Many areas, one goal – Optimal knowledge transfer Company-wide

By ensuring a continuous transfer of knowledge and information in all areas that concern Siemens as a whole, our cross-business activities are playing a vital role in our drive to unleash the full potential of our integrated technology company. Our commitment to expanding our service offerings via innovative IT solutions is just one example of how knowledge transfer is benefiting us and our customers.

We talk to each other. We learn from each other. And all of us get a little better every day thanks to our wide range of cross-business activities, initiatives and programs that address topics relevant for our entire organization.

Our search for the talented individuals we’ll need to conquer the markets of tomorrow is one of our key cross-business activities. To assess our employees’ expertise and potential, we use transparent, uniform criteria across all our Sectors and Divisions and in all our businesses worldwide. Siemens’ Learning Campus (LC) – a Company-wide organization that fosters lifelong learning and personal development – is where it all begins. Our Divisions contribute their knowhow, and LC ensures that best practices are communicated to our people around the globe. Every year, more than 100,000 Siemens employees participate in seminars, training programs, workshops and global e-learning initiatives, accelerating knowledge transfer within the Company and making us that much smarter. Our commitment to education is also receiving external recognition. In fiscal 2012, for example, we were again awarded the highest possible number of points in the Human Capital Development category of the Dow Jones Sustainability Index (DJSI) – the third time we’ve received this distinction.

Siemens Leadership Excellence is our continuing education program for managers. Here – as well as in the related Siemens Leadership Framework – we apply Company-wide standards that help us foster the development of our future top managers in an individual, targeted manner, while motivating them to work toward our common goals.

Continuous knowledge transfer and information exchange are making a vital contribution to our Company’s success.

One of our goals is to expand our businesses in the emerging countries, where the demand for economical products and solutions has not yet been completely met. For these countries, we’ve launched our SMART (simple, maintenance-friendly, affordable, reliable and timely-to-market) initiative to develop new, entry-level products tailored to local requirements – for the benefit of our entire Company. In the emerging markets, SMART has made our Healthcare Sector, for example, the leading supplier of entry-level imaging systems. In China, we’re the market leader in intelligent rail signaling systems – posting annual growth of some 25% over the last five years. As part of our Company-wide top+ initiative, we provide our business units with methods and tools for implementing the SMART initiative and systematically improving their businesses. The top+ initiative also entails organizing cross-Sector and cross-Division knowledge transfer and awarding prizes for outstanding projects.
Our responsibility doesn’t end when we complete a sale. With both conventional product services and new, trailblazing service offerings, we want to further increase customer loyalty. As a key component of our growth strategy, services generate reliable revenue with less capital intensity than other business activities. We’re rigorously exploiting our strengths as an integrated technology company in order to expand our innovative services.

We’re also exploiting our Company-wide expertise in the area of procurement. We’ve established a uniform system of supply chain management to realize synergies, cut costs, guarantee high quality, ensure on-time delivery, provide efficient logistics and better utilize our suppliers’ power of innovation. The system – which includes on-site reviews of supplier operations and an energy efficiency program for suppliers – is also helping us achieve our ambitious sustainability goals by minimizing sustainability-related risks and enabling us to actively leverage opportunities in our supply chain.

Company-wide cooperation across organizational boundaries creates a vast range of opportunities: close collaboration generates the trust we need to power our integrated technology company faster and more effectively into the future.

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**COMBINED MANAGEMENT REPORT, PAGES 101-102 AND 126-127**