

Siemens to introduce sustainable and flexible company car policy

- **Focus on ecofriendly vehicles to help make company carbon neutral by 2030**
- **New app enables executives to switch company cars flexibly anytime based on their specific requirements**
- **Under the EV100 initiative, Siemens wants to have a fully electric fleet by 2030**

In January 2022, Siemens will introduce a new model for the company cars used by its executive-level employees. Currently in the pilot phase, the new model is to be implemented Germany-wide by the beginning of next year. The goal is to provide employees with greater access to cars with ecofriendly drive systems and thus give them an additional incentive to use electric vehicles. Siemens' fleet organization will also be more flexible and sustainable since employees will be able choose the type of electric vehicle they want at any time based on their requirements. This spring, the company joined the Climate Group's EV100 initiative and thus set a target of transitioning its global fleet to 100 percent electric mobility by 2030.

"When it comes to achieving a climate-neutral future, additional innovative solutions for alternative fleet concepts are one of the primary success factors. Our new fleet management model and app perfectly fit our strategy of achieving a decisive boost in the use of electric and hybrid vehicles and of completing the transition by 2030," said Thorsten Eicke, head of global mobility management at Siemens.

Siemens wants its own business operations to be carbon neutral by 2030. The new fleet management model is expected to make a major contribution to achieving this goal. Therefore, the company is systematically focusing on electric vehicles. Its fleet of company cars for executive-level employees currently comprises about

1,500 vehicles. Electric and hybrid vehicles already account for about 50 percent of this total. And the company intends to substantially increase this very high percentage yet further by installing more charging stations at Siemens locations and reducing the relatively long lock-in period for leasing contracts.

The company's locations in Germany, for example, already boast around 450 charging stations. Another 260 are planned for the summer of 2022. With the Siemens Smart Infrastructure charging card, employees can access more than 40,000 charging stations in Germany's public charging network. For its charging infrastructure, Siemens relies on its own technology and on infrastructure solutions from Smart Infrastructure Distribution Systems. Wherever possible, the company will also purchase electricity from renewable sources so that vehicle charging will further support its carbon neutrality goal.

In addition, Siemens' new fleet management model will provide greater flexibility. Under the model, the duration of leasing contracts will be reduced to just one year, and employees will be able to switch vehicles anytime. The cost of leasing contracts will vary based on the CO₂ emissions of the vehicles selected. What's more, users of the new model will receive incentives in the form of higher lump-sum transportation allowances. The model also offers the option of dispensing with company cars entirely. No leasing fees will be charged during periods of non-use.

Greater flexibility is required because the basic conditions – and thus the requirements for company cars – have changed fundamentally in recent years due, in particular, to new digital capabilities. This change has been further accelerated by the coronavirus pandemic. Instead of on-site appointments with customers, greater emphasis is now placed on virtual communications, thereby reducing the number and length of car trips.

With its new model, Siemens is collaborating with Sixt and using a digital process. With the aid of an app, employees will be able to switch cars on their own with a few clicks and then pick up their vehicles at the scheduled time at a Sixt location chosen in advance. The entire process requires no person-to-person contact.

Siemens' new fleet management model will be introduced first in Germany. Additional European countries are scheduled to follow. In addition to company cars for executive-level employees, Siemens maintains a fleet of 45,000 vehicles for service personnel and other frequent company drivers.

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In fiscal 2020, which ended on September 30, 2020, the Siemens Group generated revenue of €55.3 billion and net income of €4.2 billion. As of September 30, 2020, the company had around 293,000 employees worldwide. Further information is available on the Internet at www.siemens.com.