

Siemens Taiwan propels forward with digital and net-zero transformations as dual growth engines, demonstrating remarkable achievements

- **Turns digital and net-zero transformation challenges into opportunities, demonstrating remarkable achievements in industry, infrastructure and rail transportation in fiscal 2023**
- **Enables resource efficiency and critical transformation developments in agriculture, port, machinery, energy grids, buildings, metro, and more with proven technologies**
- **Urges public/private sectors to embrace digital/net-zero transformations as dual growth engines, paving the way for a sustainable Taiwan in alignment with climate targets**

The discussions and conclusions at COP28 have established ambitious targets for nations, economies, industries, and enterprises. It is crucial for the world to transition away from fossil fuels. By 2030, energy efficiency needs to be doubled, and the mid-term target to reduce greenhouse gas emissions by 43% shall be accelerated. These unprecedented goals require industries and companies in all sectors to transform at an unprecedented speed and scale, in order to address the challenges faced by the planet and humanity.

Siemens has taken the lead in the journey towards decarbonization and has made a commitment to be carbon neutral by 2030. Our strategy involves combining the real and digital worlds, harnessing the power of hardware & software. While others are still deliberating on priorities and how to overcome challenges, we have already utilized our digitalization technologies to empower our customers to achieve more with less and drive their own transformations. In particular, in fiscal 2023 we have made solid achievements in Taiwan through the dual growth engines of digital and net-zero transformations.

One of our significant accomplishments is our collaboration with partner LOGA in the field of indoor vertical farming, which has the potential to revolutionize Taiwan's traditional agricultural industry, facilitating the development of high economic value crops. Through the implementation of our automation technologies like PLC and digitalization technologies such as Edge Computing, our shared customers have been able to achieve precise control over indoor farming environments,

resulting in improved crop quality and multiple harvests throughout the year. Additionally, these advancements have led to energy savings of over 20% and labor cost reductions of more than 50%.

In addition, Siemens is utilizing digital technology to drive the transformation of the machine tool industry. For instance, Hota Industrial, despite facing challenges in acquiring land and expanding its factory, has successfully leveraged Siemens' AI-integrated ACM (Adaptive Control & Monitoring) software. This has allowed them to enhance their existing factory infrastructure and production lines, resulting in a nearly 20% increase in production capacity. Moreover, the AI self-learning optimization feature simplifies overall operations, reducing the technical requirements and addressing labor shortage challenges.

Furthermore, Siemens and Evergreen have jointly established Taiwan's first fully automated port at Kaohsiung's T7. Through the utilization of Siemens' cutting-edge technologies like the Remote Control System, Terminal Logistics System and Truck Positioning System, we have not only enhanced personnel safety but also reduced the idle time and subsequent carbon emissions of trucks operating in the area. Furthermore, the overall operational efficiency of the port has been significantly improved. The T7 now serves as a benchmark for sustainable port operations, benefiting people, the planet, and profit alike.

In addition, Siemens is actively supporting TPC in strengthening the resilience of Taiwan's power grids, which is a significant aspect of Taiwan's Energy Transition 2.0, as highlighted by President-elect Dr. Lai. Specifically, TPC is constructing two identical power control centers in Taipei and Kaohsiung to effectively manage the evolving energy landscapes of the country. By leveraging Siemens' Spectrum Series Energy Control Systems, TPC will be better equipped to handle highly diverse power demands and complex power dispatch scenarios in the years ahead. This collaboration will contribute to the stability and efficiency of Taiwan's power infrastructure.

Siemens is also a strong advocate for a comprehensive approach to the energy transition. We believe that a sustainable energy blueprint should consider the entire energy chain, including generation, transmission, distribution and consumption. The cleanest energy is the energy that is not used at all. In line with this belief, Siemens has implemented smart building solutions at the Development Center of Biotechnology's Xizhi Branch, resulting in a 30% reduction in energy consumption and an annual saving of over 250,000 kilowatt-hours. The energy savings have led to a government subsidy covering 26% of the project cost!

In fiscal 2023, Siemens' technologies have played a vital role in enhancing the safety of Taiwan's critical information infrastructure and facilitating the future development of its city transportation

infrastructure. We have provided comprehensive fire safety solutions for data centers established by the world's largest software and cloud service providers. Additionally, our partnership with the Railway Bureau, MOTC, utilizing our new signaling technologies, has successfully overcome the technical complexities of integrating old and new systems. As a result, the Taoyuan Airport MRT extension has achieved a remarkable availability rate of 99.7% for its commercial operations. These initiatives demonstrate our commitment to ensuring the security and efficiency of Taiwan's infrastructure.

Siemens Taiwan President and CEO Erdal Elver stated: "Digital and net-zero transformations are closely interconnected. By utilizing digital technologies like digital twin and industrial AI, it is possible to enhance resource efficiency and reduce carbon emissions. Siemens, a trusted technology partner in Taiwan for decades, is committed to supporting the country's public and private sectors in successfully navigating their digital and net-zero transformation journeys. The urgency to address climate challenges is growing, and Taiwan should consider expediting its efforts. This will not only pave the way for a sustainable future but also enable Taiwan to fulfill its global responsibilities!"

Siemens has jointly advocated with ERM recently, the world's largest professional sustainable development consulting company, to address pressing environmental challenges. Lihchyi Wen, a partner at ERM Taiwan, stated, "Although Taiwan is not a member of the Paris Agreement, it faces significant international responsibilities. Taiwan shall increase its involvement in climate issues and accumulate relevant implementation experiences, especially considering the tightening global climate policies and evolving ESG regulations. Companies in Taiwan are confronted with various challenges, including domestic carbon fees and potential carbon tariffs abroad. Additionally, they are required to provide ESG information to financial institutions and meet the green procurement demands of industry customers. These complexities highlight the necessity of sustainable digital solutions to maintain competitiveness in the global market."

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Siemens AG (Berlin and Munich) is a leading 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. In fiscal 2023, which ended on September 30, 2023, the Siemens Group generated revenue of €77.8 billion and net income of €8.5 billion. As of September 30, 2023, the company employed around 320,000 people worldwide. Further information is available on the Internet at www.siemens.com