



Siemens AS

Annual Report 2024

[siemens.no](https://www.siemens.no)

Translation only*



Siemens in brief

The Siemens Group is a global technology company headquartered in Munich, Germany. Founded in 1847, the company has for more than 175 years been a pioneer in industrial automation, digitalization and infrastructure. Siemens is a world leader in multiple sectors, including industrial automation, distributed energy solutions, rail transportation and healthcare technology. With around 312,000 employees globally and an annual turnover of approximately EUR 76 billion, Siemens continues to develop high-tech, innovative solutions for the society of tomorrow. The company's core areas include Digital Industries, Smart Infrastructure, Mobility and Financial Services.

Siemens AS in Norway is part of the global Siemens Group. Over the course of the company's 125-year history in Norway, Siemens' cutting-edge technology has had a clear and lasting impact on societal development.

Siemens helps its customers accelerate their digital and sustainable transitions by integrating the physical and digital worlds into its solutions. The company develops digital twins and uses AI to simulate, optimize, monitor and secure electricity infrastructure, buildings and industry.

Siemens has developed its own open digital business platform, Siemens Xcelerator, containing a portfolio of IoT-activated hardware, software and digital services from Siemens and certified partners.

Siemens AS consists of two business areas: Digital Industries and Smart Infrastructure. The company works closely with its sister companies Siemens Mobility AS, Siemens Healthcare AS, Innometrics AS and Siemens Financial Services AB.

Siemens AS's annual turnover is approximately NOK 2.3 billion and it has around 495 full-time employees. From its head office in Oslo and multiple locations across Norway, the company delivers innovative solutions that support the green transition and sustainable development.

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We create technology to transform the everyday for everyone

Technology is the most powerful tool humankind has at its disposal for tackling challenges. Globally, Siemens has developed technology that has transformed the lives of people around the world for more than 175 years. Over the course of our 125-year history in Norway, Siemens' cutting-edge technology has had a clear and lasting impact on societal development.

Our strategy

Siemens combines the physical and digital worlds to help customers accelerate their digital and sustainable transitions.

Our four strategic priorities

Our strategic priorities facilitate transition: they guide our mindset, our conduct and our actions – in everything from how we help customers and create innovations to how we work with customers, colleagues and partners.

- Customer impact:** The customer is the priority in everything we do. We develop user-friendly, scalable technologies to help customers succeed in a rapidly changing world. We function as a single technology company and work with experts to make innovations available to customers faster.
- Technology with purpose:** For more than 175 years, Siemens has developed technologies that solve real-world problems and help customers succeed. Our core technologies such as data analytics, AI, automation and digital twins drive innovation and create new products that benefit both customers and society in general.
- Empowered people:** We encourage every employee to take responsibility and make better, faster decisions in line with our business strategy. This facilitates better customer experiences and faster product development.
- Growth mindset:** To develop and sustain our capacity for innovation, we must be curious and willing to experiment and adapt to the world around us. Having a growth mindset involves continuous learning and collaboration, both in-house and with external partners, in order to bring products to market faster and to meet the challenges of tomorrow.

125 years of innovative power

Throughout history, leaps in innovation have driven society forward. This was true of fire, the wheel and electricity, and it remains true of digitalization and AI today. Siemens has been a hub for creativity, curiosity and innovation in Norway for 125 years.

Last year, Siemens AS celebrated its 125th anniversary, a milestone that presented an opportunity to reflect on our long history of corporate social responsibility and technology innovation. Siemens' story began with Werner von Siemens' groundbreaking inventions, like the dynamo, which was crucial for the electrification of society, and the telegraph between London and Calcutta, which paved the way for modern telecommunications. These early innovations were not just technological breakthroughs, they were also fundamental contributions to societal development.

In Norway, Siemens has pioneered the development of hydropower, electricity distribution, electric trams and X-ray machines. This legacy of innovation has shaped us into the technology company we are today. We have transformed ourselves from an industrial conglomerate into a leading technology company. Our strategy is to contribute to a more sustainable society by participating in the transition to green energy, energy efficiency and developing green industrial workplaces. We are building on the innovation power that drove Werner von Siemens to constantly invent new technologies.

Technological progress

Siemens' work on digitalization and sustainability is closely linked to the concept of 'twin transition' – the parallel transition towards both a digital and green economy. Through innovative solutions that use digital technologies such as AI, Siemens is actively helping to realize this twin transition faced by Norway and the rest of the world.

Siemens Xcelerator is one of our newest technologies and services. This is an open digital business platform that accelerates the digital transition of companies of any size. Siemens Xcelerator simplifies interactions and transactions between customers, partners and developers, enabling Siemens to connect the real and the digital world.

Siemens Xcelerator is part of our industrial metaverse, in which coherent virtual worlds are created and experienced in real time. This industrial metaverse includes twins and virtual models, built as replicas of real-world units, processes and systems. Adding AI markedly increases the efficiency, flexibility and sustainability of these production processes.

This makes Siemens Xcelerator a fantastic ecosystem in which companies can learn from each other and share ideas.

I strongly believe in sharing knowledge and working together to increase innovation. Rather than each company working in their silo, it is clear that the companies in Siemens' ecosystem benefit from sharing insights, knowledge and innovations. It is also clear that companies that collaborate are better able to embrace and make use of technological changes.

Renewable Norway

The power of innovation is fantastic, and it is needed now more than ever. The world is facing an escalating climate crisis. Fossil energy must be replaced with renewable energy if the world is to cut global CO2 emissions. Time is short. An energy system that includes more renewable energy will be weather-dependent and therefore more reliant on stable balancing energy. The power needs to flow where it is needed most.

At the same time, rivalry between the great powers and heightened geopolitical tensions are leading to greater protectionism, higher customs barriers and less cross-border cooperation.

In September, Mario Draghi, the former president of the European Central Bank, presented the EU's high-level report on European competitiveness. The Draghi Report contains proposals on how the EU can regain its lost competitiveness in relation to the US and China. EU productivity has lagged behind in the past few decades due to an inadequate focus on developing and adopting new technologies and innovations. I am afraid that Norway's competitiveness is in no better state than the EU's and that we can learn from this report.

However, while dark clouds may be gathering on the horizon, I believe in the power of innovation and sharing knowledge. That is why we spend every day at Siemens developing technologies that can drive society forward. Globally, Siemens spends around NOK 75 billion every year on R&D and understanding the megatrends that steer the world. This gives us the power to innovate and help solve the enormous challenges the world is facing.

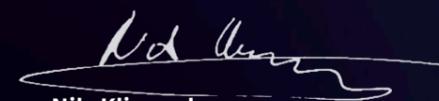
Innovation power for the next 125 years

Siemens is well-equipped to meet the challenges tomorrow will bring thanks to our focus on electrification, automation and digitalization. Irrespective of what happens in the global economy, demand for renewable energy will continue to grow for a long time to come. Norway will have to make major, long-term investments in renewable energy distribution, energy efficiency and higher industrial productivity. These investments in our critical infrastructure are expected to create long-term growth potential for sustainable technologies.

Siemens is investing substantial sums in R&D to remain relevant for customers in the long term and is well-positioned in Norway with business areas focused on industrial digitalization and smart infrastructure.

I would like to thank all of my great colleagues here at Siemens for your unyielding efforts that allow us as a team to contribute to new leaps in innovation.

Together, we create technology that transforms and improves everyday for everyone. We strongly believe that Norway has the potential to become a leading player in green industry and will contribute to the global transition to a sustainable future.



Nils Klippenberg

CEO
Siemens AS



Our business areas

Smart Infrastructure (SI)

Electrification, automation, and digitalization are rapidly driving the market forward. At the same time resources must be utilized as efficiently as possible throughout the ecosystem. This is creating great demand for flexible, resilient and reliable energy systems for buildings, industries and society at large.

SI has approximately 310 employees who work daily to address these challenges. The business unit offers products, systems, solutions, services, software and support for the country's electrical infrastructure, buildings, and industries to enhance efficiency, safety, and sustainability in the way we live, work, and move.

Siemens is making critical infrastructure smarter by integrating AI to manage a more decentralized future. We optimize buildings and reduce energy consumption by utilizing data and modern technology that learns and adapts to changing conditions, resulting in lower lifecycle costs.

We are also integrating power supplies for manufacturing and buildings with building automation systems. Products and software work closely together to meet future resilience, resource utilization and sustainability needs. Intelligent infrastructure, smart buildings and devices that buy and sell power are finding new business models and optimizing the use of energy and resources.

Balancing infrastructure and making it more efficient, will be important in ensuring that in the future the available resources will be used as efficiently as possible. Electric vehicles, from regular cars to freight trucks and buses, help cut emissions. Charging stations are becoming more intelligent, and new services are being developed to make life easier.

SI consists of six business units:

Electrification and Automation cover the entire range of electricity distribution systems and solutions, which includes protection and control, station automation, remote control, quality measurements, smart communication and microgrids.

Electrical Products has products and solutions for the low-voltage distribution grid, like digital monitoring, switches, protection, surveillance and load control.

Regional Service and Solutions delivers systems and services for building automation, fire protection and safety. It focuses on digital services, distributed energy systems and energy efficiency measures.

Building Products has products for building automation, heating, ventilation, air-conditioning, lighting, blinds, fire protection and firefighting, as well as safety products and solutions.

Grid Software has solutions like Grid Management, analytics, simulations, unifying IT and OT, distributed energy systems, cybersecurity, open interfaces, honeycomb SW architecture, SCADA, meter data management, and Low Voltage Insight.

eMobility delivers products, solutions and services for charging infrastructure for passenger cars, buses, light trucks and freight trucks.

Our new fast charger for electric cars, SieCharge D, has gained a lot of attention in the fast-charging markets in both Norway and the rest of the Nordics.

Important deliveries in 2024

We delivered exciting projects for buildings, critical infrastructure and manufacturing that help streamline customers' operations and make life safer and more reliable for everyone.

Siemens delivers control and automation systems for critical infrastructure for the country's Transmission System Operators (TSOs) and Distribution System Operators (DSOs). Smart solutions make optimal use of resources and ensure availability and a resilient energy system.

Our business areas

Digital Industries (DI)

Manufacturing is facing an immense challenge. The planet's resources are finite. We have to produce more with less and we have to recycle.

DI's solutions are helping to solve challenges by combining the real and digital worlds in a continuous data flow. One vital component of this is digital twinning, which collects data throughout the life cycle, from concept to production and distribution. Our technology enables efficiency gains and sustainable manufacturing.

Siemens Digital Industries has around 150 employees in Norway who primarily work in sales, technical support, projects and services.

In 2024, DI delivered exciting technologies and solutions to businesses in various parts of the battery value chain, from raw materials production, battery cell production and module pack production to battery cell recovery. DI also delivered solutions for maritime Industries in offshore wind power, electric propulsion and advanced motion control. It is also involved in the hydrogen/ammonia industry, chemicals industry and food industry, as well as exciting solutions for making the oil and gas industry greener.

2024 saw a reduction in new orders due to orders on hand that were received early during a period when delivery times were longer. Meanwhile, its turnover grew due to the orders on hand being delivered in a period when delivery times were normalizing.

DI consist of these business units:

Software is a market leader in industrial software with more than 26,400 employees and around 170,000 customers globally. Through the Siemens Xcelerator platform we offer solutions that support digital transitions. Our software and digital twins optimize design, engineering and production processes to create the products, production processes and factories of the future.

Factory Automation is a market leader in industrial automation and has around 12,000 employees and more than 65,700 customers globally. Our technology builds on open-source standards and interoperability. Industrial Operations X promotes the integration of OT and IT and accelerates manufacturing companies' digital development. This is helping to solve challenges such as resource scarcity and unstable supply chains.

Motion Control is a market leader and delivers everything within drive technology and controllers for machine tools. The business area has around 12,000 employees and more than 30,000 customers globally. Its technology portfolio, which includes CNC controllers, frequency converters and servomotors, supports advanced movements in machines and results in energy-efficient production. Motion Control's drive solutions can boost energy efficiency by up to 60%.

Process Automation is the global number 2 in process supervision, with around 10,000 employees and more than 37,000 customers. The business area offers advanced technology for complex solutions that contribute to less energy consumption, circularity and less material consumption. Its comprehensive digitalization portfolio is based on domain expertise with a focus on oil and gas, pharmaceuticals, chemicals, green hydrogen, glass, solar energy and other processing industries. It can produce a digital twin of an entire factory and simulate every process in order to design competitive, sustainable production.

Customer Service has around 6,100 employees and a wide-ranging portfolio of services. The service engineers combine expertise with advanced technologies and solutions to accelerate digital transitions. Siemens offers circular spare parts, energy management and traceability, as well as digital services such as predictive maintenance and IT/OT convergence.

Important and new technology and services:

Siemens Xcelerator accelerates the digital and sustainability transformation of our customers, partners and developers. This platform accelerates the digital transition of companies of any size.

Digital threads: Produces maps of the product's entire digital journey, from design to recovery. The information is based on specific workflows and supports the realization of digital strategies.

IT/OT convergence: Provides a basis for data-driven decisions and transparency in a digital business. DI is a global market leader in OT (Operational Technology).

OT cybersecurity: We scrutinize this via our holistic approach to security to protect IP and data with a multi-layer defense in-depth concept, reinforced by Zero Trust principles.

AI: Puts people in a stronger position in technical processes and is integrated into many of our solutions. It promotes automation while improving flexibility. GenAI lets people interact with computers in new ways.

Digital Enterprise Services: Consists of service experts who follow and support you throughout your digitalization journey and help you master today's challenges.

These technologies and services help customers improve the flexibility, efficiency and sustainability of their production processes. Siemens has redoubled its focus on partnerships and works closely with customers to drive the digital transition forward.



Sister companies in Norway



Siemens Mobility AS

Siemens Mobility is a leading player in the digitalization of rail in Norway. The company is helping to develop sustainable mobility solutions for the future. It is modernizing the subway in Oslo with a groundbreaking signaling system and delivering the next generation of signaling technology for the rail network. This puts Norway in the driver's seat with respect to developing the most modern rail network in Europe and is contributing to one of the world's most efficient and punctual subway systems.

Thanks to its strong growth in Norway, Siemens Mobility now has more than 200 employees in the country. The company's technology supports digitalized and better connected mobility. With its focus on greater capacity, better punctuality and improved safety, Siemens Mobility is a key partner in shaping future mobility in Norway.

As part of Siemens' global focus on sustainability and digitalization, Siemens Mobility combines the physical and digital worlds to offer both eco-friendly and cost-effective transportation solutions. The company works closely with customers and partners to facilitate the seamless movement of people and goods, and to contribute to a greener and more efficient transportation system.

Siemens Financial Services (SFS)

Siemens has the financial muscle to help customers with financing solutions.

SFS is Siemens' financing company that enables customers to invest in new technology and boost their competitiveness. The company has financial experts with a deep understanding of industrial growth and technology development. SFS's mission is to create new business models and sustainable growth in close cooperation with its customers.

Siemens Healthcare AS

Under the Siemens Healthineers brand, the company focuses on achieving breakthroughs in healthcare by regularly bringing groundbreaking and innovative medical technology to market. Its portfolio ranges from in vitro and in vivo diagnostics via systems for image-guided surgical treatment to innovative cancer treatments. This technology helps health professionals deliver high-quality treatment that benefits patients and society.

Innomotics AS

Innomotics is a market leading player in high- and low-voltage motor technology and medium-voltage frequency converters. The company's applications and services ensure that customers gain access to data from motors and converters, which facilitates continuous improvements and the development of energy efficient production. This helps to optimize the performance and reliability of industrial motors and converters, resulting in greater efficiency and reduced energy consumption.

Innomotics AS is a subsidiary of Innomotics GmbH. On October 1, 2024, Siemens AG sold all of its shares in Innomotics GmbH to KPS Capital Partners, a US private equity fund.

Sustainable development

Sustainability is at the core of our business and guides everything we do. We take a systematic approach to reducing our carbon and environmental footprint. At the same time, the expertise, products and services we offer support customers in their transitions to more sustainable solutions. We refer to these as *sustainable operations and sustainable business*.

Sustainable operations

Our work on sustainability in our own operations is described in our global sustainability framework, DEGREE. The DEGREE framework takes a holistic approach to sustainability that encompasses every aspect of our global business operations. The framework takes into account the three pillars of sustainable development: economic, environmental and social conditions.

Each letter of the acronym DEGREE represents an area for which Siemens has established clear objectives:

Decarbonization

Ethics

Governance

Resource efficiency

Equity

Employability

A brief overview of what we do in each of these areas is provided below.

Decarbonization

Siemens supports the 1.5°C goal to fight global warming. Reduction of greenhouse gas emissions is a core component of the entire Group's sustainability strategy, therefore we have set ambitious targets for reducing greenhouse gas emissions. To underscore our commitment, we have also signed up to several external initiatives that promote the decarbonization of society.

We are proud that our targets for reducing emissions have been verified by the Science Based Targets initiative (SBTi). This confirms that our climate targets are in line with scientific recommendations for limiting global warming in accordance with the Paris Agreement. This is one of the most ambitious climate initiatives to which a company can commit.

Siemens has set the following science-based targets:

Near-term targets for the period up to 2030:

- For Siemens' own operations (Scopes 1 & 2): Reduce absolute greenhouse gas emissions by 90%
- For the value chain upstream and downstream (Scope 3): Reduce greenhouse gas emissions by 30%

Long-term targets for the period up to 2050:

- For Siemens' own operations (Scopes 1 & 2): Maintain an absolute reduction in greenhouse gas emissions of at least 90%
- For the value chain upstream and downstream (Scope 3): Reduce greenhouse gas emissions by 90%

**The base year for all targets is FY19.*

Through the DEGREE program, Siemens has set itself the goal of achieving climate neutrality in its own operations (Scope 1 & 2) by the end of 2030. In line with SBTi, we will reduce our absolute greenhouse gas emissions by 90% and compensate for the remaining 10% with high-quality climate credits.

In Norway, our ambitions are even higher. We are working towards net zero emissions in our operations (Scopes 1 & 2) by the end of 2025, 5 years earlier than the global targets.

The Siemens Group has also signed up to three initiatives by The Climate Group in order to accelerate our commitment to decarbonization:

- **RE100:** Use 100% renewable energy by 2030
- **EP100:** Own and lease zero-emission buildings by 2030
- **EV100:** Have a 100% electric vehicle fleet by 2030

Siemens in Norway also wants to be a leading player in implementing these measures and has, therefore, set itself the goal of achieving RE100 and EV100 by the end of 2025 rather than 2030.

Siemens is a proud, active member of Skift, a business-led climate initiative. Through Skift we work with companies and public sector entities to accelerate the transition to a low-carbon economy.

Annually, we create a climate report for Siemens AS, included in Skift's climate report for all members. This enhances transparency, accountability, and serves as a key tool for reducing greenhouse gas emissions.

Ethics

Siemens aims to promote a trust-based culture founded on high ethical standards. We must comply with ethical standards and handle data with care. We prioritize integrity at every stage in order to maintain the trust of both customers and suppliers.

Siemens' values and ethical standards are anchored in the Group's global **Business Conduct Guidelines**. All 300,000 employees undergo regular training on these guidelines. As a data security pioneer, Siemens helped to establish the Charter of Trust, an initiative that promotes data protection in a digital world based on trust. Siemens also complies with the UN Global Compact and principles for business conduct and human rights.

Governance

Siemens integrates good governance principles at every level, both in-house and at our nearly 65,000 suppliers. We utilize state-of-the-art systems for efficient and responsible business conduct. In our purchasing processes we stipulate requirements for sustainability throughout the value chain. Managers are rewarded for sustainable decisions, and ESG criteria are part of our long-term incentive program.

Resource efficiency and circularity

Siemens aims to promote circularity and efficient use of resources. We want to implement innovative solutions that promote reuse and recycling, while optimizing resource use to create sustainable products. About 80% of a product's environmental footprint is determined in the design phase. At Siemens, sustainability is prioritized from the start by incorporating secondary materials, durability/longevity, upgradability and repairability into our designs.

Siemens has a plan to achieve circularity and dematerialization by taking a Robust Eco Design (RED) approach for all relevant products, systems, services and solutions by the end of 2030. The goal is to achieve eco-friendly product designs in 100% of relevant categories. By the end of 2024, we were already up to 53%.

Siemens is also actively working on natural resource decoupling through increased purchase of secondary materials for metals and resins. In 2023, 34% of the metals we used came from recovered sources.

In 2024, we launched the Siemens EcoTech ecolabel to make it easier for customers to make more informed choices about the environmental impact of a product. Products are awarded the Siemens EcoTech ecolabel if they satisfy specific Key Performance Indicators (KPIs) that provide insights into their environmental performance. This includes assessments of sustainable materials, optimal use, value recovery and circularity.

Equity

Equity means promoting equality and respect, two of Siemens' core values. We strive to be a preferred employer that promotes diversity, inclusion and community, such that all employees feel a sense of belonging and safety. Globally, Siemens has set a target that at least 30% of the top management team must be women by 2025. We also have a target to provide every employee with stock options and the flexibility to work from home 2-3 days a week whenever possible.

Employability

In a rapidly changing world it is vital that Siemens remain flexible and relevant. Therefore, we prioritize investments in employees through learning and development. We want employees who are curious and want to develop. Our goal is for every employee to complete 25 hours of e-learning in 2025. Siemens AS offers both in-house and external courses, as well as relevant training programs and college-level courses.



Sustainable development

Sustainable business

As we approach critical tipping points for our planet, the need for sustainable transitions is becoming ever more urgent. At Siemens, sustainability is key in everything we do, and we offer technologies, products and services that enable society to achieve sustainable growth. By combining our expertise in both the physical and digital worlds, we are helping customers strengthen their competitiveness and resilience, while reducing their environmental impacts.

We illustrate this through our three sustainable value propositions that show how we can help customers meet various environmental challenges in three key areas: *Decarbonization and energy efficiency, resource efficiency and circularity, and people centricity and societal impact.*

Decarbonization and energy efficiency

We help customers cut their carbon emissions, increase energy efficiency and future-proof their industries through digitalization, electrification and automation.

We are actively working on decarbonization and energy efficiency on several fronts. One important element of this is our advanced energy management systems that enable smarter energy consumption. Our energy efficiency solutions for buildings reduce energy consumption and operating costs, which contributes to lower carbon emissions and greater comfort for users. Siemens is improving the electricity grid by integrating renewable energy sources, which increases both reliability and capacity, and promotes more sustainable energy supplies. We also contribute to the decarbonization of the transportation sector with innovative charging solutions that make it easier for both private citizens and companies to switch to electric vehicles.

One concrete example of this is our agreement with Norgesnett in 2024, promoting sustainable energy distribution. By offering BlueGIS products, which contain pure air as an alternative to SF6 in switchgear, we are working with Norgesnett to help decarbonize the electricity grid.

Resource efficiency and circularity

Our digital technology helps customers become more resource efficient, circular and profitable. By reducing the need for physical resources through digitalization and digital twin technology – a virtual model of a product or process – we can simulate, predict and optimize performance. This makes it possible to achieve more with less resources while illustrating environmental impact. In this way our solutions can also help to reduce waste, extend product lifespans and protect electrical resources.

In 2024, Siemens and Elvia worked together to improve the efficiency of grid capacity. Together we developed new software that, for the first time, makes it possible to monitor loads in the low-voltage grid. Together with this software and other Siemens software, we have managed to develop the ability to maximize the utilization of existing infrastructure. This contributes to more efficient and sustainable energy management, as well as the efficient use of resources.

People centricity and societal impact

Siemens is dedicated to improving the lives of people and laying the foundations for a more sustainable society. Our technologies are developed with people in mind and to promote well-being, productivity, safety and security for both tenants and building managers. We also contribute to societal development by ensuring stable electricity supplies and efficient traffic systems that result in safe and efficient traffic flow in tunnels. These examples illustrate how we contribute to positive societal impacts.

Our work in 2024 included delivering automation products for Oslo Storbylegevakt main emergency room. These were built and delivered through our systems partner, Klimacontrol. Together with Klimacontrol's deliveries, our products contribute to an energy-efficient building with a comfortable indoor climate for employees, patients and visitors. This approach has a substantial societal impact since it promotes a productive workplace environment that benefits the people of Oslo.

Executive management team and Board of Directors

Executive management team in Siemens AS



Nils Klippenberg
CEO and Managing Director Smart Infrastructure



Hege Weberg Tangen
CFO



Frank Bråthen
Managing Director Digital Industries

Press and Media Officer



Britt Gabrielsen

The Board of Siemens AS

October 1, 2023 – September 30, 2024



Per Mikael Gustaf Leksell, Chairman



Nils Klippenberg, board member



Jaana Kupila, board member



Kjell Olav Strømsli, board member
Employee representative



Tove Lise Grøtta, board member
Employee representative



Espen Andreas Ingebrigtsen, board member
Employee representative

Report from the Board of Directors

2024 was a good year for Siemens AS, with high levels of demand, solid income and a good result.

Despite lower inflation, persistently high interest rates reduced investments, especially in the building and construction sector. At the same time, the green transition is more important than ever in industry, and there is great demand for technology products and solutions that help resolve energy and climate issues.

The market was very active with a strong focus on digitalization in industry and critical infrastructure. The good order intake levels seen in the Smart Infrastructure and Digital Industries business areas in 2023 continued, and orders worth NOK 2,343 million were received in 2024.

The company's total operating income amounted to NOK 2,336 million, a 2% increase from 2023.

Profit before tax for the year amounted to NOK 174 million, which represents an increase of 10% from the prior year. The company is in a solid financial position with an equity ratio of 16% as of September 30, 2024, after provisions for the year's dividend payout in amount of NOK 134 million.

In the opinion of the Board of Directors, the company had a solid growth in 2024.

For 2025, the outlook in Norway is for moderate economic growth. Despite the turbulent geopolitical situation in the Middle East and Ukraine, and the uncertainty associated with the consequences of the elections in the EU and US, demand within green industry, digitalization and smart infrastructure is expected to remain high. Norway's long-term need for investment in renewable energy production, energy efficiency and green value chains provides a solid basis for growth.

The Board of Directors believes that Siemens AS is well equipped to meet these challenges and realize new growth opportunities.



CRACKING
the **CODE**

Business overview

Siemens AS represents the global Siemens Group in Norway. Siemens develops high-tech, innovative solutions for industry, energy, healthcare, cities and transportation, as well as financial services, for customers around the world. The Siemens Group is one of the world's largest suppliers of sustainable solutions with a focus on electrification, automation and digitalization.

Operations and location

Siemens is a global group that invested almost NOK 75 billion in R&D in the 2024 fiscal year as part of its strategy of always being at the forefront of technological development. For more than 125 years, Siemens AS has been delivering innovative technology solutions to customers in the Norwegian market. The company has customers across the whole of Norway, served by our 19 offices from north to south and 495 full-time employees. Our head office is in Oslo.

Siemens AS's strategy is to help achieve a more sustainable society by doing our bit in the transition to renewable energy, improving energy efficiency and developing green industrial jobs. Our customer offering is, therefore, concentrated around products, systems and technology solutions that support the transition to renewable energy and more sustainable buildings, industry and communities.

Business areas

Siemens AS has two business areas:

Digital Industries (DI)

The Digital Industries (DI) business area delivers technology designed to increase efficiency and reliability and help produce more sustainable industries. DI is the global market leader in OT (Operational Technology), that is, the technology that controls, monitors and optimizes physical processes and machines in industry.

The ongoing transition to sustainable solutions and the digitalization of industry will take time and require major investment.

Demand remains at a high level, even if the inflow of orders was somewhat lower than in the previous year. This has much to do with that period being one of extra high order inflow due to broken supply chains and long delivery times. Since delivery times have normalized, demand has also stabilized.

DI enjoyed great success in 2024 in collaboration with OEM customers, new business linked to the green transition and digitalization. Sales to the oil and gas industry also continue to go well. Important deliveries include a digital twin for full-scale giga battery production, as well as systems for carbon capture.

In 2024, DI's total operating income amounted to NOK 903 million, which was on a par with 2023. This accounted for around 39% of Siemens AS's total operating income for the year.

Smart Infrastructure (SI)

The Smart Infrastructure (SI) business area offers products, systems, solutions, services and software for Norway's electricity infrastructure, buildings, and industry. The goal is to improve the efficiency, safety and sustainability of how we live, work and move. Siemens AS focuses on smart infrastructure within three main areas: buildings, electrification and electrical products.

Demand was high in 2024 and the need to expand smart infrastructure is expected to be great for many years to come. In 2024, SI saw high demand for deliveries of electrification and building products, as well as within software and management systems for critical infrastructure. The Electrification and Automation unit in particular grew well throughout the year.

In 2024, SI saw total operating income of NOK 1.4 billion, up from NOK 1.3 billion in 2023. This represented about 61% of Siemens AS's total operating income for the fiscal year.

Market, products and solutions

Automation, digitalization and electrification are key factors in creating more efficient and climate-friendly solutions. This is contributing to strong demand for smart technology products and solutions. In this market, Siemens AS offers services, products and solutions that span the entire value chain from consulting services and engineering to delivery, operation and aftermarket services.

The company develops innovative, local solutions based on Siemens' global technology in close consultation with our

customers. Energy-efficient solutions for building automation, optimizing industrial processes and managing the national and regional power grids are just some examples of what we in Siemens AS deliver to customers throughout Norway.

Technological advances

Siemens AS is part of a global technology group that develops sustainable products and solutions at the forefront of technological advances. The technology is mainly developed by our parent company's product units around the world and then refined locally. This provides Siemens in Norway with valuable expertise and innovative solutions that, in close cooperation with customers, are adapted and developed further to meet local needs.

Siemens AS connects the physical world and the digital world and is leading the pack in developing the industrial meta-verse.

One important component of this development is Siemens Xcelerator – a technology platform and ecosystem designed to accelerate the creation of greater value for the company's customers.

Summary of the annual financial statements

The summary of the annual financial statements is based on the prepared annual financial statements and associated note disclosures for Siemens AS.

Siemens AS uses a non-calendar fiscal year that runs to September 30. Our financial statements are prepared in accordance with Section 3-9 of the Norwegian Accounting Act and the Regulations on simplified application of international accounting standards (IFRS) laid down by the Ministry of Finance on November 3, 2014, and updated February 7, 2022. This entails recognition and measurement in accordance with the International Financial Reporting Standards (IFRS), while the presentation of the financial statements and note disclosures complies with the Norwegian Accounting Act and standards and practices generally accepted in Norway.

In the opinion of the Board of Directors, the annual financial statements provide a true and fair picture of the company's performance and results for the fiscal year and our financial position as of September 30, 2024. All amounts are stated in NOK millions (rounded) unless otherwise specified. All figures stated in parentheses are comparable figures for 2023, unless otherwise specified.



Income statement

Operating income

The company's total operating income for 2024 increased by 2% compared with 2023 and amounted to NOK 2,336 million (NOK 2,282 million). The growth was mainly due to higher demand for services.

Operating expenses

The company's cost of goods amounted to NOK 1,245 million (NOK 1,240 million). The company's payroll expenses amounted to NOK 649 million (NOK 616 million).

Depreciation and amortization in the company amounted to NOK 38 million (NOK 37 million).

Other operating expenses amounted to NOK 219 million in 2024 (NOK 227 million). Total operating expenses amounted to NOK 2,153 million, which is on a par with NOK 2,120 million in 2023.

The increase in costs reflects the effect on operating expenses of increased staffing and activity levels, as well as higher prices for factor inputs.

Operating profit

The company's operating profit amounted to NOK 182 million (NOK 162 million). This corresponds to an operating margin of 7.78%, up slightly from 7.1% in 2023. The improvement in profit was due to a combination of income growth and cost efficiency measures.

Financial items

The company's net financial items amounted to NOK -8.5 million (NOK -3.8 million) and were due to less financial

income and lower foreign exchange gains than the year before.

Profit before income tax

The company's profit before income tax amounted to NOK 174 million (NOK 158 million).

Profit for the year

The tax expense for the year amounted to NOK 39.7 million (NOK 35.1 million). The profit for the year 2024 amounted to NOK 134.1 million (NOK 122.8 million), corresponding to a net profit ratio of 5.7% of operating income (5.4%).

Cash flow

Net cash flow from operating activities in 2024 amounted to NOK 323 million (NOK 131 million). The increase was largely due to time constraints and changes in working capital.

The year's net cash flow from investing activities amounted to NOK 44.1 million (NOK 17.8 million) due to the sale of the low-voltage motor business to Innomotics AS and receipts of sublease receivables from subleased property.

Net cash flow from financing activities amounted to NOK -367.5 million (NOK -148.6 million). The change was due to the payment of dividends in amount of NOK 122.8 million and changes in intra-group balances in the Group's corporate cash pooling system.

Liquidity and balance sheet

The company's total balance sheet as of September 30, 2024 amounted to NOK 879 million (NOK 1,103 million). Intangible assets amounted to NOK 320 million (NOK 320 million).

Tangible assets consisted of right-of-use assets, fixtures and fittings, and other equipment with a book value of NOK 76 million (NOK 102 million). Financial fixed assets amounted to NOK 29 million (NOK 44 million). The company's total fixed assets amounted to NOK 425 million (NOK 466 million).

The company's receivables amounted to NOK 432 million (NOK 617 million). The company's total current assets amounted to NOK 454 million (NOK 637 million).

Siemens AS's equity amounted to NOK 143 million as of September 30, 2024 (NOK 142 million), which corresponds to 16% of total assets.

The company's liabilities as of September 30, 2024 amounted to NOK 736 million (NOK 961 million), of which NOK 57 million (NOK 111 million) were non-current liabilities.

Siemens AS is part of Siemens AG's corporate cash pooling system and, therefore, reports balances and withdrawals from the cash pooling system as intracompany balances and transactions in the company's annual financial statements.

Risk factors and risk management

Siemens AS is exposed to various risk and uncertainty factors of an operational, market and financial nature. The Board of Directors and executive management team actively monitor risk factors and conduct regular assessments of risk areas. Based on these assessments, measures are taken to mitigate risk.

Operational and market risk

The company's operational risk mainly arises from macroeconomic factors that influence demand, risk linked to deliveries to customers and the supply of employees with relevant expertise.

If macroeconomic conditions change significantly, this could affect demand, prices and deliveries.

Siemens AS has a significant proportion of long-term contracts with customers in the public sector. This means that a substantial share of our sales revenue is less exposed to cyclical fluctuations. However, customer deliveries that fall short in terms of quality or disagreements with customers may expose the company to reputational risk and thereby income risk.

The company requires sufficient implementation capacity and relevant skills in order to deliver quality and meet customer demand. Increased employee turnover and/or challenges with respect to recruiting new employees with relevant skills will increase this risk.

Siemens AS has established robust processes for risk management, quality control and skills training in order to manage these risks. The company maintains a constant focus on strengthening its ability to deliver stable and reliable solutions to customers.

Financial risk

Our financial risk mainly arises from currency and liquidity risk.

Currency risk

Our currency risk primarily arises due to purchases of goods and services and other intra-group balances with the Siemens Group and external suppliers. Siemens AS has a currency hedging strategy that entails 75-100% of future cash flows and positions in foreign currencies being hedged using forward contracts and options.

Siemens AS has significant currency exposure relating to purchases and sales in euro. Options can be used to hedge against fluctuations during the bid phase of projects. All hedging is performed via Siemens AG. Siemens AS has no financial instruments linked to interest rate risk.

Liquidity risk

The company's liquidity risk stems from the risk of the company being unable to service its financial obligations as they fall due. The company manages this risk by always having enough liquidity to meet our obligations when they fall due, under both normal and extraordinary circumstances. The company prepares regular liquidity forecasts and overviews of the maturity structure of financial liabilities.

Market risk

The company's financial market risk mainly encompasses external factors that can impact fair values and/or future cash flows. Changes in interest and foreign exchange rates impact financial income and expenses, and therefore the income statement. However, the company's interest rate risk only comprises a potential reduction in financial income and can thus be characterized as limited.



Risk assessment concerning Russia's invasion of Ukraine and the unrest in the Middle East

Russia's war with Ukraine and the unrest in the Middle East has caused a serious situation in Europe. By continuously monitoring market developments and maintaining a close dialogue with customers, Siemens AS tries to ensure that we are equipped as best as possible to deal with the challenges that the geopolitical situation may bring. The Board of Directors and executive management team are conscious of the risk picture and will take appropriate measures to protect the company's interests.

Events after the balance sheet date

The Board of Directors is not aware of any material events after September 30, 2024 that could actually or potentially affect the company's profit and position.

Going concern assumption

The annual financial statements have been prepared based on a going concern assumption and we hereby confirm that, in the opinion of the Board of Directors, the prerequisites for this assumption exist.

Allocation of profit for the year

The Board of Directors proposes that the profit for the year of NOK 134.1 million be allocated as follows:

Allocated to dividends	NOK 134.1 million
Total transfers	NOK 134.1 million

Employees and organization

Siemens AS's success is largely due to the company's employees and their expertise. The company has an inclusive and stimulating corporate culture that provides a basis for the growth and development of our employees and the organization. Siemens AS takes a systematic approach to attracting talented people by being an 'employer of choice' and creating growth through developing the skills of employees and managers with respect to both their current work reality and the new digital reality of the future.

The company's student program is a key tool in this strategy. In 2024, around 40 dedicated students were able to try out various roles as part of the student program, from administrative functions in finance, HR, communications, health and safety, to engineers, marketing specialists and sales. The student program provides emerging talents with a unique opportunity to immerse themselves in the business areas, while also bringing new energy, innovation and fresh academic perspectives to the organization.

The student program is not just a job, it is an investment in the future that provides practical experience, networking

opportunities and a route into the workforce, both in Siemens and externally. For the company, the student program has a positive effect in that students share their experiences in student environments, which has increased interest in Siemens AS as an employer. The student program is an important part of the company's goal of being a forward-thinking technology company.

The company's employer branding efforts resulted in 15th place in Universum's Student Survey among engineering students.

One of Siemens AS's strategic pillars is 'Empowerment'. This means that employees find challenges in their roles and take responsibility for further developing the business. This is achieved through our GROW strategy, which promotes a growth mindset, with employees at all levels being encouraged to develop their expertise and skills. Siemens AS offers a wide range of e-learning and development activities, which are then personalized in consultation with the employee's line manager. In 2024, all employees had a target of completing 24 hours of e-learning.

Siemens AS's aim is to strengthen loyalty and get employees involved in the development of the company. This is measured through semi-annual employee surveys. In 2024, the employees said that they felt a sense of belonging because they could be themselves at work, they were treated with respect, and they have a major influence on their working day.

As of September 30, 2024, Siemens AS had 522 employees, of whom 27 were temporary employees (students). Of the 495 full-time employees, 93 (19%) were women and 402 (81%) were men. The proportion of temporary employees was 0.5%, of which 50% were women and 50% were men. Some 2.3% of the company's employees were in part-time positions (11 employees), and of these 55% were women and 45% were men. There were no cases of involuntary part-time work.

On average, women took 20 weeks of parental leave while men took 14 weeks. Siemens AS would prefer all of its employees to be in full-time positions, although we can offer part-time positions to employees who, for social, health, or welfare reasons, apply for temporarily or permanently reduced positions. The average age of employees in the company is 44.9, for both men and women.

The composition of Siemens AS's Board of Directors was changed in the 2024 fiscal year. Jaana Maria Kupila was elected as a new board member from January 25, 2024 onwards. She replaced Juergen Lippert, who stepped down as a board member on the same date.

Directors' and officers' liability insurance

Siemens AS is covered by the Group's directors' and officers' liability insurance scheme. This insurance covers legal liability incurred by board members and other senior management in relation to third parties. It also covers reasonable and necessary costs for a lawyer to defend a presented claim.

Corporate social responsibility

Sustainability is an integral component of Siemens AS's operations and DNA, and the company's core mission is to contribute to the global transition from fossil energy to renewables so that the world can reduce its emissions.

The Siemens Group sets out its strategic ambitions for the environment, social conditions and business ethics in the DEGREE sustainability framework, which also describes how Siemens companies must address their corporate social responsibilities.

Each letter of the DEGREE program represents a focus area with clear goals: decarbonization, ethics, governance, resource efficiency, equity and employability. A more detailed description of the DEGREE framework, as well as how the company supports its customers in their sustainability transition, can be found in the section on sustainable development on page 14.

External environment

Reducing the company's impact on the external environment is a key part of the DEGREE Framework. The Siemens Group works actively to minimize climate and environmental impacts through efficient operations, and by delivering sustainable products and innovative solutions to its customers.

The Siemens Group has set ambitious global targets for the climate and environment, as well as specific targets for operations in Norway, to reduce its carbon footprint.

The Siemens Group's emissions reduction targets have been verified by the Science Based Targets initiative (SBTi), which helps companies set and validate science-based reduction targets for greenhouse gas emissions.



The Siemens Group has defined the following science-based targets:

Short-term targets for the period up to 2030:

- For Siemens' own operations (Scopes 1 & 2): Reduce absolute greenhouse gas emissions by 90%
- For the value chain upstream and downstream (Scope 3): Reduce greenhouse gas emissions by 30%

Long-term targets for the period up to 2050:

- For Siemens' own operations (Scopes 1 & 2): Maintain an absolute reduction in greenhouse gas emissions of at least 90%
- For the value chain upstream and downstream (Scope 3): Reduce greenhouse gas emissions by 90%

The base year for all targets is FY19.

Through the DEGREE program, the Siemens Group has set itself the goal of achieving climate neutrality in its own operations (Scopes 1 & 2) by 2030. In line with SBTi, the Group will reduce its absolute greenhouse gas emissions by 90% and compensate for the remaining 10% with high-quality climate credits.

In Norway, Siemens AS's ambitions are even higher, and we are working towards net zero emissions in our operations (Scopes 1 & 2) by the end of 2025, 5 years earlier than the global targets.

To accelerate the company's commitment to decarbonization, the Siemens Group has signed up to three Climate Group initiatives: **RE100**: Use 100% renewables by 2030, **EP100**: Own and lease zero emission buildings by 2030, **EV100**: Have a 100% electric vehicle fleet by 2030.

Siemens AS also wants to be a leader in implementing these measures and we have, therefore, set ourselves the goal of achieving RE100 and EV100 by the end of 2025 rather than 2030.

The Siemens Group is actively working on decarbonizing the value chain (Scope 3) by mapping emissions from suppliers and prioritizing those with documented lower emissions. We introduced a new travel policy in Norway in 2024. This aims to cut emissions from business travel by 30% by 2030.

Siemens produces global and national annual climate reports and measures its performance in the aforementioned areas. Further information is available from: [siemens.no/baerekraft](https://www.siemens.no/baerekraft).

Siemens AS's impacts on the external environment and climate come directly from our own activities and indirectly via our value chain. The company's own operations (Scopes 1 & 2) result in a relatively small environmental footprint and relatively low greenhouse gas emissions. The largest propor-

tion of this footprint in relation to the climate and environment comes from the value chain (Scope 3), mainly purchased products and services, as well as the use of our sold products.

Sales of products containing SF6 gas in particular could have a significant impact on the external environment. However, these products are unlikely to have a significant environmental impact as they are well secured, and leakage is minimal. They also have service lives of at least 50 years. Siemens also offers switchgear that uses technically clean air instead of SF6 gas. The company will continue to increase deliveries of such F-gas-free switchgears, which are a better alternative for the climate and environment.

Siemens AS maintains a constant focus on reducing emissions from products and services with a particular focus on circularity and resource efficiency through a number of strategies. By following the principles of Robust Eco Design (RED), sustainable materials, longevity and reparability are integrated into the company's designs in order to minimize waste.

To ensure good waste management and optimal resource conservation, Siemens AS is a member of the RENAS waste electrical and electronic equipment (WEEE) take-back scheme. Siemens AS is also a member of Green Point Norway with respect to packaging and Batteriretur with respect to the collection and recycling of batteries.

Siemens AS became ISO 14001 certified in 2024. This confirms our commitment to sustainable environmental management and continuously improving the company's environmental performance.

Workplace environment

Siemens AS is committed to looking after our employees and employee satisfaction. The workplace environment is safeguarded through good cooperation with employees and occupational health services, as well as through skills training, welfare schemes and corporate sports teams.

Siemens AS practices a zero-injury philosophy. In order to prevent accidents and avoid work-related injuries, illnesses or accidents, a deliberate and systematic approach is taken to improvements. This includes risk assessments, implementing preventive measures, focusing on our reporting culture and sharing experiences. Monthly HSE themes are based on risks and help to ensure that both managers and individual

employees consciously try to contribute to a good, safe workplace environment.

There were no work-related injuries resulting in absences or requiring medical help for our employees during the fiscal year, which resulted in an LTI rate of zero for the 2024 fiscal year.

HSE is always the first item on the agenda and every unit has action plans with measures.

The status of the workplace environment is measured through regular employee surveys, which show that our employees generally experience work satisfaction, well-being and good cooperation and working conditions.

Siemens AS takes a systematic approach to prevention and closely follows up people on sick leave. Healthy employees contribute to increased productivity and well-being among the company's employees.

In the 2024 fiscal year, the company had a sick leave rate of 4%.

The Board of Directors considers the workplace environment and labor relations in the company to be good and has not found it necessary to initiate or plan special measures within this area.

Social conditions, equal opportunities and diversity

Siemens AS is subject to the activity and disclosure obligations in Sections 25 and 26 of the Norwegian Equality and Anti-Discrimination Act. Siemens AS and our Norwegian sister company, Siemens Mobility AS, participate in the Siemens Group's key programs for equality and diversity. All communication and activities in connection with this are joint communications and activities for the two companies in Norway.

As an employer, Siemens AS wants to promote diversity, inclusion and a sense of belonging based on the following goals:

- The proportion of women in the company will be increased in 2025.
- Siemens AS's wants to increase our attractiveness as an employer by making the company a more attractive company that is open to and promotes a flexible, diverse and inclusive working life.

To increase the proportion of women, the company is taking a conscious approach to the recruitment process in order to avoid unconscious bias and structural challenges. A clearer recruitment process has been defined, and better recruitment methods designed, to ensure enough women candidates are included early in the recruitment process.

At the same time, going forward, there will be an emphasis on identifying, motivating and developing possible management candidates with the goal of increasing the proportion of women in management positions. We also want to increase diversity in management and key functions throughout the company. Today, 81% of Siemens AS's 495 full-time employees are men. The company's Board of Directors consists of six people, three of whom were elected by the employees.

Siemens AS strives to create a workplace environment that promotes flexibility, diversity and inclusion. This means that the working day must be characterized by the values of fairness, equality, respect and mutual trust. Employees must feel safe, be treated with respect, and be able to be themselves.

The emphasis is on ethical conduct and respect for fundamental human rights. All employees must be ensured a workplace environment free from discrimination, and the company has good procedures for reporting objectionable conditions. The company's HR policies and Business Conduct Guidelines include principles and procedures designed to contribute to a good workplace environment.

Knowledge development and learning are important tools for ensuring that employees have the skills changes require, and thereby contribute to their own, and the company's, safety.

A fullreport on our work on diversity, equality and anti-discrimination in 2024 can be found on Siemens AS's website under the [topic 'Likestillingsrapport'](#).

Compliance, anti-corruption and bribery

Integrity, responsibility and reliability are Siemens AS's core principles and provide the foundation for the company's value creation.

Siemens AS has zero tolerance for corruption, breaches of the principles of fair competition and other unlawful acts. However, our compliance work goes further than simply following applicable laws. Our Code of Business Conduct sets out the framework for our conduct and covers more than just compliance with applicable laws and internal rules. The company's Code of Business Conduct is available here: [Siemens AS's Code of Business Conduct](#).

Siemens AS has a comprehensive compliance system to ensure that the business is conducted in compliance with applicable laws and regulations, as well as our internal principles and rules for responsible business conduct.

The company's compliance work is divided into three main areas: prevention, detection and response. Preventive measures include risk management in relation to compliance, policies and procedures, as well as comprehensive employee training and advice. **Reporting channels such as the 'Tell-us Hotline' and the 'Ombudsperson'**, as well as fair internal investigations, are critical for identifying and addressing breaches of the Code in a safe, confidential and, if desired, anonymous manner.

The Norwegian Transparency Act

Siemens AS's due diligence is anchored in the Board of Directors and executive management team and involves various parts of the organization.

Siemens AS has a clear goal of demonstrating integrity in all of its business conduct. Safeguarding fundamental human rights and decent working conditions for employees, suppliers and partners are fundamental prerequisites for the company's operations.

Siemens AS is subject to the Transparency Act. We are obliged to report on our due diligence work in accordance with the provisions of the Transparency Act.

A detailed report on this work can be found on the company's website, [siemens.no/aapenhetloven](https://www.siemens.no/aapenhetloven), where the company's report on compliance with the Transparency Act is also available.

Outlook for 2025

In the opinion of the Board of Directors, the company performed well in 2024. However, there is some uncertainty regarding the market outlook for 2025 due to the turbulent situations in the Middle East and Ukraine, as well as the consequences of the elections in the EU and US. At the same time, the Norwegian economy is expected to see moderate growth.

The Board of Directors is confident that Siemens AS, with its focus on electrification, automation and digitalization, is well equipped to meet the challenges of tomorrow. Regardless of how the global economy develops, demand for more renewable energy will continue to grow for a long time to come. Industry is facing demands for increased digitalization, security and the use of artificial intelligence. At the same time, major, long-term investments are expected to be needed in Norway in renewable power distribution, energy efficiency and increasing industrial productivity. Investments in critical infrastructure will continue to create long-term growth potential for sustainable technology solutions. The growing demand for renewable energy is also providing space for innovative solutions and new green developments within manufacturing. There is a strong belief that Norway has the potential to be a leading player in green industry that can contribute to the transition to a more sustainable future. Siemens invests significant funds in R&D to ensure its offering is always relevant for the company's customers. In Norway, Siemens is well positioned as a supplier of products and services within industrial digitalization and smart infrastructure.

Statement of Comprehensive Income

01.10. – 30.09.

(Amounts in NOK thousands)	Note	2024	2023
Sales revenue	2	2,290,398	2,241,805
Other operating income	3	45,169	39,922
Total operating income		2,335,567	2,281,727
Cost of sales	4	1,245,278	1,239,611
Payroll expenses	5	649,473	615,744
Depreciation and amortization	6, 7	38,450	36,632
Bad debts	8	856	729
Other operating expenses	9	219,276	227,342
Total operating expenses		2,153,334	2,120,057
Operating profit		182,233	161,670
Interest income and other financial income		4,635	15,593
Interest expenses and other financial expenses		-13,103	-19,353
Net interest expenses and other financial expenses	10	-8,468	-3,761
Profit before income tax		173,765	157,909
Income tax	11	-39,707	-35,102
Profit for the year		134,059	122,808
<i>Items that cannot be reclassified through profit or loss in subsequent periods</i>			
Actuarial losses/gains on defined benefit plans	12	0	427
Tax related to items that will not be reclassified		0	-94
<i>Items that may be reclassified through profit or loss in subsequent periods</i>			
Change in fair value of hedging instruments for cash flow hedging		235	-1,441
Tax related to items that can be reclassified		-52	317
Total other income and expenses		183	-790
TOTAL COMPREHENSIVE INCOME	13	134,242	122,018

Oslo, Dec. 19, 2024

The Board of Siemens AS



Per Mikael Gustaf Leksell
Chairman



Jaana Kupila
Board Member



Nils Klippenberg
Board Member/CEO



Kjell Olav Strømsli
Board Member



Tove Lise Grøtta
Board Member



Espen Andreas Ingebrigtsen
Board Member

Balance Sheet

ASSETS as of Sept. 30

(Amounts in NOK thousands)	Note	2024	2023
Fixed assets			
Goodwill	14	319,834	319,834
Deferred tax assets	11	0	652
Total intangible assets		319,834	320,485
Right-of-use assets	6	64,063	84,722
Land, buildings and other real estate	7	3,595	4,633
Plant and machinery	7	1,595	3,123
Fixtures and fittings, equipment and tools	7	6,924	9,268
Total tangible assets		76,177	101,745
Other non-current receivables	15, 20	3,385	4,952
Non-current receivables, subleasing	6, 20	25,674	39,243
Total financial fixed assets		29,059	44,196
Total fixed assets		425,070	466,427
Current assets			
Inventories	4	21,526	19,529
Accounts receivable	8, 20	338,566	402,472
Other current receivables from group companies		58	4,602
Other current receivables	16, 20	79,975	177,912
Current receivables, subleasing	6, 20	13,569	32,060
Total receivables		432,169	617,046
Total current assets		453,694	636,575
TOTAL ASSETS		878,764	1,103,002

EQUITY AND LIABILITIES as of Sept. 30

(Amounts in NOK thousands)	Note	2024	2023
Equity			
Stock capital		36,567	36,567
Share premium reserve		7,830	7,830
Total paid-in equity		44,397	44,397
Other equity		98,236	98,053
Total retained earnings		98,236	98,053
Total equity	13	142,634	142,451
Liabilities			
Pension liabilities	12	15,701	15,062
Deferred tax	11	1,141	0
Total provisions for liabilities		16,842	15,062
Other non-current liabilities	18, 20	25,907	29,179
Non-current lease liabilities	6	30,970	81,734
Total other non-current liabilities		56,878	110,913
Accounts payable	20	133,751	140,019
Tax payable	11	36,918	37,445
Public duties payable		70,338	65,788
Dividends	13	134,059	122,808
Advances from customers	20	6,319	8,564
Guarantee provisions		5,916	6,298
Current liabilities to group companies	17, 20	67,961	250,373
Other current liabilities	19, 20	146,285	143,426
Current lease liabilities	6	60,864	59,856
Total other current liabilities		662,411	834,577
Total liabilities		736,130	960,551
TOTAL EQUITY AND LIABILITIES		878,764	1,103,002

Oslo, Dec. 19, 2024

The Board of Siemens AS



Per Mikael Gustaf Leksell
Chairman



Jaana Kupila
Board Member



Nils Klippenberg
Board Member/CEO



Kjell Olav Strømsli
Board Member



Tove Lise Grøtta
Board Member



Espen Andreas Ingebrigtsen
Board Member

Cash flow statement

(Amounts in NOK thousands)	Note	2024	2023
Cash flow from operating activities			
Profit before income tax		173,765	157,909
Tax paid for the period		-37,669	-7,751
Depreciation and amortization	6, 7	38,451	36,632
Write-downs of fixed assets	7	0	-151
Loss/gain on leases	6	1,839	-4,540
Sales gain/loss on sale of business	26	-10,541	0
Changes in inventory, accounts receivable and accounts payable	4, 8	51,163	-9,054
Differences between expensed pensions and contributions/disbursements in pension schemes	12	639	-23,609
Changes in other accruals	15, 16, 17, 18, 19	105,744	-18,635
Net cash flow from operating activities		323,391	130,801
Cash flow from investing activities			
Acquisitions of tangible assets	7	-2,166	-14,526
Receipts from sales of business	26	14,245	0
Receipts from subleasing receivables	6	32,060	32,336
Net cash flow from investing activities		44,139	17,810
Cash flows from financing activities			
Change in intra-group balances in the Group's corporate cash pooling system	17, 20	-182,412	34,584
Payment of dividends	13	-122,808	-117,429
Change in stock capital	13	0	-4,384
Change in share premium reserve	13	0	-939
Payments for repayment of lease liabilities	6	-62,310	-60,443
Net cash flow from financing activities		-367,530	-148,611
Cash and cash equivalents as of Oct. 1		0	0
Cash and cash equivalents as of Sept. 30		0	0

Notes

Note 1 – Accounting policies

General information

The financial statements of Siemens AS are prepared in accordance with Section 3-9 of the Norwegian Accounting Act and the Regulations on simplified application of international accounting standards (IFRS) laid down by the Ministry of Finance on November 3, 2014, and subsequently updated on February 7, 2022. In principle, this entails recognition and measurement in accordance with the International Financial Reporting Standards (IFRS), and presentation of the financial statements and note disclosures in accordance with the Norwegian Accounting Act and standards and practices generally accepted in Norway. The financial statements consist of the statement of comprehensive income, balance sheet, cash flow statement and note disclosures. The annual report consists of the report from the Board of Directors, financial statements and auditor's report. The company uses a non-calendar fiscal year that runs to September 30. All amounts are stated in NOK thousands, unless otherwise specified.

Simplified IFRS

The company has not applied any simplifications from the recognition and measurement rules in IFRS. The company has exercised its right to deviate from the recognition and measurement rules in Section 3-1 of the Regulations on simplified application of international accounting standards (IFRS) by recognizing dividends and group contributions in accordance with the provisions of the Norwegian Accounting Act.

Basis for preparation of the financial statements

The financial statements have been prepared under the historical cost convention, except for the following accounting items: Financial instruments at fair value through profit or loss, and financial instruments available for sale that are recognized at fair value.

Currencies

Foreign currency transactions are translated at the prevailing exchange rate on the transaction date. Monetary items denominated in a foreign currency are translated to Norwegian kroner NOK at the prevailing exchange rate on the balance sheet date. Non-monetary items that are measured at historical exchange rates expressed in a foreign currency are translated to NOK at the prevailing exchange rate on the transaction date.

Non-monetary items that are measured at fair value expressed in foreign currency are translated at the exchange rate determined on the balance sheet date. Exchange rate fluctuations are recognized on an ongoing basis during the accounting period and presented in the financial statements as financial income or financial expenses.

Policies for income recognition

General information

Income recognition is based on the fundamental principle that companies must recognize income in such a way that the expected remuneration is recognized in line with a pattern that reflects the transfer of goods or services to the customer. Sales revenue is disclosed net of value added tax and discounts. Revenue from sales of goods is recognized when the delivery obligations have been met, i.e. when control of the contracted goods or services has been transferred to the customer. When services and long-term manufacturing projects are sold, control is transferred over time and income is recognized in line with deliveries to the customer. See the separate section concerning recognition of long-term manufacturing contracts. Interest income is recognized on the basis of the effective interest method as it is earned.

Long-term manufacturing contracts

Siemens has ongoing projects with durations ranging from a few months to 3-4 years. Income and expenses are recognized through profit or loss based on the project's percentage of completion. This is calculated as the expenses accrued as a percentage of the total estimated expenses. Expenses and profit are estimated on an accruals basis and the percentage of completion is updated for each accounting period, which in the company means on a monthly basis. In the event of doubt, the best estimate is used.

The relevant share of the expected profit is recognized through the income statement on an accruals basis using the best estimate principle. The profit for individual projects is estimated each month prior to recognizing the accrued share of the expected profit. For projects that are expected to result in a loss, the entire loss is charged as soon as it is known. Balance sheet items related to manufacturing contracts are presented gross on the balance sheet. Income that has not been invoiced is presented as contract assets under other receivables.

Expenses in manufacturing contracts that, as of the balance sheet date, are not included in the calculation of the percentage of completion are capitalized as an asset on the balance sheet under other receivables. Advance invoicing is calculated as the accrued income in the contract less invoicing. Advance invoicing of contracts is presented as a contract liability under other current liabilities and is not netted against other receivables.

When they are signed, additional orders not deemed to be a separate contract are taken account of in the contract's planned income. In projects where there is an obligation to continue working, expenses related to unsigned but likely additional orders are recognized temporarily as an asset on the balance sheet. If there is significant uncertainty regarding a customer's ability to pay, expenses are recognized as they are incurred, and income is only recognized once payment is received.

Provisions are made for guarantee work and other areas of uncertainty. Past experience tells us that for some projects, disagreement with the customer may arise with regard to the interpretation of contracts and additional work. In such cases, claims and counterclaims are made that are usually settled through negotiation, court cases or arbitration. These cases are recognized in the accounts based on a best estimate.

Other contracts

For projects not defined as long-term manufacturing contracts, income recognition is based on the 'completed contract method'. Accrued costs are then capitalized as contract assets under other receivables and are recognized together with income when the customer gains control of the product or service.

Notes

Note 1 - Accounting principles (cont.)

Service contracts

Service contracts are recognized in line with the provision of the services.

Borrowing costs

Borrowing costs are recognized as an expense when incurred. Borrowing costs are capitalized to the extent that they are directly related to the production of a fixed asset. Interest expenses accrue during the construction period until the fixed asset is capitalized. Borrowing costs are capitalized until the date on which the fixed asset is ready for use. If the cost price exceeds the fair value of the fixed asset, the value will be written down.

Classification of balance sheet items

Assets and liabilities relating to the business cycle, and items that fall due for payment within one year of the balance sheet date, are classified as current assets or current liabilities. Current assets and current liabilities are measured at the lower/higher of cost and fair value. The fair value of current assets is defined as the estimated future selling price less the anticipated cost of disposal. Other assets are classified as fixed assets. Fixed assets are valued at cost.

Fixed assets with a limited useful life are depreciated over their expected useful life. Fixed assets are written down to fair value in the event of a reduction in value that is not expected to be temporary. Write-downs are reversed if the reason for the write-down no longer exists.

Receivables

Accounts receivable are valued at their face value on the balance sheet date less provisions for estimated losses. The company uses the simplified write-down model to calculate expected credit losses over the useful life of accounts receivable, contract benefits and leasing receivables.

Inventories

Inventories of purchased goods are measured at the lower of average cost or expected net selling price. Obsolete goods are written down to their expected future selling price. Raw materials and goods in process, as well as work in progress, are recognized at the lower of their full manufacturing cost or expected net selling price. Manufacturing cost includes direct and indirect costs, including a share of fixed manufacturing costs.

Use of estimates

In preparing the financial statements, the management are required to make judgements, estimates and assumptions when applying the company's accounting policies. Even though the estimates are based on management's best judgement at the relevant time, the actual results may deviate from these estimates and underlying assumptions. Larger estimates relate to estimation of provisions for risks in orders and projects, fair value allocations for acquisitions, determining useful lives for holdings of tangible assets and intangible assets, recognized provisions and determining pension liabilities. The basis used for the estimates is described in more detail in these accounting policies and elsewhere in the pertinent notes to the financial statements.

Contingent outcomes

Contingent losses that are more than 50% likely and measurable are expensed.

Forward currency contracts

Siemens AS hedges cash flows from contracts signed in foreign currency as part of its risk management strategy. Forward contracts are measured at fair value on the balance sheet date. The effectiveness of the hedging is monitored continuously and documented in accordance with the rules for hedge accounting. If the requirements for the use of hedge accounting are no longer met, the hedged item and the hedging instrument are measured separately using the relevant measurement rules.

When hedging cash flows (Cash Flow Hedge Accounting) unrealized gains and losses on the hedging instrument are recognized in equity. Deferred tax on the provision is recognized directly in equity. Fair Value Accounting is used for other hedging contracts. Unrealized gains and losses on the hedging instrument are recognized through profit or loss on a monthly basis.

Tangible and intangible assets

Tangible and intangible assets are measured at cost less accumulated depreciation, amortization and write-downs. Tangible and intangible assets are measured at the lower of cost and fair value. Plant and equipment with a useful life of less than 3 years or a cost price of under NOK 30,000 are expensed in the acquisition year. Costs relating to normal maintenance and repair are expensed as they arise under operating expenses. The cost of significant improvements to an asset, which are expected to increase future value and profit, are capitalized and depreciated over the anticipated useful life of the asset. Assets are depreciated on a straight-line basis over their useful lives, starting from the date on which they were first used in ordinary operations.

Goodwill is an intangible asset that represents future financial benefits arising from other assets acquired in a business combination that have not been individually identified and accounted for separately. Goodwill does not generate cash flows independently of other assets or groups of assets and often contributes to the cash flows of multiple cash generating units. Goodwill must be tested for impairment on an annual basis and also between annual tests when there is an indication of a potential impairment (triggering event).

Development costs are capitalized to the extent that a future economic benefit associated with the development of an identifiable intangible asset can be identified and the costs can be reliably measured. Otherwise, such costs are expensed as they are incurred. Capitalized development costs are depreciated on a straight-line basis over their useful lives. Research costs are expensed as they are incurred.

Leases

Siemens as lessee

IFRS 16 Leases requires the lessee to recognize leases on the balance sheet such that the value of the right-of-use asset and the corresponding lease liability are presented on the balance sheet. The lease liability is measured at the present value of the lease payments, and the right-of-use asset is derived from this calculation. Upon subsequent measurement, the right-of-use asset must be depreciated, while the lease liability is reduced by ongoing installments. Leases that fall under the definition of 'low-value assets' are not recognized on the balance sheet. For short-term leases where the non-cancellable lease period is less than 12 months, lease expenses are also recognized directly through profit or loss.

Several of the company's leases include other services and components, such as common charges, fuel and taxes. Non-lease components are separated from the lease and recognized as an operating expense in the income statement.

In order for a lease to be subject to the requirements of IFRS 16, the lease must meet the definition of a lease, including that the assets must be identifiable, and the lessee must have the right to control the use of the assets for a given period. Significant leases in Siemens are mainly leases for buildings and other real estate and vehicles, which will be covered by the standard.

Several of Siemens' leases include options for extension or termination. It is the non-cancellable lease period that provides the basis for the lease liability. The period covered by the extension or termination option is shown if it is considered reasonably certain that the extension options will be exercised.

The present value of the lease payments must be discounted by the lessee's marginal borrowing rate when the implicit interest rate for the lease cannot easily be determined. The method for determining the company's marginal borrowing rate must be applied consistently and reflect:

1. the borrowing rate for the asset class in question, and
- 2) the length of the term of the lease

Siemens as sublessor

For contracts where Siemens is the lessor, each individual lease is classified as either an operating lease or a finance lease. A lease is classified as a finance lease if it substantially transfers all the risks and benefits associated with ownership of an underlying asset. A sublease is regarded as a finance lease if the asset, or parts thereof, is subleased for most of the remaining term of the lease in the main lease.

Siemens has several subleases that are classified as finance subleases. Upon recognition, a proportion of the right-of-use asset, which is subleased, and a subleasing receivable is recognized. Gains and losses are recognized through profit or loss as other financial income or expenses. In subsequent measurements, the subleasing income is recognized through profit or loss as interest income and reduced amortization of the right-to-use assets.

For operating leases, Siemens recognizes lease payments as other operating income.

Pension costs and pension liabilities

Siemens AS has a defined contribution occupational pension scheme (contribution plan) for all employees with more than 10 years to go to retirement age (67 years). The contribution levels are 5% of pensionable salary from the first Norwegian krone to 7.1G (where G = the National Insurance basic amount) and 13% of pensionable salary from 7.1G to 12G. For accounting purposes, this pension scheme is treated in accordance with IAS 19R.

Pension liabilities in the defined benefit scheme are measured at the present value of future pension liabilities accrued on the balance sheet date. Future pension liabilities are calculated using estimated salaries and retirement dates. The net pension liability for under-financed pension schemes is recognized on the balance sheet as a liability.

The introduction of a new defined benefit scheme or an improvement to the current defined benefit scheme entails changes to pension liabilities. These are expensed on a straight-line basis until the effect of the change has been covered. The effects of introducing new plans or changes to current plans with retroactive effect, such that the employees have immediately earned a paid-up policy (or change to a paid-up policy), are recognized immediately through profit or loss. Gains or losses in connection with curtailments or the closure of pension plans are recognized through profit or loss in the period in which they occur. Actuarial gains or losses are recognized in other income and expenses (items that cannot be reclassified through profit or loss in subsequent periods).

Employees' options and stock program

Executives at Siemens are part of a stock option program under the auspices of the parent company Siemens AG and are awarded stock options. These stock options are subject to vesting periods of 4 years for options received in 2020 and 2021, and 3 years for options received in 2022, 2023 and 2024, from the date they are awarded until they can be exercised. In addition, all employees may participate in a savings agreement linked to the purchase of Siemens AG stock. In the case of the Share Matching Plan program, which is the savings agreement for employees, Siemens AG will provide one additional share for every three shares the employee holds for 3 years. Both of these option schemes are measured at fair value on the date of issue. The fair value on the date of issue is expensed on a straight-line basis over the duration of the option.

Tax expense

Taxes consist of tax payable and changes in deferred tax. Tax payable is calculated on the basis of the profit or loss for tax purposes. Changes in deferred tax are calculated on the basis of changes in taxable and tax-deductible temporary differences.

Cash flow statement

Siemens AS uses the indirect model for presentation of the cash flow statement in accordance with simplified IFRS for cash flow statements. The indirect model shows gross cash flows from investing and financing activities, while the accounting profit is reconciled with the net cash flow from operating activities. Siemens AS participates in a group corporate cash pooling system, in which the funds are defined as intra-group receivables and liabilities.

Notes

Note 2 – Sales revenue

(Amounts in NOK thousands)	2024	2023
Smart Infrastructure	1,386,639	1,328,521
Digital Industries	903,759	913,284
Total	2,290,398	2,241,805

The majority of the company's sales revenue comes from activities in Norway. In the 2024 fiscal year, the company's exports amounted to NOK 136.6 million. This represents 5.9% of total sales revenue. The largest export markets in the 2024 fiscal year were the same as in 2023, i.e. Sweden, Lithuania and Finland.

Note 3 – Other operating income

(Amounts in NOK thousands)	2024	2023
Other operating income		
Rent income	26,289	24,934
Income from Global Business Service	18,880	14,988
Total other operating income	45,169	39,922

Note 4 – Inventories

(Amounts in NOK thousands)	2024	2023
Inventories		
Inventories of purchased goods for resale	24,829	22,305
Provisions for obsolescence risk	-3,303	-2,942
Inventories of raw materials and purchased semi-manufactured goods	0	166
Total	21,526	19,529
Provision for obsolete goods	3,303	2,943
Cost of goods for the year	1,245,278	1,239,611

Note 5 – Payroll expenses, number of employees, remuneration, loans to employees, etc.

(Amounts in NOK thousands)	2024	2023
Payroll expenses		
Salaries	504,270	484,028
Employers' NI contributions	84,172	74,782
Net pension costs	38,126	34,511
Other benefits	22,906	22,423
Total payroll expenses	649,473	615,744
Average number of employees	531	486

Remuneration of the Board of Directors and CEO

Board members representing employees in Siemens AS received NOK 10,000 per person for the 2024 fiscal year. The Chairman of the Board did not receive any directors' fees during the period. The CEO's salary for 2024 amounted to NOK 2,519,923. He also received a bonus of NOK 1,313,019 and NOK 292,908 in other remuneration.

Pension entitlements

The CEO is covered by the pension scheme for senior executives at Siemens AS. On January 1, 2016, the defined benefit pension scheme for active senior executives was replaced by a defined contribution pension scheme (ref. Note 18 – Pension costs and pension liabilities). This was continued in the new company after the demerger on March 1, 2020. The regular contributions to the pension scheme for the CEO amounted to NOK 363,617 in 2024.

Stock option program – share-based remuneration

Gains depend on the stock price in Siemens AG measured against the strike price when the options are exercised. These stock options are subject to vesting periods of 4 years for options received in 2020 and 2021, and 3 years for options received in 2022, 2023 and 2024, from the date they are awarded until they can be exercised. Exercising the options is contingent on the employee still being employed by the company. The CEO held 4,286 stock options as of 2024.

Loans and provision of security

Neither the Chairman of the Board nor the CEO had loans from Siemens AS as of September 30, 2024. No additional remuneration has been provided for special services outside the normal functions of an executive.

Note 5 – Payroll expenses, number of employees, remuneration, loans to employees, etc. (cont.)

Information about other employees

Loans and provision of security

The company has provided other employees with loans totaling NOK 2,723,325. The loans are repayable over a maximum of 10 years. A standard interest rate is charged on the loans. No particular security has been provided for the loans, other than the issue of a promissory note.

(Amounts in NOK thousands)	2024	2023
Fees to auditor		
Proposed fees for statutory audit for the year by PWC	1,111	760
Certification of 2023 tax return from EY	142	0
Total fees to auditor	1,253	760

(VAT is not included in the audit fees)

In 2024, Siemens AS changed auditor from EY to PWC.

Note 6 – IFRS 16 Leases

Changes in right-of-use assets

(Amounts in NOK thousands)	Land/ Buildings	Vehicles	Total
Cost as of Oct. 1, 2023	181,684	9,649	191,333
Additions, new leases	14	1,873	1,887
Indexing*	9,440	1,362	10,802
Disposals**	-15,469	-3,237	-18,706
Cost as of Sept. 30, 2024	175,669	9,646	185,316

Depreciation and amortization as of Oct. 1, 2023

Depreciation for the year	-29,006	-2,368	-31,374
Depreciation disposals	13,759	2,974	16,733
Depreciation and amortization as of Sept. 30, 2024	-115,069	-6,182	-121,251

Book value as of Sept. 30, 2024

	60,600	3,463	64,063
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* Indexing of vehicles and real estate based on changes in the consumer price index for Norway.

** Related to change of square footage leased to Siemens Energy in the Oslo office.

Change in lease liability and subleasing receivables

(Amounts in NOK thousands)	Lease liabilities	Subleasing receivables
Balance sheet, Sept. 30, 2023	141,590	71,303
Additions	1,887	0
Indexing of liabilities*	12,740	0
Disposals	-2,072	0
Interest expense/interest income, subleasing	3,458	1,194
Rent payments/subleasing payments	-65,769	-33,254
Balance sheet, Sept. 30, 2024	91,834	131,077

* Indexing of lease liabilities based on changes in the consumer price index for Norway.

Classification of liabilities and receivables

(Amounts in NOK thousands)	Lease liabilities	Subleasing receivables
Current	60,864	13,569
Non-current	30,970	25,674

Undiscounted payments/income

(Amounts in NOK thousands)	Within 1 year	2-3 years	4-5 years	After 5 years
Future undiscounted rent payments	63,013	27,347	4,929	219
Future undiscounted subleasing income	33,254	6,474	0	0

Notes

Note 6 – IFRS 16 (cont.)

Material leases (Amounts in NOK thousands)	Annual rental costs	Contract duration
Oslo	46,277	Dec. 14, 2025
Trondheim	4,465	July 31, 2028
Bergen	3,402	April 30, 2027

Note 7 – Tangible assets

(Amounts in NOK thousands)	Buildings	Plant and machinery	Fixtures and fittings, equipment	Assets under construction	Total
Cost as of Oct. 1, 2023	44,006	2,106	40,453	2,200	88,765
Disposals during the year	0	0	-1,216	-2,200	-3,416
Additions during the year	2,200	914	1,252	0	4,366
Cost as of Sept. 30, 2024	46,206	3,020	40,489	0	89,715
Depreciation and amortization as of Oct. 1, 2023	-39,373	-1,183	-31,185	0	-71,741
Depreciation and write-downs for the year	-3,238	-242	-3,596	0	-7,076
Depreciation disposals	0	0	1,216	0	1,216
Total depreciation and amortization as of Sept. 30, 2024	-42,610	-1,425	-33,565	0	-77,601
Book value as of Sept. 30, 2024	3,595	1,595	6,924	0	12,114
Depreciation and write-downs for the year	-3,238	-242	-2,380	0	-5,860
Depreciation plan	Straight-line	Straight-line	Straight-line		
Useful life	10-50 years	10 years	3-5 years		

Note 8 – Accounts receivable

(Amounts in NOK thousands)	2024	2023
Accounts receivable		
Gross accounts receivable	339,145	403,002
Provision for bad debts	-578	-530
Net accounts receivable	338,566	402,472
Losses on accounts receivable	851	481
Changes in provisions	50	248
Reversed losses	-45	0
Net bad debts	856	729

Outstanding receivables more than 60 days past due account for approximately 2.2% of gross receivables. Siemens AS continuously monitors and assesses risks and believes that the provisions for bad debts are adequate based on an assessment of the receivables.

Note 9 – Specification of operating expenses by type

(Amounts in NOK thousands)	2024	2023
Contracted workers	41,499	47,795
Expenses for Global Business Services	34,168	33,795
Travel and subsistence expenses	30,676	33,410
IT costs	17,831	11,591
Shipping and transportation expenses	13,984	14,790
Building repairs and maintenance	12,330	5,619
Information and communication expenses	10,282	12,331
Equipment, fixtures and fittings (non-capitalizable)	6,079	6,488
Lighting and heating	5,095	2,250
Sales and advertising expenses	4,993	8,922
License and patent costs	4,271	3,514
Rental of machinery, equipment, etc.	3,413	12,934
Office expenses	3,394	4,734
Refuse collection, wastewater, cleaning, etc.	3,150	2,606
Subscriptions and gifts	2,478	2,806
Other repairs and maintenance	2,114	2,040
Insurance premiums	1,727	1,936
Entertainment expenses	1,212	1,927
Warranty and service expenses	-633	-3,623
Other operating expenses	21,212	21,476
Total operating expenses	219,276	227,342

Siemens AS presents its income statement based on the content of the income and expenses. Operating expenses comprise all operational costs that are not related to projects, payroll expenses and capital costs in the form of depreciation. The main elements of other operating expenses have been grouped in the above table.

Note 10 – Specification of interest items and other financial items

(Amounts in NOK thousands)	2024	2023
Interest income from companies in the same group	280	6
Other interest income	1,625	1,677
Other financial income	1,243	7,665
Exchange rate gains	1,487	6,244
Total interest income and other financial income	4,635	15,593
Interest expenses from companies in the same group	-6,629	-7,678
Other interest expenses	-217	-149
Other financial expenses	-3,586	-3,629
Exchange rate losses	-2,671	-7,897
Total interest expenses and other financial expenses	-13,103	-19,353
Net interest and other financial items	-8,468	-3,761

Notes

Note 11 – Tax

(Amounts in NOK thousands)	2024	2023
Taxable profit		
Profit before income tax	173,765	157,909
Permanent differences/other differences	2,462	2,612
Changes in taxable/tax-deductible temporary differences	-8,214	6,954
Effect of items recognized against equity	235	-1,013
Effect due to mergers	0	4,761
Total	168,248	171,222
22% tax payable	37,015	37,669
Insufficient provisions for tax payable in previous years	-97	-224
Tax payable in the tax expense	36,918	37,445
Tax expense for the year		
Tax payable on the profit for the year	36,918	37,445
Change in deferred tax	1,793	-1,519
Change in deferred tax, merged companies	0	-1,047
Change in deferred tax recognized directly against equity*	-52	223
Too much/little allocated previous years	1,047	0
Total	39,707	35,102
Tax payable on the balance sheet		
Tax payable on the profit for the year	37,015	37,445
Tax payable previous years	-97	0
Total	36,918	37,445
Taxable/tax-deductible differences that offset each other		
Fixed assets/non-current liabilities	-283,356	-285,987
Current assets/current liabilities	-4,057	-9,811
Total taxable/tax-deductible differences that offset each other	-287,412	-295,798
Items recognized directly against equity*	292,601	292,835
Total basis for deferred tax	5,188	-2,963
22% deferred tax (+)/deferred tax asset (-)	1,141	-652
Change in deferred tax	1,793	-1,519
of which without effect on tax expense	52	-223

*Changes in capitalized financial instruments and pensions, as well as deferred tax relating to these items, are partly recognized directly in equity.

	2024	as % of
	Tax	profit
	expense	before tax
Calculation of effective tax rate		
(Amounts in NOK thousands)		
Tax calculated at average nominal tax rate	38,228	22%
Effect of permanent differences	542	0%
Too much/little allocated previous years	937	1%
Tax expense according to income statement	39,707	23%

Note 12 – Pension costs and pension liabilities

Siemens AS is obliged to have an occupational pension scheme in accordance with the Norwegian Mandatory Occupational Pensions Act and has a defined contribution occupational pension scheme which satisfies the requirements of this Act. Siemens AS has closed defined benefit plans, both funded and unfunded, as well as a defined contribution plan.

Contribution plans

Siemens AS has a defined contribution occupational pension scheme. This is a scheme carried over from Siemens AS before the demerger. The contribution levels are 5% of the individual employee's pensionable salary from the first Norwegian krone to 7.1G (where G = the National Insurance basic amount) and 13% of pensionable salary from 7.1G to 12G. All employees in Siemens AS are covered by the pension schemes and NOK 29.7 million was paid as contributions in 2024.

The Norwegian Parliament resolved that AFP will be a life-long scheme from January 1, 2011 onwards where the employee can decide when to receive their pension after turning 62. Payments will be influenced by the qualifying period and life expectancy of each individual employee. The AFP scheme is a defined benefit multi-employer pension scheme funded via premiums that are determined as a percentage of salary. As currently there is no reliable method of calculating the liability, the scheme is recognized as a defined contribution scheme in which the premium payments are expensed on an ongoing basis. As of September 30, 2024, NOK 7.76 million had been paid to this scheme in 2024 and it covers all employees (see Note 5).

As of January 1, 2016, the company's previous additional defined benefit pension scheme for active senior executives was closed and replaced with a defined contribution additional pension scheme. Five employees are covered by this scheme. The qualifying pensionable income for the scheme is fixed annual salary in excess of 12G.

This scheme was continued in the new company after the demerger on March 1, 2020.

Defined benefit plans – unfunded schemes

In addition to the funded occupational pension scheme, Siemens AS has unfunded defined benefit pension liability. This is a pension plan funded through operations and consists of pension liabilities to retired senior executives.

(Amounts in NOK thousands)	2024	2023
Pension costs, defined benefit plans		
Interest expenses on pension liabilities	-638	1,279
Recognized pension costs incl. employer's NICs	-638	1,279
Actuarial loss/gain (-)	0	-427
Pension costs recognized in other operating income and expenses	0	-427
Changes in pension liabilities		
Pension liabilities as of Sept. 30	15,062	40,344
Interest expenses on pension liabilities	638	-1,245
Repayment	0	-23,609
Actuarial loss/gain (-)	0	-427
Pension liabilities at the end of the period	15,701	15,063
Financial assumptions		
Discount rate	4.53%	4.53%
Expected pension increase	0.00%	0.00%
Expected National Insurance basic amount adjustment	0.00%	0.00%

Actuarial assumptions

Other actuarial assumptions have been applied to the calculations, such as the K-2013BE mortality table, as well as other demographic factors developed by Norwegian Financial Service Association. A staff turnover rate of 15% for the 20-29 age group, falling to 0% for employees aged 60 or over, has also been assumed. The turnover rate states the proportion of the workforce that it is estimated will leave the company voluntarily during the course of a year.

Note 13 – Equity

(Amounts in NOK thousands)	Stock capital	Share premium reserve	Cash flow hedging	Actuarial gains and losses	Retained earnings	Total equity
As of Oct. 1, 2023	36,567	7,830	-854	-227,558	326,464	142,451
Total comprehensive income			183	0	134,059	134,242
Proposed dividend pay-out					-134,059	-134,059
As of Sept. 30, 2024	36,567	7,830	-670	-227,558	326,464	142,634

The company's stock capital as of September 30, 2024 consisted of 30,000 shares at NOK 1,218.90. 100% of the company's shares are owned by Siemens AG, Germany.

The consolidated financial statements of Siemens AG can be obtained from the following address: Siemens AG, Werner-von-Siemens-Str. 1, D-80333 Munich, Germany. <http://www.siemens.com>

Notes

Note 14 – Intangible assets

2024	Goodwill
(Amounts in NOK thousands)	
Cost as of Oct. 1, 2023	319,834
Cost as of Sept. 30, 2024	319,834

Siemens AS conducts annual impairment tests of goodwill. If there are indications of impairment of goodwill, the tests are conducted more frequently. The impairment test was conducted in September 2024 and was based on provisional company figures from August 2024. The result of the test showed, by a good margin, no indications of impairment. Capitalized goodwill in the company as of September 30, 2024 was NOK 319.8 million.

Siemens has used the utility value to determine the recoverable amount in the cash generating unit. The cash generating unit linked to goodwill is Smart Infrastructure (SI). The utility value is calculated as the present value of estimated cash flow before tax, with a discount factor that reflects the timing of the cash flows and the expected risks. Cash flows are calculated based on expected unit-specific cash flows for the next 5 years, i.e. long-term budgets for 2025 to 2030. Cash flows after 2030 are derived at using a long-term growth rate equal to the expected long-term national inflation rate. A weighted average capital cost for the specific unit is used as the discount factor.

As regards calculations of utility value, the key criteria are sensitive to changes in the markets Siemens AS operates in and future demand for the unit's product lines. Thanks to Siemens' sustainable and innovative technological solutions, demand proved to be stable despite uncertainty and market fluctuations. Sensitivity therefore proved to be low in 2024.

Note 15 – Other non-current receivables

(Amounts in NOK thousands)	2024	2023
Other non-current receivables		
Loans to employees (ref. Note 5)	2,723	3,964
Other non-current receivables	661	989
Total	3,385	4,952

The list shows the book value of receivables that fall due more than 1 year after the balance sheet date.

Note 16 – Other current receivables

(Amounts in NOK thousands)	2024	2023
Other current receivables		
Accrued, not invoiced income from production contracts (ref. Note 22)	48,541	130,714
Other accrued, not invoiced income	25,074	40,058
Currency derivatives	245	675
Other current receivables	6,116	6,466
Total	79,975	177,912

Note 17 – Means of payment

Siemens AS has no restricted liquid assets. Siemens AS has a bank guarantee worth NOK 50 million to cover tax withholding liabilities. Banking activities are conducted via Siemens AG and an external bank. As of September 30, 2024, net deposits in Siemens AS amounted to NOK 68 million and are classified as current liabilities on the balance sheet.

Note 18 – Other non-current liabilities

(Amounts in NOK thousands)	2024	2023
Other non-current liabilities		
Staff provision for long service	13,522	12,899
Guarantee provision	4,606	4,857
Other non-current liabilities	7,779	11,424
Total	25,907	29,179

The list shows the book value of liabilities that fall due more than 1 year after the balance sheet date.

Note 19 – Other current liabilities

(Amounts in NOK thousands)	2024	2023
Other current liabilities		
Salaries and holiday pay	79,090	82,762
Service contracts invoiced in advance	979	473
Provisions for liabilities	7,883	6,493
Production projects invoiced in advance (ref. Note 22)	52,420	43,515
Currency derivatives with negative value (ref. Note 20)	746	2,567
Restructuring provisions	3,594	4,791
Other current liabilities	1,572	2,824
Total	146,285	143,426

(Amounts in NOK thousands)	Loss contracts	Other	Total
Provisions for liabilities			
Sept. 30, 2023	-2,652	-3,842	-6,494
Provision	-809	-2,956	-3,765
Dissolved	-243	302	59
Used provision	2,316	0	2,316
As of Sept. 30, 2024	-1,388	-6,496	-7,883

Note 20 – Currency derivatives and financial instruments

Based on current guidelines, 75-100% of future cash flows and positions in foreign currencies must be hedged using forward contracts and options. Financial instruments are used for hedging purposes where there is an offsetting item in the underlying cash flows from operations.

Siemens AS has significant currency exposure relating to purchases and sales in euro. Options can also be used to hedge against fluctuations during the bid phase of projects. All hedging is performed via Siemens AG.

Siemens AS has no financial instruments linked to interest rate exposure.

(Amounts in NOK thousands)	2024	2023
The following amounts related to currency hedging contracts were recognized as financial income/expenses in the fiscal year		
Realized gain/loss (-) from expired hedging contracts	1,328	-405
Accumulated gain/loss (-) not reversed from equity	-595	1,807
The following amounts related to currency hedging contracts were recognized against other operating income and expenses (adjusted for deferred tax)		
Unrealized gain/loss (-) recognized in the fiscal year	859	1,094
Accumulated gain/loss (-) not reversed from equity	859	1,094

List of unrealized currency forward contracts as of Sept. 30, 2024

Currency forward contracts (counter position NOK)	Amount in currency	Amount in NOK	Agreed avg. FX rate	FX rate as of Sept. 30, 2024	Average remaining term in days
Sales EUR	878	10,046	11.4471	11.7645	92
Purchases EUR	220	2,591	11.7767	11.7645	103
Sales USD	425	3,640	8.5603	10.5078	242
Purchases USD	340	3,136	9.2183	10.5078	242

Notes

Note 20 – Currency derivatives and financial instruments (cont.)

(Amounts in NOK thousands)	2024	2023
Fair value of the derivatives recognized on the balance sheet as of Sept. 30, 2024		
EUR	-306	-1,685
USD	-380	-578
Total	-686	-2,263
Positive holdings: Short-term share	245	675
Positive holdings: Long-term share	211	539
Negative holdings: Short-term share	-746	-2,567
Negative holdings: Long-term share	-395	-909
Total	-686	-2,262

(See the table for currency derivatives and financial instruments)

The fair value of hedging instruments is determined by multiplying the difference between the exchange rate on the balance sheet date and the agreed exchange rate by the hedged amount in foreign currency and applying a discount rate. An administration fee is included for the issuer of the hedging instrument (Siemens AG).

In the income statement, the measurement and settlement of hedging contracts are recognized under financial expenses and income. On the balance sheet, the values of open hedging contracts are recognized in other current or non-current receivables or other current or non-current liabilities. The share of long-term positive holdings amounts to NOK 0.211 million and long-term negative holdings amount to NOK 0.395 million.

Siemens AS uses Cash Flow Hedge Accounting for significant cash flows. The purpose of hedge accounting is to avoid any impact on the results from unrealized gains and losses on the hedging instrument. The effectiveness of the hedging is monitored continuously and documented in accordance with the rules for hedge accounting. If the requirements for the use of hedge accounting are no longer met, the hedged item and the hedging instrument are measured separately using the relevant measurement rules.

On hedging cash flows (Cash Flow Hedge Accounting) unrealized gains and losses on the hedging instrument are recognized in equity. Deferred tax for the provision is recognized directly against equity. Other hedging contracts not classified as hedge accounting are recognized at fair value through profit or loss.

As of September 30, 2024 there were no material ineffective hedges.

Periods during which hedged cash flows in foreign currencies, classified as Cash Flow Hedge Accounting, are assumed to affect the results.

(Amounts in NOK thousands)	2025	2026	2027
Year when hedged cash flows are expected to be reclassified from equity to net income			
	-33	0	0

Financial instruments by category

	Loans and receivables	Derivatives used for hedging purposes	Total
Assets as of Sept. 30, 2024			
Other non-current receivables	3,174	211	3,385
Accounts receivable	338,566	0	338,566
Non-current subleasing receivables	25,674	0	25,674
Current subleasing receivables	13,569	0	13,569
Other current receivables	79,730	245	79,975
Total	460,713	456	461,169

	Other financial liabilities	Derivatives used for hedging purposes	Total
Liabilities as of Sept. 30, 2024			
Other non-current liabilities	26,302	-395	25,907
Accounts receivable	133,751	0	133,751
Current liabilities to group companies	67,961	0	67,961
Non-current lease liabilities	30,970	0	30,970
Current lease liabilities	60,864	0	60,864
Advances from customers	6,319	0	6,319
Other current liabilities	148,712	-746	147,966
Total	474,880	-1,140	473,738

Note 21 – Other off-balance sheet liabilities

Off-balance sheet liabilities

At the end of the 2024 fiscal year, Siemens AS had the following off-balance sheet liabilities in the following categories.

Security pledged and guarantee liability

(Amounts in NOK thousands)	2024	2023
Guarantee liability		
Guarantees issued by external financial institutions	126,328	140,878
Total guarantee liability	126,328	140,878

No collateral was pledged for any of the guarantees.

Note 22 – Long-term manufacturing contracts

This note shows accounting figures for the projects' entire life cycle, which typically extends over several accounting periods.

(Amounts in NOK thousands)	2024	2023
Work in progress		
Recognized as income	859,232	805,309
Costs	-700,570	-681,945
Net profit/loss	158,662	123,365
Income from projects	532,197	484,462
Estimated remaining production costs for loss-making projects	-7,831	-5,767
Accrued, not invoiced income included under other current receivables from manufacturing projects recognized using the percentage of completion method (ref. Note 16)	48,541	130,714
Production invoiced in advance, included in other current receivables from manufacturing projects recognized using the percentage of completion method (ref. Note 19)	52,420	43,515

Expected losses on these projects are charged in their entirety as a provision, which is then reduced in parallel with the progress of the project or realization of the losses.

Project risk and uncertainty

Siemens AS mainly has long-term contracts, of which many are fixed-price contracts based on bids. Delays, quality issues or increases in project costs can result in costs that are not covered by the income from the project in question. If a project is identified as loss-making, a provision is made for expected future losses. For accounting purposes, the recorded loss is the best estimate at the close of the accounting period. Circumstances and information can change in subsequent periods and the final outcome may therefore be better or worse than the assessment made at the time the financial statements were prepared.

Notes

Note 23 – Share-price-based compensation

Stock options for executives

Leading people in Siemens AS are awarded options by Siemens AG called stock awards. The period from the date they are awarded to the date they can be exercised is 4 years for options received in 2020 and 2021 and three years for options received in 2022, 2023 and 2024. The costs of the options are recognized through profit or loss in Siemens AS. Siemens AS is charged the expected monthly cost of the options by Siemens AG on the date of awarding. The cost builds up a liability in Siemens AS to Siemens AG. The cost is based on the fair value of the options on the balance sheet date. On the date the options are exercised, their actual value is used. This forms the basis for the final cost invoiced by Siemens AG.

The Norwegian marginal tax is calculated and paid to the Norwegian tax authorities, while the remainder of the amount is paid to the employee by Siemens AS. The overall cost of the options is charged to payroll expenses. In the 2024 fiscal year, this amounted to NOK 2.5 million. The recognized liability amounts to NOK 5.5 million.

	2024		2023	
	Average price per share in EUR	Number of options	Average price per share in EUR	Number of options
As of Oct. 1		9,741		10,398
Awarded	126.97	1,740	167.40	1,251
Lapsed	120.19	-123	-	-
Exercised	42.85	-2,805	1.40	-1,781
Settlement	-	-	68.57	-128
As of Sept. 30		8,553		9,741

Stock options for employees

Every fiscal year, all Siemens Group employees are offered an opportunity to purchase Siemens stock through the Share Matching Plan program. Employees who sign up to the agreement have a fixed amount of between 0-5% of their gross salary deducted each month.

The amount is invested in Siemens stock the following month. After a qualifying period of 3 years, Siemens gives employees one free share for every three shares the employee owns. Siemens AS is invoiced quarterly for the administration of the Share Matching Plan, plus the fourth share the employee gets after 3 years. For the 2024 fiscal year, the cost amounted to NOK 1.5 million.

	2024		2023	
	Average price per share in EUR	Number of options	Average price per share in EUR	Number of options
As of Oct. 1		2,213		1,815
Awarded	104.11	1,037	104.11	1,367
Lapsed	109.81	-147	114.79	-76
Exercised	126.71	-810	93.00	-847
Settlement	114.77	-43	120.74	-47
As of Sept. 30		2,250		2,213

Note 24 – Financial market risk

Siemens AS uses financial forward contracts via Siemens AG to hedge against exposure to currencies. On the other hand, Siemens AS does not use financial instruments linked to interest-bearing items. Accounts receivable are continuously assessed on the basis of changes in market conditions and the management's assessment. We deem this to have been taken into account in the provisions for losses on receivables (see Note 8).

Currency risk and the use of financial instruments are described in Note 20.

Note 25 – Transactions with related parties

(Amounts in NOK thousands)

		2024	2023
Sales			
Siemens Mobility AS	Siemens company	23,896	23,952
Siemens Healthcare AS	Siemens company	13,081	12,295
Siemens plc	Siemens company	3,277	0
Innomotics AS	Siemens company	3,275	5,066
Siemens Financial Services AB, NUF	Siemens company	2,788	2,738
Siemens AB, Solna	Siemens company	1,852	2,202
Siemens AG	Siemens company	1,082	1,480
Siemens Aktiengesellschaft Österreich	Siemens company	822	932
Siemens Industry Inc.	Siemens company	665	0
Heliox Automotive B.V.	Siemens company	579	0
Siemens A/S, Ballerup	Siemens company	145	543
Siemens d.o.o., Beograd	Siemens company	76	41
Siemens Limited, Taipeh	Siemens company	0	337
Siemens plc	Siemens company	0	0
Total		51,539	49,586
Purchases			
Siemens AG	Siemens company	833,033	958,226
Siemens Schweiz AG, SI Global HQ Zug	Siemens company	87,747	108,440
Siemens Sanayi ve Ticaret Anonim Sirketi, Istanbul	Siemens company	16,606	16,339
Siemens Aktiengesellschaft Österreich	Siemens company	8,412	8,992
Siemens Industry Software AB, Solna	Siemens company	6,168	9,929
ETM professional control GmbH	Siemens company	4,171	0
Siemens Electrical Drives Ltd.	Siemens company	3,477	0
Siemens Sp. z.o.o.	Siemens company	2,612	4,588
SIRPIN s.r.o.	Siemens company	2,551	0
Siemens EOOD	Siemens company	1,321	0
Siemens Financial Services AB, NUF Oslo	Siemens company	501	4,308
Siemens S.A	Siemens company	85	9,026
Siemens A/S, Ballerup	Siemens company	54	8,833
Siemens Digital Logistics, Frankenthal	Siemens company	0	4,072
Total		966,740	1,132,753

Purchases from and sales to related parties are regarded as commercial transactions. Purchases and sales between related parties mainly occur in connection with project collaboration. There are also a number of cost allocations in connection with the use of common services in the Group.

Siemens AS has no intra-group balances relating to liabilities and receivables as purchases and sales are paid for directly from the Group's cash pool (ref. Note 17).

Notes

Note 26 – Asset deal

This table shows the balance sheet that was sold off on October 1, 2023 to Innomotics AS.

(Amounts in NOK thousands)	2024
Asset deal assets Innomotics AS	
ASSETS AS OF OCT. 1, 2023	
Inventories	195
Accounts receivable	4,283
Total current assets	4,478
TOTAL ASSETS AS OF OCT. 1, 2022	4,478
EQUITY AND LIABILITIES AS OF OCT. 1, 2023	
Other equity (net assets)	3,704
Total equity	3,704
Other current liabilities	774
Total liabilities	774
TOTAL EQUITY AND LIABILITIES AS OF OCT. 1, 2023	4,478





To the General Meeting of Siemens AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Siemens AS (the Company), which comprise the balance sheet as at 30 September 2024, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 30 September 2024, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 19 December 2024

PricewaterhouseCoopers AS

Berit Alstad

State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

Siemens has offices across Norway

Head Office Oslo

Østre Aker vei 88
0596 Oslo

Postal address:
Postboks 1
0613 Oslo

Phone +47 22 63 30 00

Bergen

Kanalveien 7
5068 Bergen

Postal address:
Postboks 6215
5893 Bergen

Phone +47 22 63 30 00

Stavanger

Kanalsletta 2
4033 Stavanger

Postal address:
Postboks 8036 Forus
4068 Stavanger

Phone +47 22 63 30 00

Trondheim

Sluppenveien 23
7037 Trondheim

Phone +47 22 63 30 00

Other Siemens offices

Elverum

Grindalsveien 3
Borgheim 2
2406 Elverum

Phone +47 22 63 30 00

Karmsund

Stølsmyr 20
5542 Karmsund

Phone +47 22 63 30 00

Kristiansand

Kjøita 6
4630 Kristiansand

Phone +47 22 63 30 00

Langevåg

O. A. Devold vegen 16
6030 Langevåg

Phone +47 22 63 30 00

Mo i Rana

Verkstedløypa
Mo Industrial Park
8626 Mo in Rana

Postal address:
Postboks 440
8601 Mo i Rana

Phone +47 22 63 30 00

Namsos

Søren Thornæs vei 10
7800 Namsos

Phone +47 22 63 30 00

Oppdal

Ola Setrumsveg 17
7340 Oppdal

Phone +47 22 63 30 00

Porsgrunn

Hydrovegen 6, 4 etg
3933 Porsgrunn

Phone +47 22 63 30 00

Sandane

Krånavegen 11
6823 Sandane

Phone +47 22 63 30 00

Steinkjer

Drivhuset Innocamp
Skolegata 22
7713 Steinkjer

Phone +47 22 63 30 00

Torp

Sundløkkaveien 75
1659 Torp

Phone +47 22 63 30 00

Tromsø

Strandveien 144B
9006 Tromsø

Postal address:
Postboks 2405 Langnes
9271 Tromsø

Phone +47 22 63 30 00

Volda

Hamnegata 20
6100 Volda

Phone +47 22 63 30 00

Voss

Bergsliplassen 2
5700 Vossevangen

Phone +47 22 63 30 00

Ålen

Malmvegen 742
7380 Ålen

Phone +47 22 63 30 00

