

**SIEMENS**

**Press Round Table Diversity**

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**Munich, March 16, 2009**

Check against delivery!

As most of you know, I was appointed as Siemens' first Chief Diversity Officer late last year. But it's been just over a month now that I've held this position "full time." I'm very pleased with the support the Diversity Initiative has received so far, not only from top management, but from Siemens employees throughout the world. We've made some important progress, and we have an ambitious and far-reaching agenda for the future. Today I'd like to tell you about what we are working on, and about why diversity is so important for a company like Siemens.

### Diversity is the foundation of our business strategy

At Siemens we view Diversity as the inclusion and creative interplay of different modes of thinking, cultural backgrounds, experiences, types of expertise and individual qualities, across all organizational levels. The most fundamental point which we all have to recognize is that diversity is not about altruism; this entire initiative is driven by solid business objectives. In a world that is rapidly being transformed by megatrends like globalization and demographic change, it's crucial for companies like Siemens to stay one step ahead of these developments. Studies indicate that diverse companies are better able to spot growth opportunities, and have a better understanding of their customers. In today's economic situation, this is more important than ever. Diversity helps to deliver value and drive growth. Siemens is in contact with more than two million customers, every single day, in every corner of the world. Only a diverse workforce can respond to the needs of such a broad customer base. Diverse teams are also more productive and more successful than homogenous groups. Diversity fuels creativity, creativity fuels innovation and innovation is, of course, what has made Siemens the world's pre-eminent integrated technology company.

### Diversity leads to greater opportunity and growth for the company

This is a position we intend to hold on to, and a commitment to diversity will help us to do that. Finally, diversity is essential to be successful in the global War for Talent. Population projections make it very clear that industrialized nations are shrinking, while other parts of the world are experiencing rapid growth. These fast-growing regions not just markets for us to export goods, but also talent pools for us to tap into. The growing shortage of professionals can only be addressed by attracting the best and the brightest, whether they're from Germany, India, China, or Peru.

And it's employers who understand and embrace diversity who will come out ahead in this War for Talent.

### We drive Diversity in the spirit of contribution

As stated in the definition, for us at Siemens, diversity is about far more than the cover of your passport or the color of your skin. For us, diversity is about the scope of your experience and the breadth of your ideas your creativity, your imagination, your willingness to embrace new ways of thinking. People with this kind of broad perspective are the ones we want, and the ones we need. So, for us, diversity has nothing to do with "quotas"; it's about a broad search for talent, and it's about getting the very best person for the job - regardless of age, race, or religion.

Our CEO, Peter Löscher, has been very clear that Siemens must become more diverse, not just at the entry level but at the management level as well. In the coming years, we're aiming to do that: it is our goal to make Siemens a world leader in diversity, including at the management level. And by 2011 we want to systematically increase the diversity in management ranks. We will create a working environment in which people of talent can rise to the highest levels, based on ability alone. There will be no 'glass ceilings' or closed doors for some, and 'shortcuts' for others. And we're starting with this effort right now!

### Measures of the Diversity initiative

Let me tell you about some of the initiatives the Diversity Office is already engaged in. First, this coming Thursday we will be holding the first Siemens Diversity Day. This two-day event will feature workshops, speeches, panel discussions and networking opportunities, and will also mark the launch the Global Leadership Organization for Women at Siemens, known as GLOW. GLOW goal is to leverage support of women in leadership positions to expand presence of young female talent and create visibility of their contribution. A second network is designed to link talents from the high-growth BRIC-countries Brazil, China, India and Russia. These countries are not only important export markets; we also benefit from their expertise and different perspectives. In China, for example, Siemens China developed the Somatom Spirit CT scanner – an easy-to-use, low-cost alternative to more expensive machines, designed for the domestic Chinese market. Today it is one of the most popular CT scanners in the world with three out of

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every four units being sold outside of China. Clearly, diversity is not just a one-way street. Third, we will facilitate cross-generational Dialogue to promote lively exchanges of perspectives between our numerous experienced specialists and younger employees. Diversity also means taking advantage of the expertise of more experienced members of our workforce, and harnessing the energy and ideas of younger members of our team. We want to bring these people together, to ensure that our collective knowledge is shared and preserved. Fourth, we will appoint about 100 Diversity Ambassadors among our global workforce. These ambassadors will help get our diversity message out to the broadest possible audience, as well as serving as our “eyes and ears.” We’re confident that the number of ambassadors will continue to grow and help us raise awareness of diversity throughout the whole company.

#### Internationality is our competitive advantage

We have a lot of work ahead of us – but we’re certainly not starting from scratch. Siemens has a remarkable history of internationalism and of multiculturalism. 157 years ago, Siemens first expanded into Russia and into the U.K. More than a century ago, we were building telegraph lines to India and streetcar lines in China. Today, Siemens is one of the most global companies on earth, with a presence in more than 190 countries. Our goal is to build on this history, this heritage.

#### Diversity enables us to address opportunities and gaps

As a former CFO, I believe strongly that facts are always the best basis to drive change. The work of the Diversity Initiative will, therefore, be fact-driven, addressing opportunities as well as gaps. And the opportunities truly are enormous – for all of us. Some people still think that a move toward greater diversity is really an effort to slice the pie into smaller and smaller pieces, resulting in everyone getting less. In fact, the exact opposite is true: it’s all about making the pie bigger! It’s not a zero-sum game. The very best people, contributing their talents and abilities will make our entire company stronger. Diversity is all about unleashing the full potential of all our talents worldwide while leveraging on our rich heritage. And a stronger, more productive, more cohesive, more innovative company that’s good for everyone! Our world certainly is changing. Our goal is, once again, to ensure that Siemens is one step ahead of these changes.