The strategic importance of Diversity for Siemens

“In times of tremendous change it is more important than ever to seek for diversity & inclusion - diversity has become a business imperative. So be the change you want to see in the world like Gandhi said.

The beauty of diversity & inclusion is simple to describe: you get remarkable results, more innovations and with this it is a critical business driver and pushes digitalization.“

Natalia Oropeza
Chief Cybersecurity Officer & Chief Diversity and Inclusion Officer
Future global market and trends

Globalization
- New trend of global market in the future: top-5 GDP ranks in 2030: CN, US, IN, BR, JP
- Preferred immigration countries: 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 in BRIC make up 30-50% of the workforce

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

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

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

Globalization

The World and Diversity & Inclusion

Politics and regulations

New social developments

Competitive workforce market place

Demographic shift

Diversity is a competitive advantage for Siemens

The Diversity definition 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 on Siemens workforce

Worldwide

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

thereof

112,000 Engineers\(^2\)

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

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 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 colleagues from

171 nationalities

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

Siemens has its business presence in >200 countries

119 different nationalities in management

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

In FY 2019, Siemens recruited talents from around

143 nationalities

Revenues around the globe

20% USA
15% Germany
9% China
5% UK
2% India
Both genders contribute to Siemens‘ Ingenuity and Digitalization capability

Ingenieure\(^1\)

112T

86%  
14%

Ing. Frauenanteil Siemens Deutschland: 12%
Ing. Frauenanteil Siemens China: 19%

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

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24% of global workforce are women - There is a great need for improvement in management

Global Workforce (385,000 worldwide)

The respective percentages of the Share of Women in Germany:
Sr. Mgmt. 13%, Mgmt. 13%, All employees 23%

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

Siemens Workforce

<table>
<thead>
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<th>Age</th>
<th>Percentage</th>
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Siemens New Hires

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<th>Percentage</th>
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<tr>
<td>18</td>
<td>ca. 76%</td>
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<tr>
<td>20</td>
<td>ca. 21%</td>
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<td>25</td>
<td>ca. 4%</td>
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Generation

17% Boomers (~1946-1964)
- Time scarcity
- Technology nebulous
- Restart 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)
- More experienced soon
- Prospects for advancement
- Want to be good citizens & parents and learning how

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

Schweden 21% 53% 26% 43
Austria 17% 46% 37% 41
Belgium 19% 47% 34% 43
Germany 24% 45% 31% 45
Netherlands 23% 44% 34% 42
Switzerland 22% 44% 33% 42
Italy 26% 54% 20% 44
Spain 15% 54% 32% 44
UK 19% 43% 37% 43
Canada 31% 46% 23% 44
United States 29% 42% 29% 44
Japan 14% 60% 26% 44
Australien 17% 46% 37% 44

Source: Siemens AG; HRL as of FY19
Siemens Länder mit signifikantem Gen Y Anteil

Source: Siemens AG; HRL as of FY19

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Ø = Average age  Boomer  Gen X  Gen Y

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HR PL CD
Diversity Employee Networks – important catalysts to foster inclusive and ownership culture

Lesbian, gay, bisexual, 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 FY17

In Germany, 5990 disabled colleagues are working for Siemens

Source: Siemens AG; Data as of FY17
Since 2004, Siemens has won more than 100 Diversity-related awards. Siemens is an official partner and member of Chefsache and Charta der Vielfalt.
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