The strategic importance of Diversity for Siemens

Diversity strengthens our innovative capacity, unleashes the potential of Siemens’ employees and thereby directly contributes to our business success.

Janina Kugel, Chief Diversity Officer and Member of the Managing Board
Future global market and trends

Politics and regulations
- Women’s quota in Germany: 30% women on the Supervisory Board, 20% on the Executive Board (2 out of 10)\(^8\)
- Diversity certificates as an important management tool, e.g. BBEEE\(^9\) in S. Africa

New social developments
- LGBTI
- Culture and Race
- Disability
- Gen. Y embraces Diversity\(^{10}\)

Globalization
- New trend of global market in the future: top-5 GDP ranks in 2030: CN, US, IN, BR, JP\(^1\)
- Preferred immigration countries: Germany at No. 4, after US, UK and CA\(^2\)
- >85% of Siemens global revenue outside HQ\(^3\)

Competitive workforce market place
- Shortfall of 24 million professional workers in Europe by 2040\(^4\)
- Emerging talent markets: in Brazil, 70% of workforce <40 years, China 82%\(^5\); 54% of graduates from Asia Pacific\(^6\)
- Women in BRIC make up 30-50% of the workforce\(^7\)

Demographic shift
- Working population will be worldwide reduced by 3-4% until 2050\(^{11}\)
- Multi-generations in the workplace

Globalization
- UN statistics
- The Athena Factor, Sylvia Ann Hewlett Associates
- Battle for female talent in emerging markets, HBR
- BMJV, March 6\(^{rd}\), 2015
- Broad-Based Black Economic Empowerment

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

379,000 Employees\(^1\) working in Siemens

thereof

108,000 Engineers\(^2\)

31,000 in management\(^3\) position

40,000 new colleagues joined our company last year

In Germany

117,000 employees

21% ÜT\(^4\)

10,700 part-time

4,937 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 or project responsibilities  
4) Exempt Salary Group (“Übertarifliche Mitarbeiter” in Germany)  
Source: Siemens AG; HRL, parental leave: COLORADO Data as of FY18
Siemens unites people from 169 nations

We have colleagues from

169 nationalities

In Germany: 125
In UK: 93
In US: 79
In China: 43
In India: 26

In FY 2017, Siemens recruited talents from around 137 nationalities

Siemens has its business presence in >200 countries

Revenues around the globe

- USA: 20%
- Germany: 15%
- China: 9%
- UK: 5%
- India: 2%

1) Employees with personnel or project responsibilities
Source: Siemens AG; Data as of FY18
Both genders contribute to Siemens’ Ingenuity and Digitalization capability

Female share of Ing. In Siemens Deutschland: 11%
Female share of Ing. In Siemens China: 19%

1) JF R&D, EN, IT, CS ohne Pos. Type Operations
Source: Siemens in Germany; Data as end of FY18
24% of global workforce are women -
There is a great need for improvement in management

The respective percentages of the Share of Women in Germany:
Sr. Mgmt. 11%, Mgmt.12%, ÜT2) 15%, All employees 23%

1) Employees with personnel or project responsibilities   2) Exempt Salary Group ("Übertarifliche Mitarbeiter" in Germany); Source: Siemens AG; Data as of FY18
In Siemens, three distinguished generations work shoulder to shoulder

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**Siemens Workforce**

**Generation**

- **21% Boomers (~1946-1964)**
  - Time scarcity
  - Technology nebulous
  - Restart career

- **42% Gen Xs (~1965-1980)**
  - Hit by boom & bust, blocked by boomers, passed by Ys
  - Financial pressure
  - Eldercare + childcare

- **36% Gen Ys (~1981-2000)**
  - More experienced soon
  - Prospects for advancement
  - Want to be good citizens & parents and learning how

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**Siemens New Hires**

**Age**

- **21% Boomers (~1946-1964)**
  - ca. 5%

- **42% Gen Xs (~1965-1980)**
  - ca. 23%

- **36% Gen Ys (~1981-2000)**
  - ca. 69%

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Source: Siemens AG; Data as of FY18; 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: Company reports as of FY18; Illustration only. In case of inconsistency, please refer to up-to-date local company reports.
Siemens Länder mit signifikantem Gen Y Anteil

- **Czech Rep.**: 16% Gen Y, 43% Boomers, 40% Gen X
- **Polen**: 9% Gen Y, 46% Boomers, 45% Gen X
- **Portugal**: 10% Gen Y, 45% Boomers, 45% Gen X
- **Turkey**: 3% Gen Y, 41% Boomers, 56% Gen X
- **Russia**: 8% Gen Y, 34% Boomers, 58% Gen X
- **Korea**: 5% Gen Y, 51% Boomers, 45% Gen X
- **Brazil**: 8% Gen Y, 38% Boomers, 54% Gen X
- **Süd Afrika**: 19% Gen Y, 43% Boomers, 39% Gen X
- **Saudi Arabien**: 12% Gen Y, 44% Boomers, 44% Gen X
- **UAE**: 6% Gen Y, 45% Boomers, 48% Gen X
- **Indien**: 4% Gen Y, 28% Boomers, 68% Gen X
- **Singapur**: 3% Gen Y, 38% Boomers, 59% Gen X
- **China**: 3% Gen Y, 38% Boomers, 59% Gen X
- **Saudi Arabien**: 44% Gen Y, 12% Boomers, 44% Gen X
- **Indien**: 45% Gen Y, 6% Boomers, 28% Gen X
- **Czech Rep.**: 16% Gen Y, 43% Boomers, 40% Gen X

Source: Company reports as of FY18 Illustration only. In case of inconsistency, please refer to up-to-date local company reports.
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.

In Germany, 5990 disabled colleagues are working for Siemens.

Source: Siemens AG; Data as of FY18.
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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