Siemens Supply Chain Finance Program





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Introduction to the SCF Program



The Supply Chain Finance (SCF) program uses a 3rd party web-based platform provider (*Orbian) to provide cost-effective receivables financing to Siemens suppliers and sub-contractors.

SCF leverages the financial strength of Siemens to offer **low discount rates** to selected suppliers invited into the program.

*Siemens has selected Orbian to provide the SCF platform. ORBIAN Corp. is an international company founded by SAP and Citibank, now held privately with focus on supply chain finance solutions. Please find more information at <u>www.orbian.com</u>. Orbian is not an affiliate of, or owned by, Siemens.

SCF Benefits at a Glance

Cash Flow Improvement

2 Working Capital Improvement

3 Increased Cash Flow Transparency

Cost Reduction



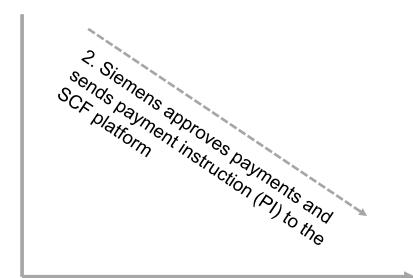


How does SCF work at Siemens?



1. Supplier delivers goods and invoices Siemens in **exactly the same way** prior to enrollment

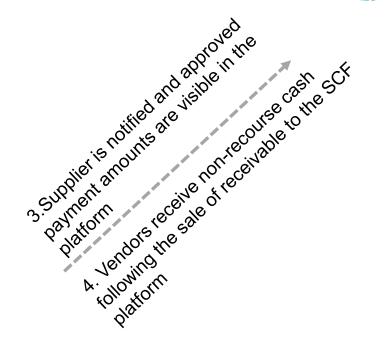




5. Siemens makes payment to SCF platform provider at scheduled maturity date

Supply Chain Finance Program







Discounting Options

AutomaticUpon enrollment, elect to automatically discount all approved SiemensDiscountingreceivables at the applicable discount rate

Manual Discounting Vendors with annual sales of \$500k+ manually select which Siemens receivables to discount at the applicable discount rate. An additional fee of 0.12% (12 bps) p.a. is added to the discount rate.



How much does the SCF program cost?

- The only cost of the program is the discount charge a supplier pays to receive early payment.
- There are **no fees** to join, maintain, or exit the program.
- The Discount Rate currently offered in the Siemens SCF Program is **tiered**, dependent upon the supplier's total annual sales to Siemens, with a minimum of \$50k.

Annual Sales Level	Annualized Discount Rate
\$500,000+	1.50% + LIBOR
\$300,000 - \$499,999	1.75% + LIBOR
\$50,000 - \$299,999	2.50% + LIBOR

Discount Charge Example Supplier with \$500k+ Annual Sales

Payment Terms with Siemens:

Siemens Approved Payment Amount:

Annualized SCF Discount Rate:

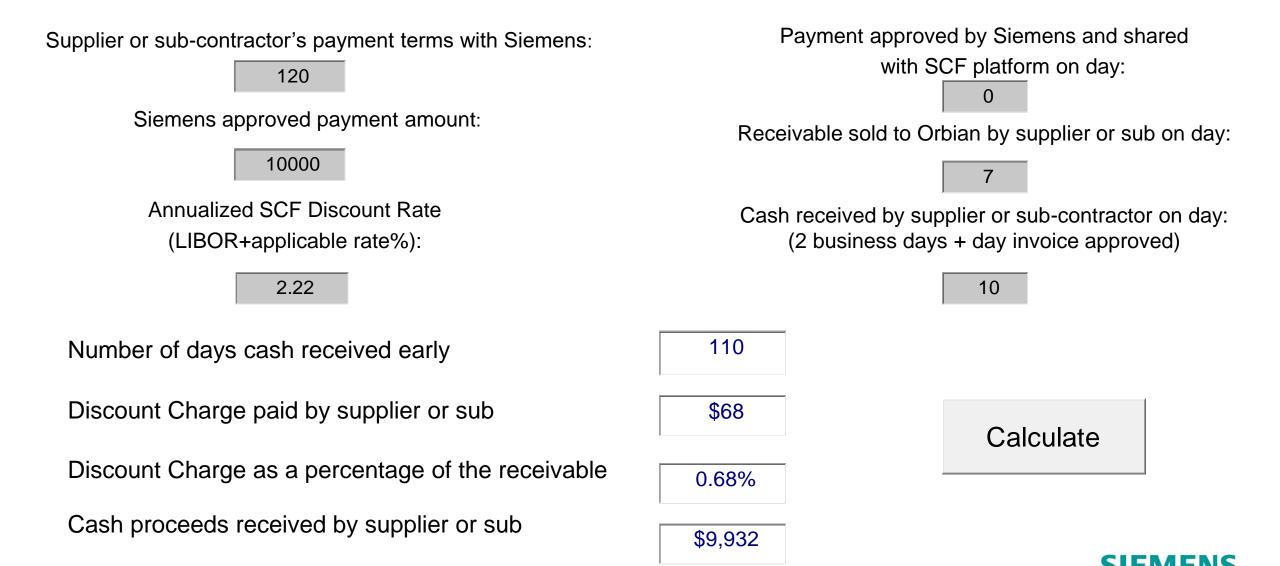
2.8% (assumes LIBOR @ 1.3 + 1.5%)

Event Scenario	Auto Discount
Invoices Submitted	Day 0
Payment approved by Siemens and shared with SCF platform	Day 7
Cash received by supplier or sub-contractor	Day 10
Number of days cash received early ("Discounting Period")	110 Days
Discount charge paid by supplier or sub-contractor (110/360) * .028 * \$10k	\$85
Discount charge as a percentage of the receivable	0.85%
Cash proceeds received by supplier or sub-contractor on Day 10	\$9,915

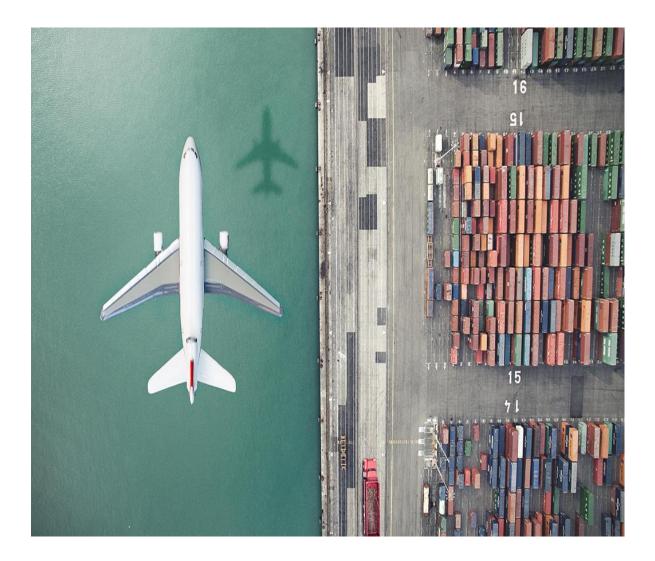
120 Days

\$10,000

Interactive Discount Calculator



Summary of Benefits



The Siemens Supply Chain Finance (SCF) Program allows suppliers to quickly convert invoices to cash at attractive discounting rates. This cash flow and internal cost improvement may result in more competitive bidding.

Cash Flow Improvement

Working Capital Improvement

Increased Cash Flow Transparency

Cost Reduction



Next Steps

- Go to https://www.orbiansupplier.com
- Based on the supplier's location of incorporation, use the following enrollment codes: US: Siemens2123; Mexico: Siemens2130; Canada: Siemens2125; Germany: Siemens2129; UK: Siemens2128; Hong Kong: Siemens2126; Denmark: Siemens2127
- Suppliers in Canada selling to Siemens Canada: Siemens2140
- Follow directions to complete paperwork

- Orbian will complete the activation process
- Supplier will receive access to the SCF web portal
- Start converting invoices to cash, fast!





Next Steps – Siemens Energy Suppliers

- Go to <u>https://www.orbiansupplier.com</u>
- Based on the supplier's location of incorporation, use the following enrollment codes: US: sie2000; Mexico: sie3000; Canada: sie7000; Germany: sie1000; UK: sie6000; China: sie4500; Switzerland: sie4000; Singapore: sie5500; Sweden: sie5000
- Follow directions to complete paperwork

- Orbian will complete the activation process
- Supplier will receive access to the Siemens Energy SCF web portal
- Start converting invoices to cash, fast!



Thank You!

Douglas

Schoch

Management

VP, Relationship



Credit Risk Intelligence Siemens Financial Services

Phone +1 (732) 590-6582

E-mail douglas.schoch@siemens.com





Credit Risk Intelligence Siemens Financial Services

Phone +1 (732) 590-2524

E-mail monica.moskowitz@siemens.com

Eduardo Roxo Supply Chain Finance Program Manager



Credit Risk Intelligence Siemens Financial Services

Phone +1 (848) 359-7129

E-mail eduardo.roxo@siemens.com Rillary Gomes Agostinho Supply Chain Finance Analyst



Credit Risk Intelligence Siemens Financial Services

E-mail rillaryagostinho@siemens.com

Additional Resources



Questions about enrollment documentation?

Kayla Iversen Orbian Documentation Manager <u>documentation@orbian.com</u> +1 (760) 891-2300

Siemens Supply Chain Finance Website (for suppliers)

Siemens Energy Supply Chain Finance Website (for suppliers to Siemens Energy)

Siemens Supply Chain Finance Intranet Site (for Siemens colleagues)

Siemens Energy Supply Chain Finance Intranet Site (for Siemens Energy colleagues)

Current LIBOR Rates

