

Press release

Munich, January 29, 2021

Siemens Energy and employee representatives sign Future Agreement 2030

Siemens Energy has concluded a future agreement with the General Works Council and IG Metall trade union. The agreement sets out principles for the upcoming transformation of the energy technology company and for any restructuring and structural changes. At the same time, the "Future Agreement 2030" describes how the competitiveness of Germany as a location will be secured in the company's international environment.

Siemens Energy and the employee representatives agree that the energy markets are undergoing fundamental change. Siemens Energy seeks to actively shape the change process and play a leading role in the global energy transition. The basis for this is the transformation of the company with the goal of being able to react even more quickly and flexibly to changes and to invest in growth areas. There is agreement that the current operational performance in the traditional businesses is not sufficient for this and that fundamental changes are therefore necessary.

"The energy market is undergoing a fundamental shift. Many future technologies are still at an early stage, however. That's why we need to lower our costs now, become more profitable and then actively align our portfolio with the growth areas," said Tim Holt, Member of the Executive Board and Labor Director of Siemens Energy. He added: "We can only shape the successful transformation of the company together with the employees. I am confident that we have found a good and, above all, future-oriented solution."

In order to actively shape the energy transition, in the future Siemens Energy will align itself with three pillars: Sustainable power generation (low or no CO₂ emissions), power transmission and storage, and optimization & electrification of industrial processes. In particular, it will emphasize strengthening of the service business. Among other things, the Future Agreement 2030 outlines which competencies will be expanded or established at the German locations.

The Future Agreement 2030 provides for existing locations in Germany to be maintained in principle and, if possible, no sites having to be closed. The parties expect that, as far as possible, there will be no operational redundancies as part of the transformation. The common goal is to enable the necessary personnel adjustments through "voluntary measures". These will take precedence over operational redundancies.

"This agreement is a clear commitment to Germany as a location and to our employees. We are of one mind with the company management that, even where there are differences of opinion, a mutual, internal agreement shall always take precedence," said Robert Kensbock, Chairman of the Siemens Energy General Works Council.

In addition, Siemens Energy and the employee representatives agree that training young people is a social responsibility and plays an important role at Siemens Energy. In the future, the company will strive to reach a training quota of 4.5% across all training levels. All trainees will thereby be skilled such that permanent employment is generally possible after completion of their training.

Jürgen Kerner, chief cashier of IG Metall: "The energy transition, which we all want, will confront Siemens Energy with many challenges with massive impacts on not only their products and activities, but also on their locations and employees. This Future Agreement defines a framework for shaping this change together and to give the employees fair perspectives. The clear willingness to avoid redundancies and the commitment to a constructive dialog with employee representatives show that social responsibility will not be left behind as the company realigns itself – people won't be jettisoned just for the sake of achieving the margin."

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Siemens Energy is one of the world's leading energy technology companies. The company works with its customers and partners on energy systems for the future, thus supporting the transition to a more sustainable world. With its portfolio of products, solutions and services, Siemens Energy covers almost the entire energy value chain – from power generation and transmission to storage. The portfolio includes conventional and renewable energy technology, such as gas and steam turbines, hybrid power plants operated with hydrogen, and power generators and transformers. More than 50 percent of the portfolio has already been decarbonized. A majority stake in the listed company Siemens Gamesa Renewable Energy (SGRE) makes Siemens Energy a global market leader for renewable energies. An estimated one-sixth of the electricity generated worldwide is based on technologies from Siemens Energy. Siemens Energy employs more than 90,000 people worldwide in more than 90 countries and generated revenue of around €27.5 billion in fiscal year 2020. www.siemens-energy.com.