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Siemens and employee representatives extend location and employment agreement

Siemens has reached an open-ended agreement with its Central Works Council and the IG Metal union covering its future reorganizational activities and structural adjustments in Germany. “This represents a clear and long-term commitment to Germany as a business location. Siemens is a responsible employer. Every single employee is important to us,” said Peter Löscher, President and CEO of Siemens AG.

With the new agreement on securing locations and employment, Siemens is renewing a previous accord, which was signed in July 2008, and extending its principles to the entire company. The new agreement will also apply to Siemens’ German subsidiaries.

In the future, Siemens will continue to act responsibly when taking structural measures to maintain its long-term competitiveness and will continue to implement these measures in dialogue with its employee representatives. The company will also honor its commitment to implementing workforce adjustments, wherever possible, without layoffs due to operational requirements. As in the past, Siemens will use every possible means to achieve this aim, including shifting personnel between locations and setting up short-time work programs. The new location and employment agreement does not apply to Siemens IT Solutions and Services (SIS) GmbH, since the securing of locations and employment is covered by the provisions of an SIS-specific collective bargaining agreement.

During the crisis, Germany’s short-term work program performed its bridging function impressively. Siemens’ workforce has been stable since the end of fiscal 2007. In the fall of 2007 – at the beginning of the recent crisis – the company had about 126,000 employees in Germany. According to the latest figures, it now has 128,000. In 2009 – in the middle of the crisis – Siemens added 6,200 new employees in Germany alone. Due to favorable economic developments, the company terminated its short-term work program on July 31, 2010.

Siemens AG (Berlin and Munich) is a global powerhouse in electronics and electrical engineering, operating in the industry, energy and healthcare sectors. For over 160 years, Siemens has stood for technological excellence, innovation, quality, reliability and internationality. The company is the world's largest provider of environmental technologies, generating €23 billion – nearly one-third of its total revenue – from green products and solutions. In fiscal 2009, which ended on September 30, 2009, revenue totaled €76.7 billion and net income €2.5 billion. At the end of September 2009, Siemens had around 405,000 employees worldwide. Further information is available on the Internet at: www.siemens.com.