SIEMENS

"SIEMENS IS BOOSTING GERMANY'S INNOVATIVE STRENGTH"

Dr. Roland BuschPresident and CEO

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Check against delivery.

[Roland Busch]

Mr. Chancellor,

Mr. Prime Minister,

Mr. Interior Minister,

Mr. Mayor,

Ladies and Gentlemen,

Welcome. I'm very glad to see you here today. This is a special day.

We're boosting Siemens innovative power. We're boosting Germany's innovative power – by investing in the future. We're investing a billion euros in Germany, with half a billion going to a new campus here in Erlangen. A campus that combines both development and high-tech production.

Some 3,500 Siemens colleagues work here. And this is the location of the electronics plant where we make high-voltage converters and controllers for machine tools – in more than 1,000 different varieties.

Converters are the muscles of machines. Without them, not a single modern electric motor will work, and not a single car can be produced. Controllers are the brains. Without controllers – specialized high-performance computers – not a single factory can run. Erlangen supplies these products to the world. This a world-class factory.

And this – here, today – is where we will create a blueprint for the industrial metaverse. Where we will revolutionize the way in which we make things. The Nuremberg Metropolitan Region – which we in Erlangen like to call the Erlangen-Nuremberg Metropolitan region – is home to a unique ecosystem, one in which this open campus will be embedded.

Most of our investment is going into research and high-tech development. At the same time, we're updating almost two-thirds of our products and expanding our capacity by 60% – on the same physical footprint. And the remodeling work will be done while the plant keeps running. How can we do that? By using a simulation in the metaverse. I'll explain just what that means in a moment.

This electronics plant is 50 years old and has constantly reinvented itself. Today, it's automated and digitalized. People work side by side with robots, and with artificial intelligence.

We're increasing productivity here year after year – most recently by an average of 7%. And year after year we've also enhanced quality. Year after year we've grown more flexible, more efficient, more sustainable. The people who work here aim to do better every day.

That commitment is what we call a growth mindset. It's a culture not just of economic growth, but also of personal growth. We need more of that at Siemens and – I would say – in our country as well.

One person who's a living example of that culture is Markus Armbruster.

Dialogue with Markus Armbruster

Here in Erlangen we seek to accomplish three things:

- First: To demonstrate how we combine the real and digital worlds in our own manufacturing. With zero emissions.
- Second: To strengthen an ecosystem where we develop new digital technologies with partners. Technologies which we market together and scale up together worldwide.
- And third, to shape the jobs of the future. Jobs where people can keep developing throughout their entire life. Jobs that are fun.

We are creating development opportunities for people, for the region, and for Germany.

But why do we need the industrial metaverse?

It's a comprehensive virtual model of the real world. Photo-realistic, real-time, and "physics-based." The factory's digital twin lets us constantly improve both production processes – and the way in which we develop them.

In the metaverse, people can solve problems faster and better together. They can make things more efficiently and sustainably. Detect defects before these have an impact. Massively shorten development cycles. That's also why we work with strong partners like NVIDIA, AWS and Microsoft – especially on artificial intelligence.

But why are we creating the blueprint for the metaverse in Erlangen?

These days, there is a lot of talk about the challenges businesses face in Germany. Energy prices are high. So are taxes and wages. There is far too much bureaucracy. Infrastructure is crumbling. And there's a shortage of skilled workers. All of Europe is threatened by over-regulation. Think of the EU Data Act and the AI Act, which is supposed to regulate artificial intelligence.

Many companies prefer to invest in other countries.

Siemens is investing in Germany. Because Germany has established, successful ecosystems – in industries like car-making, chemicals, pharmaceuticals, and very strong small and medium-sized enterprises (SMEs).

We're investing in Germany because we believe in Germany's innovative strength and sprit of invention.

We're investing in Germany because we believe in the people in this country. People like Markus, who aren't afraid of digitalization, robots or artificial intelligence. People who want to achieve something for themselves and for the world they live in.

We're investing in Germany because we believe that Germany has a digital future. And that together we can power this unique economic ecosystem to the next level.

Here in the Nuremberg Metropolitan Region we see a mix of world-class companies, both corporations and SMEs. We see excellent universities and research institutions, and startups.

Some examples of the region's top-level research and technology are Erlangen-Nuremberg University – one of the most innovative universities anywhere, if not the most innovative of all – the Fraunhofer Institute, a guarantor of top-level research – and the ZollHof, a startup magnet.

Germany wants to stay viable into the future. But for that it needs to preserve, apply, and expand its innovative strength. We want to encourage others to do the same.

Because we need that courage. More courage for new things. For change. For creating a more innovation-friendly environment.

Like here at the new Siemens Campus for Research and High-Tech Manufacturing.

Thank you!

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