

€600 million for Berlin – Siemens signs future pact for Germany as an industrial location

- **Siemens makes strong commitment for shaping the future of Germany as a location for industry**
- **Investment in the future of work in connection with manufacturing, researching, learning, and residential living in the new “Siemensstadt 2.0”**
- **Biggest single investment in the history of Siemens in Berlin**

A commitment to Berlin and Germany: at the time-honored Siemens industrial estate in Berlin's Spandau district, Siemens AG plans to make its biggest single investment ever in the company's history in Berlin. In the coming years, up to €600 million are to be invested in a new world of working and living: Siemensstadt (“Siemens City”) 2.0. This project, which covers an area of 70 hectares, aims to transform this large industrial area into a modern, urban district of the future for a diverse range of purposes. A further goal is to strengthen selected key technologies and innovation fields in collaboration with the scientific and business communities. To make this possible, this section of Berlin is to become home to centers of research and expertise, to start-up incubators and to research and scientific institutes as well as their partner companies.

“The idea behind the founding of Siemensstadt in 1897 was to combine space for working, researching and living to cultivate a beneficial symbiosis for a successful future. Today, too, we need to rethink the future of work. Megatrends like industrialization and urbanization will usher in fundamental changes. Working, learning and residential living will be more integrated, and increasing connectivity among people and things will create new ecosystems. Siemens is the global market leader and thought leader in automation and industrial digitalization. And this leadership is precisely what Siemensstadt 2.0. is all about. We want to lead the way

in shaping *Industrie 4.0* in the socioeconomic environment, too. This environment includes a networked ecosystem with flexible working conditions, societal integration and affordable living space,” said Joe Kaeser, President and CEO of Siemens AG.

Berlin’s Governing Mayor Michael Müller: “I’d like to thank everyone involved and especially the employees of the municipal administration of the city of Berlin. We were able to submit a very good offer to Siemens earlier than the company expected. This was a huge achievement. I’m particularly pleased that Siemens’ agreement was received on the last day of my presidency of the German Bundestag, where the development of the working world in the age of digitalization was one of my key focuses. We’ll continue to pursue the topic “digital and social” – also with the help of this biggest single investment in Berlin – since increasing digitalization is changing not only the working world but also the lives of many people, just as the Industrial Revolution once did. This commitment to Berlin will generate momentum for years to come. New jobs will be created, the city’s status as a scientific center will be enhanced, and its infrastructure will be further developed. Berlin is becoming more and more a Smart City and thus sending a clear signal: economic modernity and social responsibility go hand-in-hand and are being conceived, tested and lived here.”

“The Senate of Berlin convincingly demonstrated to us that it wants a major project of this kind. And it has created very good conditions to make this development a success for both sides,” said Cedrik Neike, member of the Managing Board of Siemens AG. “As a native Berliner,” he continued “I’m also pleased with this agreement at a very personal level. The new Siemensstadt will enable us to create an ecosystem that is open to all in order to bring working, researching, living and learning together in one place. We’re connecting top technology with new working environments, which enables us to develop a neighborhood that offers space for driving advances and progress. So we’re picking up on Werner von Siemens’ original thinking and carrying his idea into the future.”

The project is a long-term, future-oriented commitment to Germany as a business location: for our employees, for residents and for the metropolitan area, it is to be a symbol for innovative power and science. The partners’ intention in signing the pact for the future is to strengthen the State of Berlin’s position as a home to forward-

looking industries and technologies and turn Siemensstadt into one of the company's most important locations in this respect. As part of this project, Siemens' current property in Spandau is to be developed into a technology park and incubator in the heart of Siemensstadt by the end of 2030. The existing industrial architecture provides an attractive environment for new work models and an excellent basis for meeting future production requirements. Trailblazing office, research and production spaces are to be created, as well as modern residential concepts.

Specifically, activities in fields of application such as distributed energy systems and energy management, electric vehicle technology, Industrie 4.0, machine learning, networked assets, Internet of Things (IoT), artificial intelligence, data analytics, blockchain, and additive manufacturing are to be based in Siemensstadt. The concept calls for investments in core competencies in production and service, which will also lead to new job profiles. In cooperation with the Senate of Berlin, Siemens will conduct an urban planning competition as the basis for the project's further development.

As part of the Siemensstadt agreement, a second memorandum of understanding (MoU), for an industrial and scientific campus, was signed with the City of Berlin, Technische Universität Berlin, Fraunhofer-Gesellschaft and the German Federal Institute for Materials Research and Testing (BAM). This MoU sets the course for the first concrete measure, which will address both a dedicated set of core technologies as well as specific fields of application in conventional power plant technology.

Siemens has about 11,400 employees in Berlin. In addition to manufacturing, they work in the areas of engineering, research and development, training and continuing education, customer service and sales. As a result, Berlin is still Siemens' biggest manufacturing location worldwide.

This press release is available at www.siemens.com/press/PR2018100060COEN

Further information and press pictures are available at
www.siemens.com/press/futurepact-siemensstadt

More information on the history of Siemens in Berlin is available at
www.siemens.com/history-siemensstadt

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