Diversity at Siemens

Guangya Su
Siemens Chief Diversity Office
Dramatic changes driven by global trends

Global Trends influencing Business

- Legislation and Regulation
- Rise of Emerging Markets
- "Globality" Phenomenon
- Demographic Shifts
- Work Models Re-design
- Financial Crisis effects

Implications for Companies

- Regulatory Diversity
- Workforce Diversity
- Customer Diversity
- Competitors Diversity
- Supplier Diversity
- Stakeholders Diversity

Companies need to address diversity with a strategic business perspective

Source: Siemens AG
Diversity as strategic asset – leveraging the strengths of teams with diverse profiles

Businesses face new global challenges

"Globality" Phenomenon

Demographic Shifts

Work Models Re-design

Rise of Emerging Markets

Financial Crisis Effects

Legislation and Regulation

By using diversity strategically, businesses can set the right frame for success.

"Globality" Phenomenon

Diversity of People, Ideas, and Competencies

Financial Crisis Effects

Legislation and Regulation

Rise of Emerging Markets

Demographic Shifts

Work Models Re-design

Source: Siemens AG
If the world was a village of 1000 people ….

… 584 would be Asian
… 123 would be African
… 95 East & West Europeans
… 84 Latin Americans
… 52 North Americans
… 6 Australians & New Zealanders

This village would struggle to communicate
… 330 speak Mandarin
… 60 speak English
… 28 Hindi / Urdu
… 200 Spanish
… 200 Russian
… 70 Arabic
… And this is only half of the village

And there would be
… 5 soldiers
… 7 teachers
… 1 doctor

The village would have
… 330 children
… 60 >65 years old
… 28 are born each year, 10 die
… 200 have ¾ of the income
… 200 have <2% of the income
… 70 own a car

Source: Sustainability Institute, Donella H. Meadows
Trends and facts impacting the global workforce

- The emerging markets have a young workforce (e.g. Brazil 70%, China 82% under 40\(^1\))
- Women in BRIC make up between 30 and 50% of the workforce in these countries\(^2\)
- 17% of all college graduates are white males\(^3\)
- 54% of all college graduates are from Asia Pacific\(^3\)
- Europe: Pressure to increase percentage of women in management
- Projected shortfall of 24 million workers aged 15 to 65 in Europe by 2040. (Raising the participation levels of women to those of men, would cut the gap to 3 million\(^4\))

1) UN statistics
2) "Battle for female talent in emerging markets", Sylvia Ann Hewlett Associates LLC
3) "The Athena Factor", Sylvia Ann Hewlett Associates LLC
4) McKinsey Quarterly Sept. 08

Source: Siemens AG
Diversity dimensions supporting our business strategy

Business Strategy – One Siemens

Relevant Diversity Questions

- **Expertise**
  - What are the implications of demographic shifts?
  - Are there new competencies required, do we have the competencies where we need them, and how do we accelerate the development of these competencies?

- **Diversity at different organizational levels**
  - Are we sufficiently fostering and tapping on the broadest pool of talents at all levels of the organization?

- **Mix of Experience**
  - Are we supporting synergy generation and knowledge exchange

- **Talent Pipeline**
  - Is our pipeline sufficient in composition & quantity?
  - How effective are we developing and engaging our talents globally?

- **Culture & Branding**
  - How attractive is our employer value proposition to new entrants and are we addressing changes in workforce demands?
  - How do we maintain a sustainable and inclusive culture where everyone feels valued?
Siemens' Diversity Definition

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.
Diversity strategy driven with clear and objective principles

Diversity means business!
We want to be able to tap the broadest pool of talent – internally and externally

**Principles**

- **No exclusions**: create competitive edge by having the best and the brightest for every position, regardless of their background or characteristics
- **No silos**: provide opportunities for diversity of experience and interaction
- **No prejudice**: achieve diversity of mindset across our company

Source: Siemens AG
Comprehensive implementation of the Siemens global diversity program

Leadership responsibility - Diversity means business

**Composition**
(Systematic approach)
- Leadership Framework
- Performance Review
- Placement of Key Positions
- Global HR System
- Succession Planning
- Mentoring

**Connection**
(Employee engagement)
- Intergenerational Exchange
- Global Top Talents
- BRIC & ME
- GLOW
- Ambassadors

**Communication**
(Awareness & visibility)
- Diversity Day
- Online Dialogue
- CDO Website, Blog
- Events and Workshops
- Diversity Charter
- Internet, Press

Diversity measurement

Culture of Values and Inclusiveness

Source: Siemens AG
Siemens diversity scorecard provides a bird's-eye view into five key dimensions

### 1 Expertise

<table>
<thead>
<tr>
<th>Region</th>
<th>Age</th>
<th>Pos. Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eng. and R&amp;D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement &amp; SCM</td>
<td></td>
<td></td>
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<tr>
<td>Manufacturing</td>
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<td></td>
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<tr>
<td>PM@Siemens</td>
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</tr>
</tbody>
</table>

### 2 Diversity at All Levels

<table>
<thead>
<tr>
<th>Mgt./Workforce (Sr.Mgt/Mgt/Emp.)</th>
<th>New Hirings (Sr.Mgt/Mgt/Emp.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Nationality Mix</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
</tbody>
</table>

### 3 Mix of Experience

<table>
<thead>
<tr>
<th>New Delegates</th>
<th>New placements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall ratio</td>
<td></td>
</tr>
<tr>
<td>Movements</td>
<td></td>
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</tbody>
</table>

### 4 Top Talents

<table>
<thead>
<tr>
<th>Global Pool</th>
<th>BRIC&amp;ME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profile</td>
<td></td>
</tr>
<tr>
<td>Experience</td>
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</tbody>
</table>

### 5 Culture & Branding

**Indicators**
- Inclusiveness
- Branding
- Parental leave
- Diversity Training

Proactively leveraging our workforce capabilities globally

Source: Siemens AG
The Ambassadors Network

A network of role models and international contributors at Siemens

What our Diversity Ambassadors do

- Meet with local talents in their country of work to help expand interaction on both sides and engage the talents in meaningful topics
- Volunteer to become mentors or participate in local student support programs
- Support relevant SLE and Learning Campus training courses as internal faculty members, sharing personal and professional experiences
- Identify and drive diversity activities in their organizations

162 Ambassadors with around 30 nationalities in 36 countries, thereof 40% women

Source: Siemens AG
GLOW Network

GLOW stands for “Global Leadership Organization of Women”

GLOW has about 150 members in 23 countries and nationalities.

Besides the foundation of GLOW, more than 10 local women networks have been established worldwide.

Some activities:
- Mentoring
- On-ramping after parental leave
- Flexible working conditions
- Expanding networks & visibility

Source: Siemens AG
Generational Diversity - a global interaction

- GENe (Siemens Generations Employee Network) Erl./Nbg (Region)
- The Future Retirees Resources Group (Sector Energy)
- Generation research team (Corporate)
- The Siemens Young Professional Networks (Sector Healthcare)
- WilPOD@CT program (Corporate)
- CHR / HR Community (Corporate)
- Tandem @ IS IN program (Sector Industry)
- Drivers from Ambassadors (Regions)
- IT50+ Initiative@CIT (Corporate)

Source: Siemens AG
Please sign the Diversity Charter and join thousands of Siemens colleagues worldwide

13,500 signatures since Dec. 2010

Source: Siemens AG
Please “like” our Facebook page to show your support www.facebook.com/siemensdiversity

Source: Siemens AG

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THANK YOU