



SIEMENS

SIEMENS IN NORWAY 2004
Annual Report
HSE Report



Management Review

Vigorous growth and a strengthened position

For Siemens in Norway, the 2004 business year has been one of the most successful in recent memory. Vigorous growth in business volume and earnings along with a growing backlog of orders mean favourable prospects for the coming year as well.

Most of our business areas have strengthened their positions in the market. Especially in medical equipment, transportation and mobile telephony we have achieved prominence. But even in the oil and gas sector, installations and in energy supplies we have enjoyed success with our solutions and have signed a number of major, key contracts.

As part of a sharper focus on costs and efficiency, Siemens Building Technologies AS was merged into Siemens AS during the 2004 business year. This also improved our overall offerings in the construction area. This past year we worked actively to coordinate our business areas with the market, so that with our strength and breadth we can offer our customers the best solutions. New and existing improvement projects continue through the programme top+ Siemens Management Systems.

Although the market outlook for our business areas is mixed, we believe that low interest rates, increased private consumption and continued high oil prices will create growth in several of our business areas. However, we also believe that investment in onshore industries will remain low. Increasing globalisation and competition will require more and more flexibility and adaptability in the years to come. Our aim is therefore to be an adaptable and innovative organisation that leads the way by giving our customers products and services that increase their efficiency and add value.

Several serious cases of unethical conduct in business have put morality and ethics on the agenda worldwide. We at Siemens wish to lead the struggle for a business sector that is conscious of its responsibilities regarding moral and ethical management practices locally and globally. In these areas we have a zero-tolerance policy. Siemens is one of the biggest players in electrical engineering and ICT in Norway. Our position has been strengthened in recent years thanks to our many capable employees, discriminating customers and reliable partners. We are now better equipped and more robust than in many years and are ready to meet the challenges awaiting us.

As was mentioned, the profit for the year is highly satisfactory, and I would like to congratulate my co-workers on this achievement. As the new CEO I wish to thank all our employees and those with whom we do business for their efforts.



Oslo, December 2004

Per Otto Dyb, CEO, Siemens AS

Key Figures

Siemens AS¹⁾

<i>(In millions of NOK)</i>	2004	2003	2002
New orders	5,077	3,865	3,611
Turnover	4,755	3,530	3,770
Operating income	4,813	3,619	3,828
Operating profit	168	133	128
Operating profit before taxes	183	165	121
Annual result	130	119	87
Investments	71	13	57
Equity capital	300	312	324
Total assets	2,023	1,647	1,902
Number of employees	2,559	2,038	2,201

1) Fiscal year: 01.10.03 - 30.09.04.

Key Figures

Siemens Group in Norway¹⁾

(In millions of NOK)	Ownership	New Orders		Turnover		Investments		Employees	
		2004	2003	2004	2003	2004	2003	2004	2003
Siemens AS		5,077.3	3,864.9	4,754.9	3,530.3	70.9	12.7	2,559	2,038
Siemens Business Services AS	100%	736.5	717.5	752.0	810.4	29.8	23.4	392	356
Siemens Building Technologies AS ²⁾	100%		367.5		371.6		2.0		516
Alf H Andersen AS	100%	64.2	64.2	64.2	64.2	0.1	0.1	69	69
Ing. Mosness & Mosness Inst. AS	100%	31.6	24.3	31.6	24.3	0.4		36	34
Høvik Elektriske AS	100%	17.9	12.8	17.9	12.8	0.1	0.3	19	19
Siemens Finans AS	100%						0.3		
Klima Teknikk AS	100%	7.3	4.6	7.3	4.6			5	10
Osram AS	44%	236.8	263.4	236.8	263.4		2.2	91	108
Petterson & Gjellesvik AS	29%	58.6	63.5	58.6	63.5	0.3	0.9	78	82
Companies owned by Siemens AG									
Bosch Siemens Husholdningsapparater AS	50%	717.5	687.9	717.5	687.9	0.9	1.2	73	79
Fujitsu Siemens Computers AS	50%	1,059.5	986.9	1,059.5	986.9	0.2	0.9	51	55
Voith Siemens Hydro Power Generation AS	35%	154.2	121.9	138.0	118.0		0.3	49	50
Sum ³⁾		8,161.4	7,179.5	7,838.3	6,938.0	102.7	44.4	3,422	3,416

1) Fiscal year: 01.10.03 - 30.09.04.

2) Siemens AS bought the shares in SBT AS 31.03.2003. SBT AS was merged into Siemens AS from 01.10.03.

3) The figures are not consolidated for internal transactions.

Annual Report

Report of the Board of Directors 2004

Siemens AS is a subsidiary of the German group Siemens AG. The Siemens group in Norway consists of Siemens AS, wholly and partly owned subsidiaries of Siemens AS, and companies in which Siemens AG has direct owner interests. In all, the Siemens group in Norway accounts for a turnover of NOK 7.8 billion and has 3,422 employees.

Siemens AS' head office is in Oslo, but the company also has major units in Trondheim and Bergen. As of 30 September 2004 the company is represented at a total of 22 locations in Norway with operations in sales, development, engineering, production, fitting and service.

Siemens AS makes use of Section 3-7 of the (Norwegian) Accounting Act regarding exemption from the consolidated accounts obligation for parent companies in sub-groups, and does not prepare its own consolidated accounts. See the annual report for Siemens AG for these.

Siemens has a non-standard accounting year: The 2004 financial year runs from 1 October 2003 to 30 September 2004.

Profit performance

Siemens AS can point to positive growth where the company has confirmed and strengthened its position. In the 2004 financial year the company had a turnover of NOK 4,755 million as against NOK 3,530 million the year before. Profits after tax amounted to NOK 130 million compared with NOK 119 million the previous financial year. Operating profit came to NOK 168 million as against NOK 133 million for the 2003 financial year.

The positive result for the year can be attributed to a number of factors. The common denominator has been systematic work on the Siemens group's worldwide improvement programme called top+. In combination with Siemens' financial strength, global network and comprehensive solutions, this has yielded results in several key areas.

The past year has proved successful for many of our business units: the IC Mobile Devices Division consolidated its position within mobile telephony, while the IC Mobile Networks Division strengthened its position in the mobile network – thanks in part to winning the contract for the development of the third-generation network (3G) for Netcom. They have also won a substantial contract on behalf of the Siemens group to work for Telenor in Pakistan. In spite of several postponed projects and a lower volume, the IC Networks Division made a positive contribution to group earnings.

The Transportation Systems Division has continued its successful collaboration with the Norwegian National Rail Administration and has been assigned major new contracts. The Medical Solutions Division has made a solid contribution to the company's good profit performance through determined efforts aimed at private and public sector customers. For Siemens Building Technologies AS the year has been characterised by the merger with Siemens AS – a challenging process as it constituted merging with a company composed of three former companies. Other divisions in the company also have a strong market position within their respective segments and have delivered solid results.

Previous years' efforts to optimise property holdings were continued with the sale of property in Trondheim. Establishing joint premises with the Building Technologies Division has resulted in an excellent utilisation of property holding space.

In consequence of its international operations, the company has foreign currency risk related to future cash flow and balance sheet money items. In keeping with internal guidelines for handling currency risk, this is controlled through the systematic use of forward contracts and currency options.

The Sarbanes-Oxley Act was passed in the USA in 2002 as a result of the Enron and other finance scandals. The purpose of the Act is to secure the capital market's confidence in companies' financial reporting. The Act's provisions

1) 21 branch offices from 1 December 2004 when the branch office at Gardermoen is to be closed.

also cover all non-American companies that are quoted on stock exchanges in the USA, and thus also apply to Siemens AS since it is wholly owned by the listed Siemens AG. Section 404 of the Act sets comprehensive requirements for quality and internal control related to financial reporting.

The annual accounts have been prepared on the going-concern principle and in the Board's opinion provide a satisfactory description of the company's position at 30 September 2004. The Board expresses its satisfaction with the targets and results achieved in the course of the year and would like to thank all employees for their work and commitment.

Allocation of the profit for the year

In the 2004 financial year Siemens AS posted a profit for the year of NOK 130 million. The Board proposes the following allocations (in NOK million):

Allocated to dividend	133
Transferred from other reserves	-3
Profit for the year	130

Financial situation

The balance sheet total of NOK 2,023 million shows an increase of NOK 376 million. The rise is related to Siemens AS' high turnover during the past year.

Equity as at 30 September 2004 amounted to 15 per cent. The company's distributable reserves amounted to NOK 80 million at 30 September 2004.

Advance payments and guarantees are currently being utilised for large-scale projects, and at 30 September 2004 our risk portfolio does not appear to contain any obvious risk customers. Our appropriations are intended to cover unforeseen losses from customers. Being part of the Siemens group ensures against any risk of liquidity, and our broad portfolio provides protection against market risk.

Personnel and organisation

The number of employees in Siemens AS increased during the 2004 financial year, primarily as a result of the merger between Siemens AS and Siemens Building Technologies AS. The largest increase was in Trondheim (135 employees). At 30 September 2004 Siemens AS has a total of 2,559 employees of which 126 are apprentices. The average age in the company is 41.7 years.

The majority of the company's employees hold technical positions. The uneven gender distribution among those who choose a technical education and profession is also reflected in Siemens AS. However, the past year has shown an increase of 1 percentage point in the proportion of women among the employees, bringing the percentage to 14. The proportion of women in the production unit, in fitting and in the security guard service was on average 3 per cent. Among technical officers there was an average of 5 per cent, and for commercial positions the proportion of women was 61 per cent.

One of the company's objectives is to increase the proportion of women in key and management positions. This can to some extent be achieved by ensuring that women comprise 25 per cent of those on management training programmes. Although three more female managers have been appointed during the past year, women managers still represent only 12 per cent of the total management team. The company has one woman on its board.

Prevailing collective agreements form the basis for determining pay in the company. Pay is the same for both women and men in the group that receives standard wages. Office workers are paid on an individual basis depending on the result of the salary settlement negotiations with the trade unions.

From autumn 2004 the issue of gender equality has been incorporated into the company's employee survey concept. This may well provide an even better foundation for future follow-up.

Per Otto Dyb was appointed as the new president for Siemens AS from 1 April 2004. From this date Hans Lødrup resigned after 11 years as president and assumed the post of chairman of the board of Siemens AS.

Health, Safety and Working Environment (HSE)

There has been a positive trend in the company during the past financial year with regard to injuries and absence due to illness, with fewer injuries and associated sickness absence. The company's H value for the year (the number of lost-time injuries per million hours worked) has thus dropped to 6.7 while the corresponding figure for 2003 was 9.3. Many of the accidents were due to inattention under conditions that are normally not regarded as risky. There were no serious accidents causing permanent injury to company employees in the past financial year.

2) See also Siemens AS' HSE report.

After several years of a high and increasing rate of absence due to illness, this trend has finally turned: sickness absence amounted to 5 per cent in 2004, a decrease of 1 percentage point compared to the preceding year. During the last quarter of the financial year, absence due to illness fell to around 4 per cent. Reducing sickness absence is a high-priority area that is being addressed continuously throughout the company.

The company maintains its efforts to conserve energy, and anticipates a continued reduction in power consumption in future years. The company's production does not cause any direct air, water or ground pollution, but as a large supplier of mobile phones and with little control over their use, the company may make an indirect contribution to pollution. Siemens AS is a member of the Norwegian waste management companies Elretur and Renas that dispose of all electrical and electronic returnable goods in Norway, and the company is proactive in its attempts to ensure that small items of electronic equipment are collected and handled in an environmentally friendly manner.

Market

After the past year's fall in interest rates and the subsequent weakening of the Norwegian krone, business and industry is now clearly experiencing positive development. Growth in the energy sector is centred on capacity, lower vulnerability and alternative sources of energy, while large public investments in health, transport and building are being maintained.

The market for telecommunications has revived somewhat during the past year, and greater investments in both broadband and mobile networks are anticipated. Considerable interest is being shown in the political decision concerning the establishment of a new emergency network in Norway. If the plans are realised, this could provide great opportunities for Siemens. Higher private use has created a positive trend in the market for mobile communication.

Investments in the oil sector are at a high level, but prognoses point to a clear reduction in investments in the Norwegian shelf from 2005. Fortunately it does appear that improved operating conditions – in part connected to higher oil prices – can push new and marginal developments forward, thus counteracting some of the decline. Another clear trend is that a growing proportion of the investments in the North Sea are aimed at upgrading and modifying existing installations.

Siemens' work of highlighting and utilising the breadth of its business portfolio is both long-range and systematic. During the past year Siemens has won significant contracts such as the Oseberg Field Centre, Public Private Partnership (PPP) road projects, the Control Centre for the Norwegian National Rail Administration, and SWAP for Netcom – all large and demanding projects that are carried out as a cooperation between several business units in Siemens.

Strategy and future prospects

As an international player, Siemens AS is participating in the trend towards the greater globalisation of both markets and key customers' organisations. Adaptation to this is becoming increasingly important. The Scandinavian and Nordic Siemens cooperation is well established and shows that we are meeting our customer's expectations and needs to an even greater degree.

A common IT platform for Siemens is being implemented, and a Scandinavian project to harmonise work processes in Scandinavia is being carried out.

The subsidiary Siemens Building Technologies AS was merged into Siemens AS with effect from 1 October 2003. This integration provides the Building Technologies Division and other divisions in Siemens AS with greater market access in the building and construction sector. Positive synergies are also being harvested in the form of better utilisation of existing property holdings and joint services.

The Oil and Gas Divisions that were split into two (one "domestic" and one "international") were from 1 October 2004 merged into one to improve their ability to meet national and international opportunities in coming years. This organisation also has international responsibility within Siemens for the oil and gas market offshore.

The 2004 financial year confirmed that Siemens AS' strong market position, and competitive products and solutions provide good profitability. Future focus will be on continued profitable growth and greater market shares based on the group's improvement programme top+.

In addition to previous activities, the improvement programme is now being consolidated with ambitious initiatives related to customer focus, project management and service operations within the framework of Siemens Management System.

Financial Statements

Operating Statement

<i>(In thousands of NOK)</i>	2004	2003
Operating income	4,754,850	3,530,309
Other operating income	58,253	88,405
Total operating income	4,813,103	3,618,714
Raw materials and consumables	2,864,170	2,010,343
Payroll and related costs	1,277,049	1,062,702
Depreciation expenses	56,070	61,833
Amortization expenses	0	1,800
Bad debts	3,455	-3,850
Other operating expenses	444,660	352,415
Total operating expenses	4,645,404	3,485,243
Profit from operations	167,699	133,471
Interest and other financial income	34,928	71,425
Interest and other financial expense	-19,517	-39,644
Total financial items	15,411	31,781
Net profit from ordinary activities	183,110	165,252
Taxes on ordinary profit	-52,815	-46,344
Profit for the year	130,295	118,908
Application and distribution of profit		
Shareholder's dividend	133,000	130,900
Other equity	-2,705	-11,992
Total	130,295	118,908

Financial Statements

Balance Sheet

<i>(In thousands of NOK)</i>	30/09/04	30/09/03
Assets		
Intangible assets		
Deferred income taxes	24,200	23,992
Goodwill	25,074	0
Total intangible fixed assets	49,274	23,992
Tangible fixed assets	384,029	414,263
Financial non current assets		
Pension assets	94,611	82,186
Investments in subsidiaries	58,884	130,938
Investments in associated companies	16,166	16,224
Other investments	6,137	6,136
Other long term receivables	49,941	31,546
Total non-current investments	225,739	267,030
Total fixed assets	659,042	705,285
Current assets		
Inventories	66,347	58,695
Group receivables	321	498
Other receivables	1,192,345	667,786
Receivables from group financing system	30,934	155,597
Other short term receivables from group	7,895	5,619
Other short term receivables	58,566	51,422
Cash and cash equivalents	7,637	1,857
Total current assets	1,364,045	941,474
Total assets	2,023,087	1,646,759

Financial Statements

Balance Sheet

(In thousands of NOK)

	30/09/04	30/09/03
Equity and liabilities		
Equity		
Share capital	140,000	140,000
Additional paid-in capital	30,000	30,000
Retained earnings	130,282	141,892
Total equity	300,282	311,892
Provisions		
Pension plans	233,135	219,044
Total provisions	233,135	219,044
Current liabilities		
Bank overdraft	0	3,651
Accounts payable	312,781	158,660
Taxes payable	49,862	2,667
Social security, VAT and other taxation payable	129,756	134,000
Dividends	133,000	130,900
Payables to group financing system	456,525	322,516
Advances from customers	78,979	1,573
Guarantee provisions	32,683	30,264
Group contribution	0	72,000
Other current liabilities	296,084	259,592
Total current liabilities	1,489,670	1,115,823
Total liabilities	1,722,805	1,334,867
Total equity and liabilities	2,023,087	1,646,759

Marius Liskmann

 Tonum Eigenshou

 Lars Erik Skjerve

Financial Statements

Cash Flow

<i>(In thousands of NOK)</i>	2004	2003
Cash flow from operating activities		
Profit before taxes	183,110	165,252
Taxes paid	47	-992
Depreciation and amortization	56,070	61,833
Gains/losses and impairments on shares and fixed assets	617	-39,016
Changes in inventory, accounts receivables and accounts payable	-378,090	39,001
Differences between recorded pensions and contributions/disbursements	1,666	-6,128
Changes in other assets and liabilities	20,262	41,530
Net cash flow from operating activities	-116,318	261,480
Cash flow from investing activities		
Proceeds from sale of fixed assets	7,322	88,257
Acquisitions of fixed assets	-18,040	-12,653
Proceeds from sale of subsidiaries	588	24,086
Acquisitions of subsidiaries	-2,100	-23,279
Proceeds from sale of other shares	25	774
Net cash flow from investing activities	-12,205	77,185
Cash flow from financing activities		
Net change in bank overdraft	-3,651	3,651
Net change from intercompany financing activities	258,672	-176,698
Proceeds from reduction in capital subsidiaries	0	3,000
Dividends received	10,182	17,775
Dividends paid	-130,900	-189,000
Net cash flow from financing activities	134,303	-341,272
Net change in cash and cash equivalents	5,780	-2,607
Cash and cash equivalents 30.09.	1,857	4,464
Cash and equivalents 30.09.	7,637	1,857



SIEMENS

Global network of innovation

Siemens AS in Norway

As of January 1. 2005

The Board of Directors

Hans Lødrup, chairman of the board of directors
 Lars Barstad, Siemens AS
 Manfred Dönz, Siemens AG
 Torunn Figenschou, Siemens AS
 Edward G. Krubasik, Siemens AG
 Roy Lund, Siemens AS
 Trygve Refvem, Europaprogrammet
 Roar Werner, Siemens AS
 Margareth Øvrum, Statoil ASA

Corporate Executive Committee

Per Otto Dyb, CEO
 Kjell Pettersen, CFO
 Otto Søberg, Executive Vice President

Corporate Center

Business Administration
 Britt Marcus

Corporate Accounting and Controlling
 Klaus Grünfelder

Corporate Account Management
 Magnar Uv

Corporate Audit
 Jostein Grytbakk

Corporate Communications
 Stein Bjørnbekk (acting)

Corporate Financial Solutions
 Thor Barkvoll

Corporate Information and Operations*
 Henning Bork Andersen

Corporate Procurement and Logistics**
 Trond Johannessen

Corporate Strategy and Development
 Frank Jaegtnes

Human Resource Management
 Kåre Ytre-Eide

Divisions

Automation & Drives (A&D)
 Ove Guttormsen

Building Technologies (BT)
 Rune Martini

Electrical Installations (EI)
 Olav Rygvold

Energy & Automation (E&A)
 Frank Almaas

Communications Devices (Com D)
 Rune Tufte

Communications Mobile Networks (Com MN)**
 Per Arne Henæs

Communications Fixed Networks (Com FN)*
 Arne Besseberg

Medical Solutions (MED)
 Ole Per Måløy

Oil and Gas (OG)
 Are D. Dahl

Transportation Systems (TS)
 Leif Karlsen

Siemens Real Estate (SRE)
 Aage Tangen

Auditor

KPMG AS

* Scandinavian organization

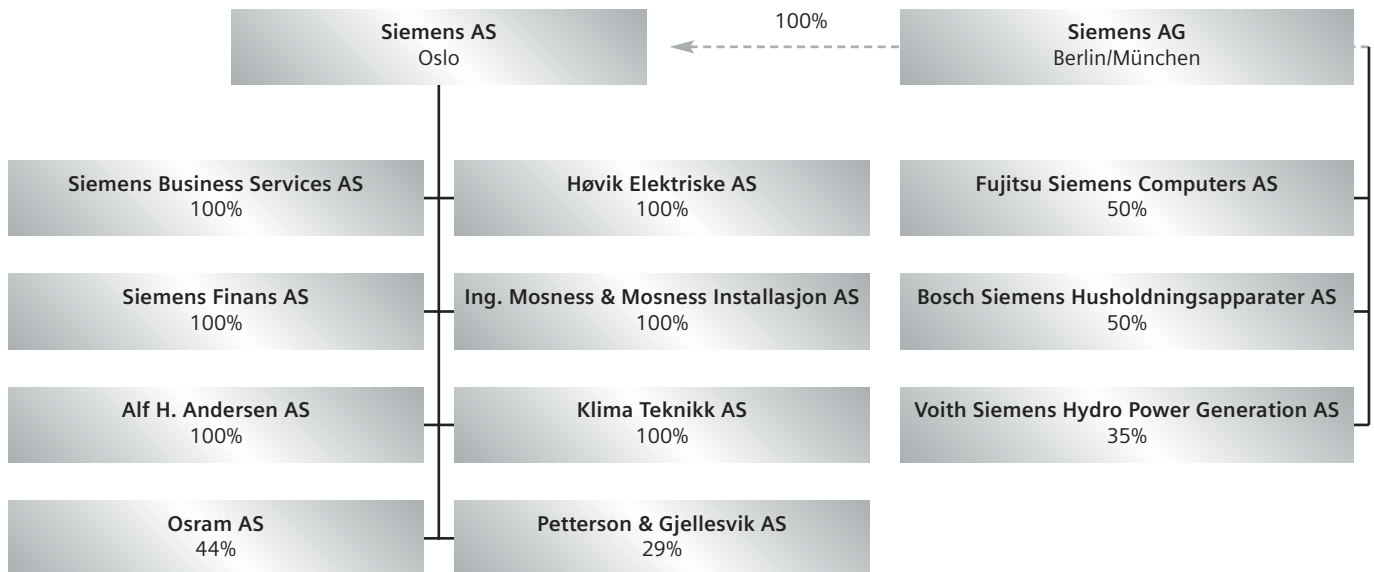
** Scandinavian organization under Norwegian management:

– Com MN

– Purchasing under Corporate Procurement and Logistics

Siemens Group in Norway

As of January 1. 2005



Health, safety and the environment

HSE Report 2004

Siemens' efforts in the area of health, safety and the environment (HSE) are rooted in the company's management guidelines: "Safety for people with zero injuries and environmental damage is a paramount goal of our business. The tasks connected to this are to be solved in cooperation with the authorities, management and employees."

Health

Absence due to sickness

Work to reduce absence due to sickness is essential to the company, and a priority area alongside safety work. The extra focus of the past two years has now yielded results.

After peaking during the first half of 2003, the trend has reversed, and we now see a decline in absences due to sickness. For the 2004 business year the sickness absence rate ended at 5.0 per cent, down 1.1 percentage points from the previous business year.

The reduction in absences due to sickness covers all parts of the company. Focusing on this topic, educational activities, in-house courses and changes to government regulations have all yielded results. The fact that the period of market adjustment and company reorganisation has come to an end, has also had a favourable impact on such absenteeism.

As a pilot project, a department in the company has become an IW (Inclusive Workplace) Enterprise. Experiences from this project will affect the company's future position on IW.

Medical check-ups and working environment surveys

Medical check-ups and working environment surveys are conducted regularly at Siemens. Our goal is to conduct such check-ups and surveys in all departments every three years. The surveys are based on a standardised questionnaire, and the medical check-ups are approximately the same for all staff. A review of the reports from the most recent survey in Oslo shows that, on the plus side, the employees perceive their job tasks as stimula-

ting, get along well with their colleagues and do well at work.

On the minus side, the employees report that they have few opportunities for varying their working posture, have too much overtime in part, and suffer headaches and neck and shoulder pain. Some also complain about the indoor environment.

Desks that can also be used while standing are increasingly being used. Printers, faxes and photocopiers are placed so that employees have to move a few steps to use them, and employees are urged to engage in physical activity during their off-hours and during work-related travel to compensate for sedentary work. Through Siemenslaget ("Team Siemens") most of our employees can take part in various physical activities. In Oslo and Trondheim, employees have access to a massage chair.

Working Environment

Organisation

Siemens has changed its HSE organisation so that it now has a central working environment committee/works council, where representatives of management, the employees (labour organisations) and safety representatives are to take up, discuss and decided on matters concerning the working environment.

Similarly, working environment committees/works councils are being established in each division, because the divisions are independent units with different activities. These will often require a focus on, and commitment to, their own special areas.

Training

There are two different kinds of training in the HSE area. One is basic training in HSE issues that managers, safety representatives and working environment committee and departmental committee members are required to have.

During the past business year such courses were held in Bergen, Oslo and Trondheim for about 50 participants. The other kind of training consists of technical courses that lead to qualification to perform certain jobs and operations.

Both kinds are intended to give participants an insight into the hazards such operations can pose and what must be done to avoid accidents, injuries and property damage.

Safety rounds

We conduct regular safety rounds throughout the company. Safety rounds are vital for HSE efforts in working environments of all kinds. For installation, assembly and manufacturing work, regular safety rounds are essential in helping to increase the safety and improve the working environment at the various sites.

External environment

Energy consumption

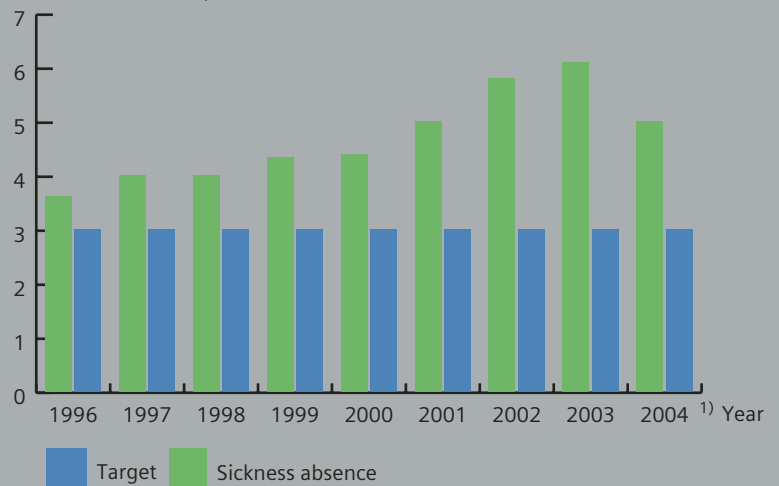
There is continued focus on the company's energy use, even though we have not made the hoped-for progress. Uncertainty about the future use of some of its building stock has made the company extremely cautious about making investments with a depreciation period longer than 2-3 years. The task for the coming years will be to find the units and functions that have a potential for savings in heating, cooling, ventilation and lighting.

During the past business year, energy consumption was 2.3 GWh lower than the previous business year. This is due to a focus on energy consumption, but also to adjustments to the building stock and changes in tenancy. The reduction consisted of 0.3 GWh of electric power, while 2 GWh was reduced use of district heating, primarily in Oslo.

Total energy consumption at Siemens AS was 30.6 GWh as opposed to 32.9 the previous year. This overview of energy consumption covers Siemens AS and its tenants in Oslo, Bergen and Trondheim and most of its department offices.

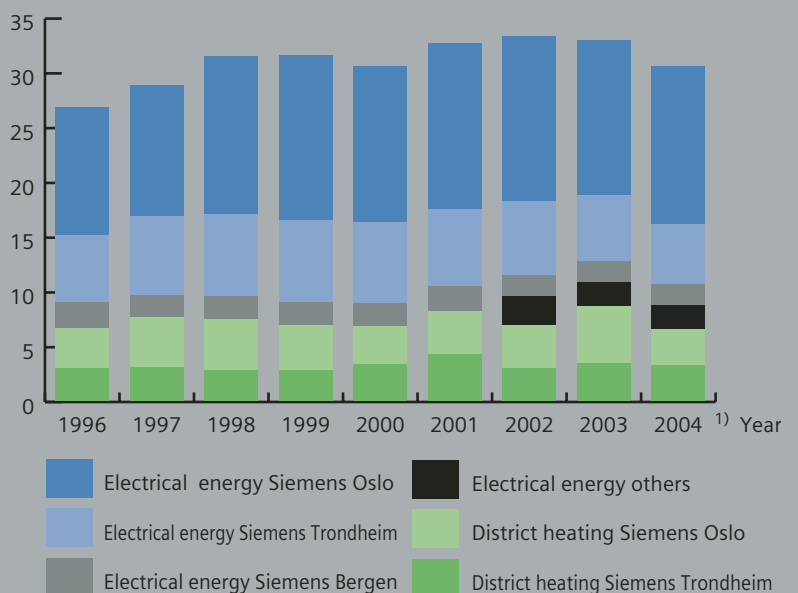
Sickness absence

Sickness absence in percent



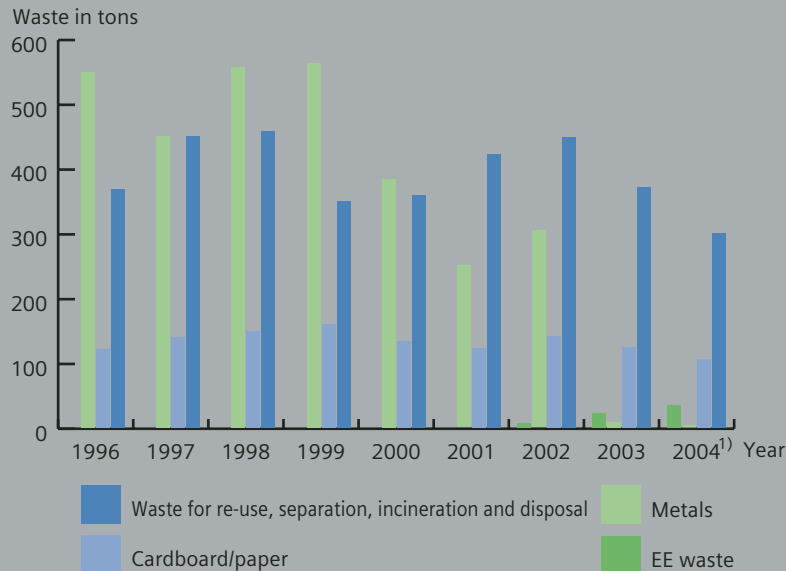
Energy

GWh

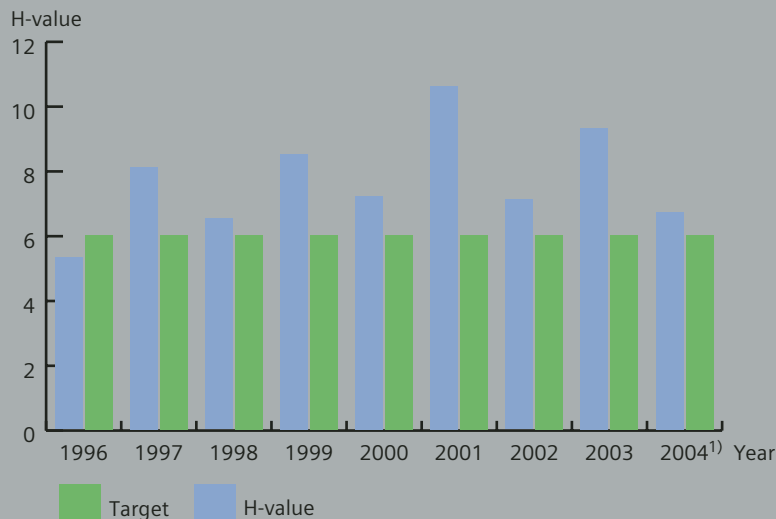


1) Figures for 2003-2004 pertain to the business year (1 Oct. - 30 Sep.), figures for 2002 and previous years pertain to the calendar year.

Waste for re-use, separation, incineration and disposal



H-value²⁾



1) Figures for 2003-2004 pertain to the business year (1 Oct. - 30 Sep.), figures for 2002 and previous years pertain to the calendar year.

2) The H-value is the number of accidents per one million man-hours that result in absence from work.

Waste management

Siemens largely outsources the separation of waste, especially waste from remodelling and clean-up work. The diagram for waste management gives the impression of large quantities of unseparated waste, but this is not correct. Although Siemens pays for separation, the companies that receive waste rarely have measurements of such separation. The waste comes from the company's locations in Oslo, Bergen, Trondheim and Stavanger and also includes external tenants. At departmental offices waste management services are largely shared with other tenants.

Emissions

The company has insignificant emissions to air from a very few workplaces in the Trondheim plant. These involve suction connected with welding and soldering and do not require a licence or measurement.

Use of chemicals

It is impossible for the company to engage in its activities without using chemicals at all. Although difficult to measure, the quantities involved are very small.

In all, nearly 200 substances are listed with safety data sheets in the company's substance records: Six are toxic, two of which pertain to petrol.

EE waste

As a member of RENAS and ELRETUR, organisations that recycle electrical and electronic waste in Norway, Siemens contributes to the country's progress in managing EE waste. The target set in 1998 by the Ministry of the Environment and industry organisations of an 80 per cent return rate of electrical/electronic equipment sold was achieved by a good margin before the deadline of 1 July 2004.

Last year Siemens delivered nearly 32 tonnes of such equipment. The challenge moving forward, for both Siemens and society at large, is to increase the return rate of handheld electronic devices such as mobile phones, digital cameras and electronic watches.

Water

The company's water consumption is monitored regularly, and water is no longer used in any part of our production. Consumption is approx. 30,000 m³/year, and the quantity is declining. The company has no releases to water.

Transport

The company does not transport goods on its own, but purchases such services from external providers. Figures for this area are difficult to obtain, because so much transport is shared with other companies.

However, we have great needs for passenger transport, needs met by leased cars, private cars, rental cars and taxis. The total mileage on these cars during the past business year was 8.7 million km. This mileage figure is lower than last year's.

In addition, there is a great deal of business travel by air, domestic as well as international. As Siemens changed travel agency in the middle of the business year, exact figures for the amount of air travel were unobtainable.

Safety

Accidents and injuries

The number of injuries occurring on the job varies quite a lot from year to year. In the past business year there were relatively few accidents and injuries. Despite high levels of activity in all departments where injuries normally occur, the company attained an H-value close to its target of 6. The previous year the company was well over

that. The favourable result is probably connected with the ongoing action in the Electrical Installations Division to get more people to report "hazardous conditions" in the workplace.

This action led to a sharper focus on safety efforts. There were no serious accidents last year involving people or property. In all there were 77 accidents, 48 of which were minor, causing minor injuries that did not result in absence from work. However, 29 did result in absence from work and are thus included in the company's H-value.

The number of days absent from work due to accidents and injuries totals 816, an insignificant share of total absenteeism.

Reports of "hazardous conditions" provide an overview of what the company's employees see and experience in the company and out at construction and installation sites. An analysis of 400 such reports from the first half of 2004 shows that "insufficient railings" (at scaffolding and openings) heads the list, followed by "skidding/slick surface", "mess", "unsecured recesses/holes", "unsecured area below" (e.g. scaffolding/lift) and "falling objects".

Many of these conditions pertain to other companies and their employees, but since they occur in areas where Siemens' employees work as well, it is crucial to report and do something about them.



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