Joint Press Release

Press

by Siemens and Fluence

Erlangen (Germany),
November 18, 2021

Siemens and Fluence support Madeira's clean energy transition and grid resilience

- **Storage enabled intelligent microgrid concept to accelerate decarbonization and significantly increase renewables share**
- **Energy storage system enables greater energy independence**
- **Frequency regulation increases Madeira's grid resilience**
- **Plant to provide blackstart capability to the 60 kV level**

Siemens Smart Infrastructure, in partnership with Fluence, are working to help the Portuguese island of Madeira gain greater energy independence and grid resilience using renewable energy. Madeira's energy provider, Empresa de Electricidade da Madeira (EEM), awarded a Siemens and Fluence consortium a contract to install a 22,5 MVA / 15,6 MVh battery storage plant which will be integrated into an islanded microgrid concept. The project will enable EEM to optimize its renewable energy integration, significantly contributing to increasing the share of renewable power to around 50 percent in its energy mix. As a result, the island can reduce its fuel consumption over the next two to three years, while gaining greater energy independence without affecting energy quality or grid stability.

Integrated in a microgrid concept, the battery energy storage system will also improve the island's sustainability by reducing its carbon footprint and integrating more diversified power generation sources. At the same time, it will allow EEM to maintain high standards of reliability and availability of power distribution. One of its unique features is the ability to blackstart a part of the 60 kV network and restore

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grid services in the event of an outage. Located next to Vitória Thermal Power Plant, the battery energy storage system is scheduled to start operations in the second quarter of 2022.

“Grid edge technologies such as energy storage play a key role in the decarbonization of islands and remote communities. They not only enable the integration of intermittent renewable energy sources, but also increase grid flexibility and resilience. The energy storage system in Madeira, in combination with our digital solutions for smart energy management, will significantly accelerate the transformation towards sustainable and reliable power supply,” said Stephan May, CEO of the Distribution Systems Business Unit at Siemens Smart Infrastructure.

“By implementing this battery storage plant on the island, we intend to reduce the number of thermal generators that rely on fossil fuels and increase the penetration of renewable power sources without facing the risk of blackouts, ensuring optimal frequency regulation of Madeira’s electrical system,” said Francisco Taboada, EEM’s Chairman of the Board of Directors. “As soon as it goes into service, this power plant will play an extremely important role as a fast reserve supply to cope with sudden variations in production and load.”

The project, which will be implemented on a turnkey basis, includes the construction of a battery energy storage system with a capacity of 22,5 MVA and 15,6 MWh. The energy storage technology will be supplied by Fluence, a joint venture between Siemens and AES. The consortium will build an outdoor storage solution including an e-house, Fluence’s sixth-generation Gridstack product, and transformers. “The successful integration into a complex island microgrid underlines Fluence's long experience in deploying advanced energy storage in European markets,” said Fluence president for EMEA Paul McCusker. “Battery-based energy storage is a

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critical enabler for greater renewable penetration and enhancing reliability, and we are happy to support Madeira's grid resilience."

In addition to the supply of low and medium voltage switchgear and protection and control systems, Siemens will ensure the complete integration of the energy storage system into the island's energy grid. For the next 10 years, the consortium will also be responsible for the maintenance of both equipment and systems supplied. Siemens operates an international competence center for microgrids and energy storage in Portugal.

This press release and press pictures are available at
https://sie.ag/3jOg3zI

For further information on Siemens Smart Infrastructure, please see
www.siemens.com/smartinfrastructure

For further information on Fluence, please see
https://fluenceenergy.com

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Siemens Smart Infrastructure (SI) is shaping the market for intelligent, adaptive infrastructure for today and the future. It addresses the pressing challenges of urbanization and climate change by connecting energy systems, buildings and industries. SI provides customers with a comprehensive end-to-end portfolio from a single source – with products, systems, solutions and services from the point of power generation all the way to consumption. With an increasingly digitalized ecosystem, it helps customers thrive and communities progress while contributing toward protecting the planet. Siemens Smart Infrastructure has its global headquarters in Zug, Switzerland. As of September 30, 2021, the business had around 70,400 employees worldwide.

Siemens AG (Berlin and Munich) is a technology company focused on industry, infrastructure, transport, and healthcare. From more resource-efficient factories, resilient supply chains, and smarter buildings and grids, to cleaner and more comfortable transportation as well as advanced healthcare, the company creates technology with purpose adding real value for customers. By combining the real and the digital worlds, Siemens empowers its customers to transform their industries and markets, helping them to transform the everyday for billions of people. Siemens also owns a majority stake in the publicly listed company Siemens Healthineers, a globally leading medical technology provider shaping the future of healthcare. In addition, Siemens holds a minority stake in Siemens Energy, a global leader in the transmission and generation of electrical power.
In fiscal 2021, which ended on September 30, 2021, the Siemens Group generated revenue of €62.3 billion and net income of €6.7 billion. As of September 30, 2021, the company had around 303,000 employees worldwide. Further information is available on the Internet at www.siemens.com.

Fluence, a Siemens and AES company, is a global market leader in energy storage products and services and digital applications for renewables and storage. We have more than 3.4 GW of energy storage deployed or contracted in 29 markets globally, and more than 4.5 GW of wind, solar and storage assets optimized or contracted in Australia and California. Through our products, services and AI-enabled Fluence IQ platform, we are helping customers around the world drive more resilient electric grids and a more sustainable future. To learn more about Fluence, please visit fluenceenergy.com

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, those related to the future business and financial performance and future events or developments involving Fluence.
These statements may be identified by words such as “expect,” “look forward to,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning, which are generally not historical in nature. We may also make forward-looking statements in other reports, in prospectuses, in presentations, in material delivered to shareholders and in press releases. In addition, our respective representatives may from time to time make oral forward-looking statements.
Forward-looking statements are not intended to be a guarantee of future results. Such statements are based on the current expectations and certain reasonable assumptions of Fluence’s management, many of which are beyond Fluence’s control. These assumptions include, but are not limited to, our expectations regarding the successful implementation of the Madeira project described herein and the continuing impact of the COVID-19 pandemic.

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Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties, and other factors. Important factors that could affect actual results include, without limitation, the risks and uncertainties described in discussed in Fluence's filings with the Securities and Exchange Commission (the "SEC"). Readers are encouraged to read Fluence's SEC filings to learn more about the risk factors associated with the respective businesses. Any forward-looking statement speaks only at the date which it is made, and each of Fluence disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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