasing its customers' levels of automation and digitalization to make their operations more efficient and sustainable.

They also collaborated with several national universities in research and development projects aimed at supporting the modernization of Portuguese industry. In the port sector, where DI already boasts a long list of national and international references, DI secured the project to modernize four gantries at the Port of Leixões, the largest container terminal in the north of the country. Within this context, and at the request of Yilport Leixões, Siemens will replace the drive systems with new, more efficient, stateof-the-art SINAMICS S120 inverters, as well as the existing automation systems with SIMATIC S7 Fail--Safe, thereby providing a higher level of safety to the gantry operations. Supplies include anti-collision, on-board and remote supervision systems. These gantries will also be equipped with new alarm systems for fire detection and operator access systems via RFID<sup>1</sup>.

The Siemens team responsible for this project -Cranes Engineering Hub - licensed to operate in the EMEA<sup>2</sup> area, has already refurbished and modernized around 100 gantries in ten countries. During the fiscal year ended, the team, in addition to having won the contract for Leixões, has developed projects in ports in the United Arab Emirates, Romania, Mozambigue and Egypt. For Dubai, in the United Arab Emirates, and Romania, drive systems and engineering were supplied for two Ship-to--Shore gantries weighing 60 and 80 tons, respectively; and one automatic positioning system on trucks (TPS) was supplied for Beira in Mozambique; the port of Port Said, in Egypt will get drive systems for gantries, including all hardware and engineering necessary.

<sup>&</sup>lt;sup>1</sup> Radio Frequency Identification



Digital Industries has won the project for modernization of the Port of Leixões, the largest container terminal in the north of the country. In the mining sector, DI is expanding, remodeling and modernizing several systems at Neves-Corvo mine, run under concession by **SOMINCOR**. This copper and zinc mine is located in the municipality of Castro Verde, in the district of Beja. This project includes the expansion of the communication network of the entire mine, new crushing equipment, conveyors and ore silos, the replacement of the controller system for the raiseboring machine automation by SIMATIC S7, and the remodeling of the control room, which includes, for example, the display system Scada WinCC. Scheduled to be completed by early 2022, this project will help SOMINCOR increase its ore extraction capacity.

A partnership between DI and Águas do Norte, a company of Águas de Portugal group, developed a project to prove how technological solutions based on IIoT and cloud concepts can contribute to optimizing the management and remote control of the assets of this company, given that they are spread over a large area.



Águas do Norte operates in the north of the country and has 29 water treatment plants, 169 wastewater treatment stations, and 23 dams, all of which serve more than 800,000 people. The main objective of this project was to integrate the assets of Águas do Norte and the data generated by them into a joint analysis and correlation platform, so that their processing could be done intelligently, allowing for autonomous, efficient and safe decision-making. Taking into account that this joint venture proved both the low cost and ease of installation of IIoT technology, Águas do Norte believes that it is possible to increase the sensor reading capabilities of its assets at a growth rate of around 40% per year, which considerably reduces the need of manual readings.

Throughout the year, DI also organized several webinars and specific workshops for the pharmaceutical industry to present its vast portfolio of solutions and know-how that allow acceleration and speedy introduction of new products into the market, to this important sector, particularly pressured by the challenges posed by the pandemic.

This was also a particularly busy period for DI's **Hub Intralogistics**, located in its technology center in Freixieiro, and which develops control and management systems for automated warehouses.

This team carries out international projects, specializing in engineering for warehouse management software, development of automation mechanisms, and providing commissioning services for customers. These systems essentially comprise the entire process in the warehouses – from arrival of raw materials to storage, processing, and deliveries.

Implementation of IoT Tecnologies in the Águas do Norte



The Digital Industries Summit under the motto Digital Transition - the future of Portuguese Industry counts with José Tomaz from Sumol-Compal, Peter Villax from Hovione Technology and Duarte Veiga da Cunha from Águas de Portugal.

DI has also developed **research projects** in collaboration with **customers and national universities**, namely DEZMPP with the Faculty of Engineering of the University of Porto and Zeugma, and SINERGEA with the National Civil Engineering Laboratory, Instituto Superior Técnico, University of Algarve and Águas do Algarve.

The main objective of the **DEZMPP** – Digital Enterprise Zeugma Modular Production Platform project is to investigate and develop an advanced platform supported by emerging technologies such as Digital Twin, Plant Simulation or Machine Learning to create modular, flexible and continuously optimized production units dedicated to assembly and testing of a wide range of components. Initially, it will be essentially prepared for automotive component factories, but in the near future it will also be made available to consumer product industries, such as pharmaceuticals and electronics.

**SINERGEA**, on the other hand, aims to create an intelligent and innovative platform to support the integrated and optimized management of energy, bathing water quality and flood risk in coastal cities. Embedded in the "smart cities" paradigm, this platform will simultaneously: contribute to the energy efficiency of cities by way of integrated strategies that minimize energy consumption of drainage infrastructures; protect urban bathing areas by preventing contamination from urban discharges; and contribute to the integrated management and adequate response to possible flooding in cities.

Another highlight of the year was hosting the **Digital Industries Summit** under the theme "Digital Transition: the future of Portuguese Industry". This virtual event featured, among others, a panel discussion, where representatives of companies Sumol Compal, Águas de Portugal, Introsys and Hovione addressed the state of implementation and the future challenges of digitalization and industry 4.0 in Portugal.

This and other related topics will, of course, be debated in April 2022 at the **Hannover Messe**, the world's largest industry fair. This time the fair's partner country will be Portugal, using the motto "Portugal Makes Sense". Siemens which has a long tradition of participating in this event, will be prominently represented and also mobilize national strategic partners to be present at this important world fair.

### **Smart** Infrastructure

Under the global motto "Creating environments that care", the Smart I nfrastructure (SI) business unit achieved its best figures ever in Portugal in terms of orders received<sup>3</sup>. **Together with its customers** and partners, SI managed to secure and develop important projects in sustainability, electric mobility, efficient buildings and intelligent energy grids, all of which contribute to the digitalization of the operations of end customers.

With regard to sustainability, the highlight goes to Sado Solar Power Plant, a project located in the municipality of Alcácer do Sal, which entered service in the summer. The power plant by Tecneira, a company of ProCME group, features several Siemens technologies, such as centralized current inverters, PV plant switching station, global energy management system and protection, command and control system for interconnection to the energy grid. These solutions provide enhanced stability, guality, control and efficiency of the plant's energy production. Still in the energy field, and by way of an international public tender, Siemens, in consortium with Fluence Energy GmbH, was selected by EEM (Electricity Company of Madeira) to install a battery-based energy storage plant on the island. This project will afford EEM to optimize its strategy of integrating renewable energies and significantly reduce fuel consumption, with the consequent reduction in greenhouse gas emissions. This will give Madeira greater energy independence, without affecting neither energy quality nor grid stability.

<sup>&</sup>lt;sup>3</sup>Creating environments that care

<sup>(</sup>in Portuguese: Criar ambientes que cuidam)





Até 50% de eletricidade de origem renovável nos próximos 2 a 3 anos



Redução do consumo de fuel e das emissões de CO<sub>2</sub>



Central Integrada numa conceção de microrede The expansion of the electric mobility ecosystem, headquartered in Portugal, was another focus of SI during the fiscal year ended. In this context, since October 1, 2020, approximately 400 chargers and more than 600 dispensers for electric utility or commercial vehicles have been produced at the Siemens Plant in Corroios. In total, since the factory started manufacturing this equipment, more than 1,200 chargers and dispensers have been produced, the overwhelming majority of which have been exported to Germany, France, Italy, Sweden, Spain, Netherlands, Hungary, Romania, Switzerland, United Kingdom, Australia, New Zealand, Israel, India, Brazil and Colombia. Furthermore, the competence center for industrial DC chargers, whose team is also based in Corroios and which works for the entire Siemens universe. continued its growth trajectory. The center relies currently on a team of 25 highly gualified engineers who have developed projects in different parts of the world and participated in international consortia to create innovative technologies in their area of expertise. It is important to remember that this ecosystem combines production capacity, ensured by Corroios Plant, research and development, and a competence center for sales, engineering, project management and servicing which has long earned worldwide recognition within the company.

With regard to intelligent buildings, the year was marked by the long-awaited inauguration of the **Botton-Champalimaud Pancreatic Center**, in Lisbon, which is the first research and treatment center for pancreatic cancer in the world.

This pioneering healthcare unit is equipped with the new technical management and security platform for buildings, including fire and toxic gas detection, and also features Siemens' access control and video surveillance solutions, maintenance and technical assistance services, as well as software updates over a period of five years. Siemens' participation in this project was also extended to another company of the Group. In the field of healthcare, the Company, by way of Siemens Healthineers, installed a hybrid room solution, the very first in the country. Healthcare Group **Luz Saúde** entrusted Siemens as technology partner with the Hospital da Luz expansion project in Lisbon. The contract includes the building's integrated management platform, automation and fire protection systems, human centric lighting, and the security system with access control and video surveillance. Within the scope of the partnership between the two companies, the contract for infrastructure maintenance services which includes all electrical, air conditioning and water systems, was also extended.



As for healthcare projects in Angola, SI had a major share in the supply of technologies for the pediatric **Hospital Materno Infantil de Camama**, which is being built in Luanda. In addition to using Simaris Design and Simaris Project tools to support the energy distribution project, Siemens is also providing this healthcare unit with its solutions for the MV and LV energy distribution grid. The supply includes switchgears of different ranges and powers and the electrified rail system for energy transport, which is a critical element in electrical distribution grids.

Smart Infrastructure was also chosen to modernize the fire detection, intrusion and video surveillance systems at the facilities of **Vodafone Portugal**, in particular its data and communications centers. This long-term partnership with Siemens resulted into projects for comfort, automation, technical management and energy monitoring systems of the main office buildings.



Conference: Driving the Infrastructures Revolution with the participation of Angelo Sarmento of E-Redes, Frederico Pisco of Navigator Company and Ivo Antão from Luz Saúde.

Within the field of smart energy grids, SI teams managed to secure a new contract for the supply of smart energy meters for E-Redes, which are also known as Energy Boxes. By February 2022, more than 70,000 single-phase and more than 100,000 three-phase units will be supplied. Upon completion of these deliveries. Siemens will have reached the important milestone of more than 1.8 million Energy Boxes delivered to this customer. As they are being installed in Portuguese homes, these meters help make the national energy grid even more intelligent, efficient and sustainable, and even allow consumers to actively manage their energy profile with consequent economic and environmental impact. Another highlight is SI's participation in the global remodeling project of the protection, command and control (SPCC) system of the 400/150 kV Palmela substation which supplies part of Setúbal Peninsula, such as Quinta do Anjo, where it connects to Autoeuropa. This project will contribute to making the operation and maintenance of Palmela substation even more efficient and reliable and will support REN - Redes Energéticas Nacionais in the process of digitalizing its infrastructure.

Another of the highlights of the year was SI's participation in the conference "Driving the Infrastructure Revolution", organized in partnership with newspaper **Expresso**. The energy transition and digital transformation underway in the country, and the challenges that are placed on infrastructures and electrical equipment companies and industrial manufactures were the topic of this conference which included the vision of representatives of some of the sectors that are most impacted by the revolution underway – such as critical infrastructures, industry and energy distribution.

# **Global Business** Services

Global Business Services (GBS), Siemens' shared services organization, has grown over the past few years thanks to the development of value-ad--ded services, expansion of its portfolio, and significant increase in its workforce. All this results into an important contribution to the company's good financial results at global level – and last year was no exception. Over the past few months, Siemens GBS has also played an important role in mitigating the impact of the pandemic on the operation and performance of its various customers thanks to the provision of digital solutions, and a global service distribution network, combined with the flexibility, competence, and dedication of its employees.

One of the main focuses of GBS operation in our country is the innovation and transformation of the services provided by optimizing processes with the help of technologies such as automation, robotics, artificial intelligence, and data analysis, always in partnership with Lisbon Tech Hub, the Information Technologies center of Siemens in Portugal.

The **DOM** app (**Digital Order Management**) is a good example of this strategy. Developed in 2018 in Portugal, **DOM** is currently being used in more than 40 countries. Only last year, 15 countries, including Austria, South Korea, Malaysia and Singapore, adopted this solution to manage their orders. This software is based on **BPM (Business Process Management)** and enriched with machine learning and self-service portals. It allows you to automate, control, monitor and simplify the entire order processing cycle and respective logistical process.



GBS in Portugal provides services to more than 65 countries and has about 900 highly qualified employees, representing an increase of 10% in the last business year.



The DOM (Digital Order Management) solution for order management is adopted in 40 countries.

Robotics (RPA - Robotic Process Automation) is also a factor in leveraging the efficiency of administrative processes and improving the quality of services that GBS provides to its customers. Since the transition of the robotics service to Portugal, it has been possible to, by way of improvement of services and use of automation, increase the scope of robotic operation in the organization and, consequently, to double the hours of automation of Siemens processes on a global scale. As a reference, this GBS area operates from Portugal processes for several countries, having currently customers in Asia, South America, North America, and Europe. Under the current operating model, this team is available 24x7 (without service interruptions) and has managed to substantially increase its customer satisfaction rate.

In the fiscal year under review, Global Business Services in Portugal acquired new services and skills in the areas of engineering, management of bank guarantees, and obtainment of external certifications.

With regard to building technology, Siemens Portugal, by way of Global Business Services, managed to secure the **second European center for Smart Infrastructure (SI) Engineering Services** aimed specifically at fire and comfort systems. Initially, the first countries to benefit from these services are France and Switzerland. This new engineering center will support SI in the fields of technical design using AutoCad, technical project preparation, and technical sales support. As for bank guarantee management, Global Business Services have collaborated with Corporate Finance on the **Venice project**. During the fiscal year ended, this team which grew from six to 20 specialists, has centralized the operations of more than 50 countries in Portugal.

Portugal has also been recognized as a competence center for external certifications. As such, in the fiscal year ended, GBS successfully headed the implementation of **ISO 9001 quality management certification** for all Siemens Global Business Services centers, including Portugal, the United States of America, Argentina and the Czech Republic. At this moment, GBS in Portugal has around 900 highly qualified specialists, hailing 45 countries, who speak 26 different languages and provide services to more than 65 countries. Only last year, its workforce grew by around 10% as result of new hirings.



### **Lisbon** Tech Hub

Lisbon Tech Hub is the international information technology (IT) competence center which Siemens based in Portugal. Created in 2014, it already has more than 800 highly qualified specialists, and is constantly growing. In the fiscal year ended September 30, 2021, another 120 new employees were recruited for this center. This growth is also due to the recruitment of new junior talents. To this effect, Lisbon Tech Hub launched two internship programs: **Cloud Academy and SAP Academy**. **Cloud Academy** is a one-year program for recent engineering graduates aimed at their integration into the Company's Software Development, DevOps, Infrastructure, Data Analytics and Cyber Security teams. **SAP Academy** started in July 2021 with 11 interns from different universities across the country and is also a one-year program. At the end of the initial training period, interns join the various SAP teams, where they will have the opportunity of developing their careers as consultants in this area. In total, Lisbon Tech Hub recruited 158 interns last year.

This team of experts develops projects for the entire Siemens world, in a number of technology fields such as artificial intelligence, big data, software development and testing, cloud, cybersecurity, and IT infrastructure services. They also work closely with Siemens' various business areas, such as industry, infrastructure or mobility, so that they may propose the most innovative solutions to their customers.

It is in this context that the **TREE (Technology Research in Energy and Electronics) Hub** started operations in Portugal, aimed at helping the Company's different business units grow in the digital market. One of the first projects of this Hub targets the development of a solution for monitoring air quality in meeting rooms, able to measure and mitigate epidemiological risk, in order to make workspaces safer.



The Mendix App Factory is a scalable, collaborative and efficient platform developed in the Lisbon Tech Hub, has been expanded with new lines and delivered in more than 30 applications. The **Cyber Security** team which started its activity in Portugal in 2014, reached the impressive milestone of 100 specialists this business year. This team supports the entire company on a regional basis and implements real and potential cyber threat detection and analysis solutions in IT and industrial environments.

The **Expert Hub Digital Industries Information Technologies** which have 67 specialists, also had a very positive year, having grown 10% above expectations. The main focus areas included: development, cloud, Mendix, testing, security, as well as service and project management. If this growth trend is maintained, this team may have 200 employees by 2023.

Lisbon Tech Hub has also been developing the **Mendix App Factory**, a scalable, collaborative and efficient platform. In this context, and over the last year, this "factory" was considerably expanded with new lines of development, and more than 30 appli-

cations were delivered. Mendix is a low code application development platform that allows Siemens to build and continuously improve large-scale web applications.

Lisbon Tech Hub is currently developing a new application, using **ServiceNow technology**, to manage the admin processes of Siemens' human resources at a global level. Such processes include reception, departures and transfers of employees, using standardization and automation, in order to increase processing speed and, consequently, employee satisfaction. This tool is particularly relevant for new employees, as it ensures that the 1st day at the company is a success, with all tools and platforms up and running. The pilot for this project will be launched at the beginning of the current business year.



The Cyber Security team reached in this business year the impressive milestone of 100 specialists.

# B. Main financial indicators

### <sup>B.1</sup> Main financial indicators

The current fiscal year ended with very positive results for Siemens Portugal which, with regard to the main financial indicators, registered significant improvements compared to the previous fiscal year.

As previously disclosed in the financial statements, Siemens S.A. remodeled its organizational structure in the previous fiscal year and completed the spin-off of its - Gas and Power business unit, effective as of March 2, 2020.

Thus, the 2020 comparative figures still contain 5 months of operations of the spin-off, the impact of which, as shown below, facilitates the reading of the respective financial indicators:

2021	2020	Variation	Impact <b>GP</b> Spin-off
96,8	76,9	26%	No impact
195,6	152,7	28%	-29,3
260,7	276,7	-6%	-38,8
158,8	142,3	12%	-2,5
10,2	2,4	325%	-0,7
205,8	191,1	8%	No impact
92,8	85,4	9%	No impact
113	105,7	7%	No impact
3,6	3,1	16%	No impact
2180	1987	10%	No impact
	96,8 195,6 260,7 158,8 10,2 205,8 92,8 113 3,6	96,8 76,9   195,6 152,7   260,7 276,7   158,8 142,3   10,2 2,4   205,8 191,1   92,8 85,4   113 105,7   3,6 3,1	96,8 76,9 26%   195,6 152,7 28%   260,7 276,7 -6%   158,8 142,3 12%   10,2 2,4 325%   205,8 191,1 8%   92,8 85,4 9%   113 105,7 7%   3,6 3,1 16%

\*Amount in EUR million

Both Order Intake and Orders secured during the year registered growth of 26% and 28%, respectively. This is the result of our customers' strong commitment to Siemens' products and solutions, as mentioned throughout this report.

With regard to turnover and despite a decrease of around 6% resulting from the spin-off carried out the year before, we need to highlight the growth in Global Services which reached EUR 137 million by September 2021, boosted by the growth of technology services provided by Lisbon Tech Hub, mainly to Siemens Group companies. This growth is the result of Siemens S.A.'s strong commitment to technology, innovation and the quest for solutions for its customers. Regarding Net Results, the Company showed a notable evolution as they improved by about 325%, which is essentially due to the Company's ability to adequately prepare for the return of economic activity, the restructuring of its organizational matrix in a more efficient manner, and the reorganization of Corroios plant's portfolio to meet the challenges of electric mobility.

With regard to its financial position, Company assets total EUR 206 million, approximately 80% of which are current assets, namely receivables and cash available equivalent to more than 31 million euros. Equity capital totaled EUR 113 million, underpinning the company's unequivocal financial soundness.

Another highlight is the creation of 193 new jobs, while investments to meet future challenges exceeded EUR 3.6 million.



#### B.1.1 Fiscal data

Taxes and contributions paid by Siemens S.A. for the period between October 1, 2020 and September 30, 2021, break down into corporate taxes and contributions supported and taxes and contributions paid on behalf of other entities and natural persons.

Corporate taxes and contributions represent actual fiscal cost for Siemens S.A. and impact its treasury directly. The total amount was about EUR 19.8 million. On the other hand, taxes and contributions paid on behalf of other entities and natural persons, although delivered to the State by the Company and impacting its treasury, are charged to customers or withheld from suppliers and employees, and therefore do not affect the net income of Siemens S.A. The total amount of such taxes and contributions was EUR 65.7 million. In total, Siemens S.A. paid EUR 85.5 million in taxes and contributions into the coffers of the State.

There are no outstanding debts to the state public sector, including social security.

### B.1.2 Proposal for the application of results

We place at the disposal of the General Assembly EUR 10,194,774 and propose that this amount resulting from the profit of this fiscal year be distributed as follows:

	EUK
Dividends	10.194.774

#### B.1.3 Relevant facts that occurred after the end of the fiscal year

The Board of Directors informs that it is not aware of any facts or events after 30th of September 2021 that justify adjustments or disclosures in the financial statements for the fiscal year ending on that date or that affect the situations and/or information contained therein.

# C. Additional Informations

# outlook

In line with Siemens AG's new strategy announced in June 2021, Siemens Portugal will also boost its growth by way of the digital transition and technologies that impact the sustainability of its customers. Siemens operates in sectors that form the backbone of the global economy – such as industry, infrastructure, transport and healthcare. As a technology company, Siemens in Portugal is in a unique position to support its customers in leading their sustainability challenges by combining technologies from the digital and physical world, helping modernize industrial systems, infrastructure and transport, making them smarter, productive, efficient and sustainable.

Siemens is also ramping up its commitment to sustainability by way of its new framework called DEGREE, which stands for decarbonization, ethics, governance, resource efficiency, equity and employability. This new benchmark will apply to all Company activities around the world and defines the Company's strategic objectives in these matters.

Specifically in Portugal, the main focus areas of Siemens for this new business year will be People Health & Safety, aimed at ensuring the physical and mental well-being of its more than 2,100 employees and continuing the pilot project that is currently underway – Healthy&Safe@Siemens. 10 Company locations company worldwide, including Alfragide, are part of this project, aimed at sharing good practices they establish and extending them to other locations. Another focus area will be the safe return to the office, as well as adapting offices and company employees to the so-called "new normal".

#### Decarbonization

support the 1.5°C target to fight global warming

#### E thics

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

#### **G** overnance

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

#### R esource efficiency

achieve circularity and dematerialization

#### 🗉 quity

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

#### E mployability

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

The new DEGREE commitment for sustainability defines the strategic objectives for the entire company. With regard to business, the Company's ambition is to grow in collaboration with its key customers and by conquering new opportunities, either by way of **Account Teams** or **Capture Teams** allocated to specific projects or based on opportunities opened by projects financed under the **Portuguese Recovery and Resilience Plan**. This includes, for example, initiatives regarding climate transition, such as decarbonization of industry, energy efficiency in buildings, green hydrogen and renewables as well as sustainable mobility – in line with many of key activity areas of Siemens.

The Company's growth strategy will continue to focus on innovation projects for the ecosystems of customers, partners and other entities.

Another of Company objective for this fiscal year is to expand competence centers and engineering hubs, laboratories and technology centers already in operation at different facilities and to strengthen its capabilities and competences in providing services to its customers.

The Company also intends to support customers of the different business units in their digital transformation processes. For example, by providing remote services, industrial IoT solutions or consultancy services. In this regard, Siemens<sup>4</sup> participation in the next edition of the **Hannover Industrial Fair**, as mentioned above, will be essential, given that Portugal will the partner country. We also emphasize the importance of boosting export activities in terms of service, software, and engineering solutions.

Siemens will also focus its efforts on recruiting new talent for the different competence centers and hubs located in Portugal, whose teams have been constantly growing, and on strengthening skills in the areas of information technology and operational technologies (IT/OT).

<sup>&</sup>lt;sup>₄</sup>Internet of Things

# **Final** Considerations

A word of profound appreciation to all employees for their enormous effort, commitment and dedication to our company during a very challenging year.

We would also like to thank all customers and partners who have cooperated with us throughout the year, and who have again entrusted the development and execution of their main projects to our teams.

We thank our shareholder Siemens AG for the confidence reflected in the various investments it has decided to make in Portugal, as well as to the governing bodies of the Supervisory Board and the General Meeting for the rigor and professionalism shown

Alfragide, 18th of November 2021

The Board of Directors

Composition of Siemens, S.A. by january de 2021:

Name	Organization	Function
José Luís Fazenda Arnaut Duarte	General Meeting	Chairman
Patrícia da Silva Campos Afonso	General Meeting	Secretary
Nádia Carina Reis Dias dos Santos	General Meeting	Secretary
José Silva Jorge	Supervisory Board	Chairman
José Rodrigo de Castro	Supervisory Board	Member
Franz Josef Kiener	Supervisory Board	Member
Jurgen Sieber	Supervisory Board	Suplente
Ernst & Young Audit & Associados - S.R.O.C., S.A.	Statutory Auditor	
Represented by:		
Rui Abel Serra Martins		
ou Paulo Jorge Luís da Silva		
Miguel Angel López Borrego	Board of Directors	Chairman
Pedro Miguel Pires de Miranda	Board of Directors	Managing Director
Ricardo João Fernandes Nunes	Board of Directors	Member
Alfred Karl Franzoni	Board of Directors	Member
Ana Campon Alonzo	Board of Directors	Member

Prazo de duração dos mandatos: 2 anos

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The Annual Report 2021 of Siemens, S.A. (in PDF format) is available at: www.siemens.pt/relatorioecontas

#### Disclaimer

This Management Report contains forward-looking statements, based on suppositions and estimates by the Management of Siemens, S.A.. Even though we consider the expectations of these forecasts to be realistic, we cannot guarantee that they will prove to be right. The suppositions are subject to risks and uncertainties that may cause the actual results to be materially different from the forecasts. Among the factors that may cause the referred deviations are, among others, changes in the economic and commercial conditions, fluctuations in interest and exchange rates, introduction of competing products, lack of acceptance of new products or services and changes in the business strategy. Siemens, S.A. does not intend or assume any obligation to update these forecasts. It is our principle to publish all essential data without limitations and on a non-selective basis.

The document contains information about the Annual Report and Financial Statements (for the year ended September 30, 2021) as well as other information about the company's operations in the year under review. In case of discrepancies, the content approved by the General Meeting and certified by the Chartered Accountant shall prevail.

#### Contacts

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#### Corroios factory

STATISTICS.

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