The strategic importance of Diversity for Siemens

Diversity and inclusion are not only nice to have; they are crucial for the success of our businesses. Diverse teams are more successful overall because they ultimately drive more creative and innovative solutions.

Maria Ferraro, Chief Financial Officer Digital Industrie and Chief Diversity Officer
Important global developments and trends

Globalization
- By 2030, the top performing countries by GDP will be CN, US, IN, BR, JP
- Preferred immigration destinations: Germany at No. 4, after US, UK and CA
- >85% of Siemens global revenue outside HQ

Competitive workforce market place
- Shortfall of 24 million professional workers in Europe by 2040
- Emerging talent markets: in Brazil, 70% of workforce <40 years, China 82%; 54% of graduates from Asia Pacific
- Women make up 30-50% of the workforce in BRIC countries

Politics and regulations
- Women's quota in Germany: 30% women on the Supervisory Board, 25% on the Executive Board (2 out of 8)
- Diversity certificates as an important management tool, e.g. BBEEE in S. Africa

New social developments
- LGBTI+
- Culture and Race
- Disability
- Gen. Y embraces Diversity

Demographic shift
- Working population worldwide will be reduced by 3-4% until 2050
- Multiple generations in the workplace

Globalization

Competitive workforce market place

Politics and regulations

New social developments

Demographic shift

Diversity gives Siemens an advantage over the competition

The definition of diversity at Siemens:

At Siemens, we value diversity as the inclusion and collaboration of different thinking, backgrounds, experience, expertise and individual qualities across all organizational levels and dimensions.

Source: Siemens AG
Overview of the Siemens workforce

Worldwide

385,000 Employees\(^1\) working at Siemens

including

112,000 engineers\(^2\)

33,000 in management positions\(^3\)

43,000 new colleagues joined our company last year

In Germany

116,000 employees

21% ÜT\(^4\)

11,200 part-time

4,700 took parental leave last year

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1) Headcount  2) Job family: R&D, EN, IT, CS without Pos. Type Operations  
3) Employees with personnel responsibilities  
4) Exempt Salary Group ("Übertarifliche Mitarbeiter" in Germany)

Source: Siemens AG; HRL as of FY19
Siemens unites people from 171 nations

We have 171 countries

119 different nationalities in management

1) Employees with personnel responsibilities
Source: Siemens AG; HRL as of FY19

Siemens has a business presence in >200 countries

Revenues around the globe

In Germany: 126
In UK: 94
In US: 76
In China: 42
In India: 28

In FY 2019, Siemens recruited talent from 143 countries

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Both men and women contribute to Siemens’ ability to innovate and digitalise

1) JF R&D, EN, IT, CS ohne Pos. Type Operations
Source: Siemens AG; HRL as of FY19

% female engineers at Siemens Deutschland: 12%
% female engineers at Siemens China: 19%

112,000

86%
14%
25% of the global workforce are women - There is a great need for improvement in management

The respective proportions of female employees at different levels in Germany:
Sr. Mgmt. 13%, Mgmt. 13%, All employees 23%

1) Employees with personnel responsibilities  Source: Siemens AG; HRL as of FY19
At Siemens, three generations work shoulder to shoulder

Siemens Workforce

- Generation
  - **17%** Boomers (~1946-1964)
    - Time scarcity
    - Less experience of technology
    - Restarting career
  - **41%** Gen Xs (~1965-1980)
    - Hit by boom & bust, blocked by boomers, passed by Ys
    - Financial pressure
    - Eldercare + childcare
  - **42%** Gen Ys (~1981-2000)
    - Gaining experience
    - Prospects for advancement
    - Want to be good citizens & parents and are learning how

Siemens New Hires

- Age
  - ca. 4%
  - ca. 21%
  - ca. 76%

Source: Siemens AG; HRL as of FY19, Cam Marston and Learning Communications; Oxygenz.com; IBM/Universum/EZI; Booz & company; FT 2009, HBR 09-10; CWLP
Siemens countries with significant share of Boomers

Source: Siemens AG; HRL as of FY19
Siemens countries with significant share of Gen Y

<table>
<thead>
<tr>
<th>Country</th>
<th>Share of Gen Y</th>
<th>Share of Gen X</th>
<th>Share of Boomer</th>
<th>Average Age</th>
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<tbody>
<tr>
<td>Poland</td>
<td>42%</td>
<td>42%</td>
<td>4%</td>
<td>Ø 42</td>
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<tr>
<td>Portugal</td>
<td>51%</td>
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<td>Turkey</td>
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<td>13%</td>
<td>Ø 38</td>
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<td>48%</td>
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<td>South Africa</td>
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<td>Singapore</td>
<td>52%</td>
<td>38%</td>
<td>10%</td>
<td>Ø 43</td>
</tr>
</tbody>
</table>

Source: Siemens AG; HRL as of FY19
Diversity Employee Networks – important catalysts to foster a culture of inclusivity and ownership

Lesbian, gay, bisexual, and transgender colleagues have founded the Pride Network

Diversity Networks are communities with employees representing specific diversity dimension(s), such as Employee Resource Groups, Affinity Groups or with activities strongly promoting Diversity

“Active” refers to regular and visible activities organized by the network

Source: Siemens AG; Data as of FY19

In Germany, 5990 disabled colleagues are working for Siemens

>80 active Diversity Networks

- Gender 62%
- Disability 2%
- Generations 13%
- Ethnicity 8%
- LGBTI 12%
- Others 3%

- Americas
- Asia, Australia
- Germany
- Europe, C.I.S., Africa, Middle East (without Germany)

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Since 2004, Siemens has won >100 Diversity-related awards.

Siemens is an official partner and member of CHEFSACHE, and charta der vielfalt.
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