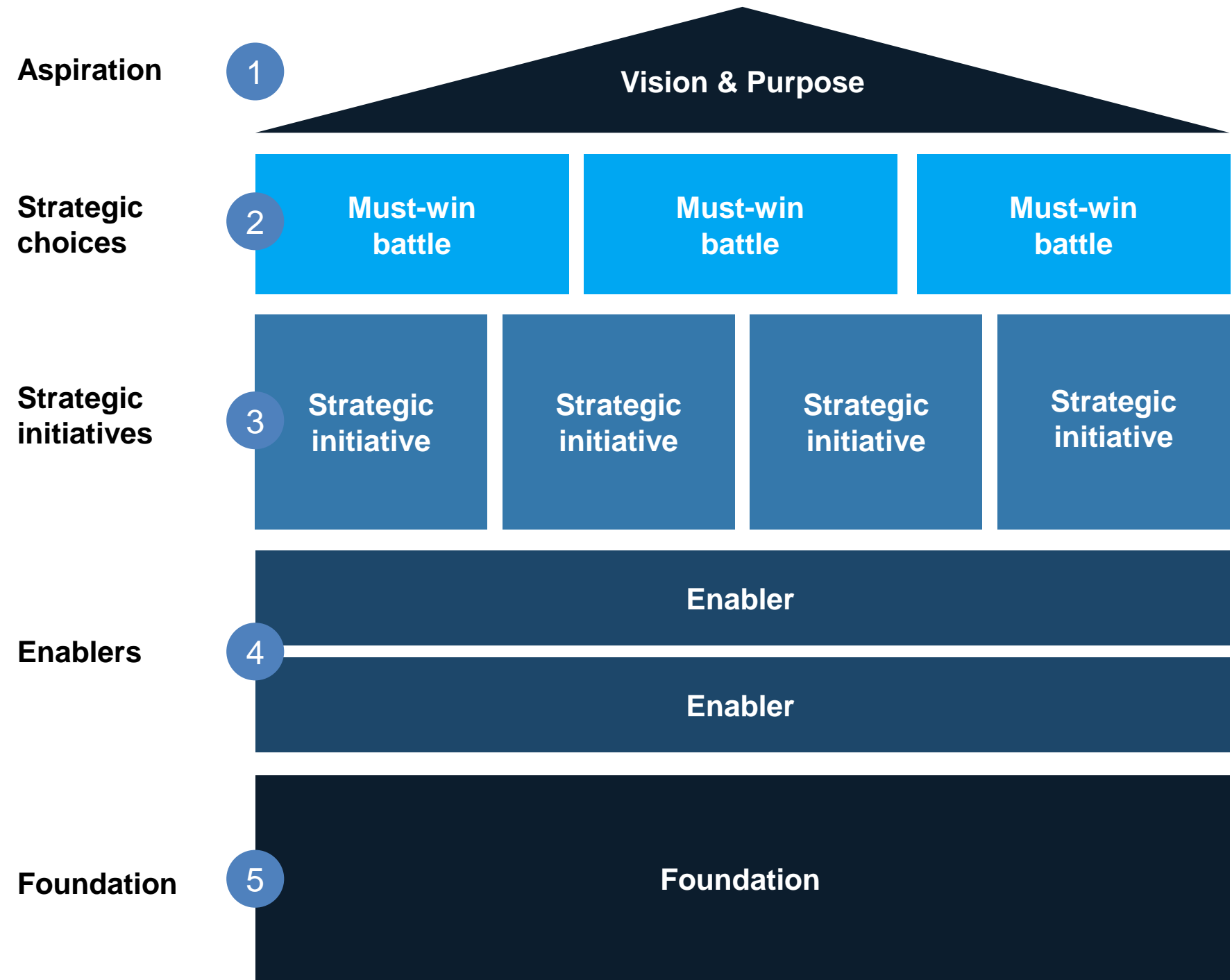


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Strengthening Foundations for Sustainable Innovation and Growth – **Aspiration**



1 Aspiration – Purpose and Vision

- To become a leading technology company, combining the real and digital worlds to address global challenges.
- To capitalize on secular demand trends driven by electrification, automation, digitalization, and sustainability.
- This vision is supported by Siemens' active role in supporting industries' transition from fossil fuels to renewable energy sources and their focus on smarter and more sustainable infrastructure. They are also working to combine hardware and software and make software increasingly modular and cloud-based.

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Strengthening Foundations for Sustainable Innovation and Growth – **Strategic Choices**

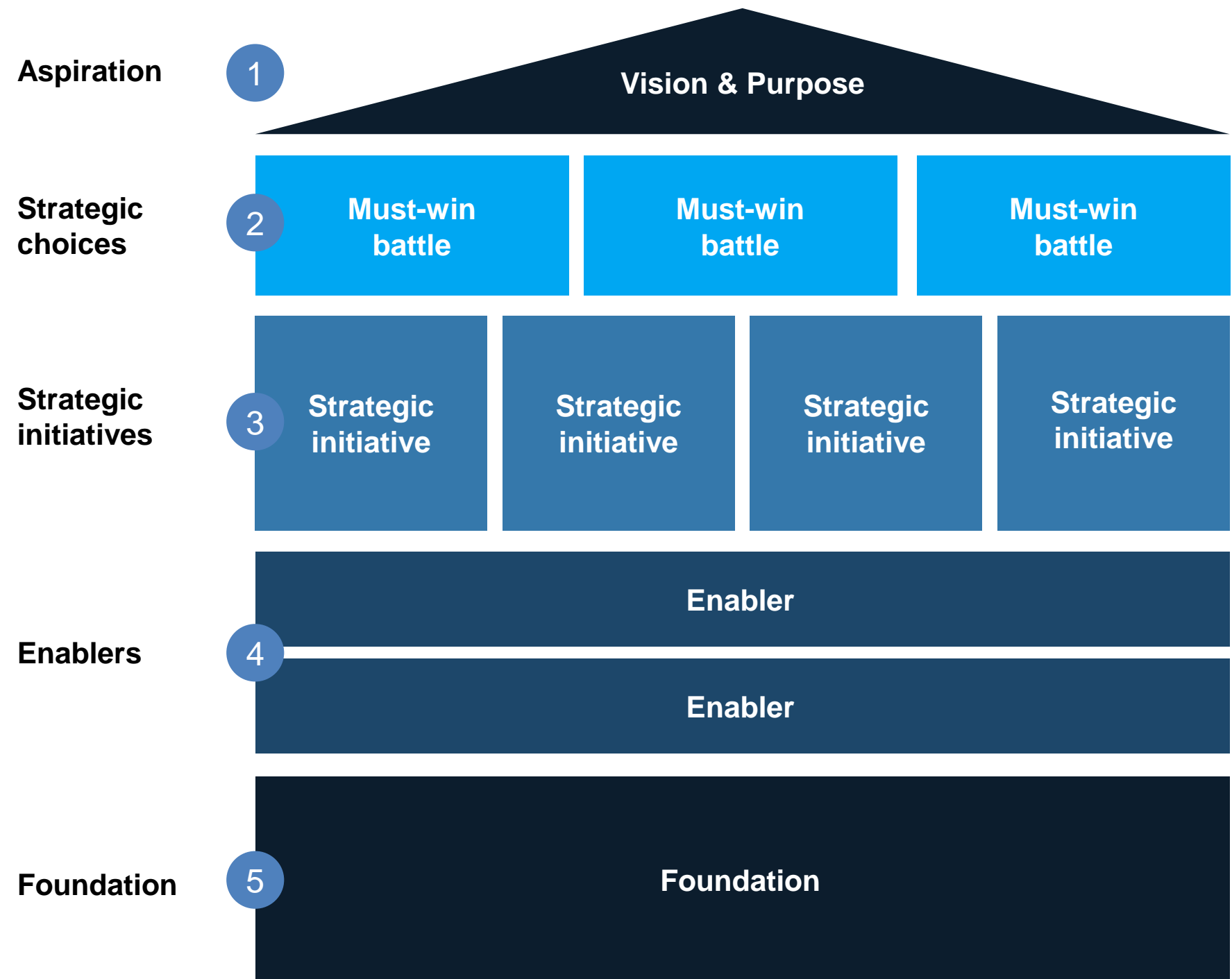


2 Strategic Choices – Must-Win Battles

- **Accelerating digital transformation:** The company consistently emphasizes its digital business growth, driven by the Siemens Xcelerator platform.
- **Driving sustainable infrastructure transformation:** Focus on electrification, decarbonization, and resource efficiency.
- **Strengthening the software business:** Consistent focus on software performance, SaaS transition, and strategic acquisitions like Altair.
- **Portfolio optimization:** Siemens AG actively manages its portfolio, divesting non-core assets and acquiring companies that align with its strategic direction.

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Strengthening Foundations for Sustainable Innovation and Growth – **Strategic Initiatives**



3 Strategic Initiatives

▪ Digital Transformation:

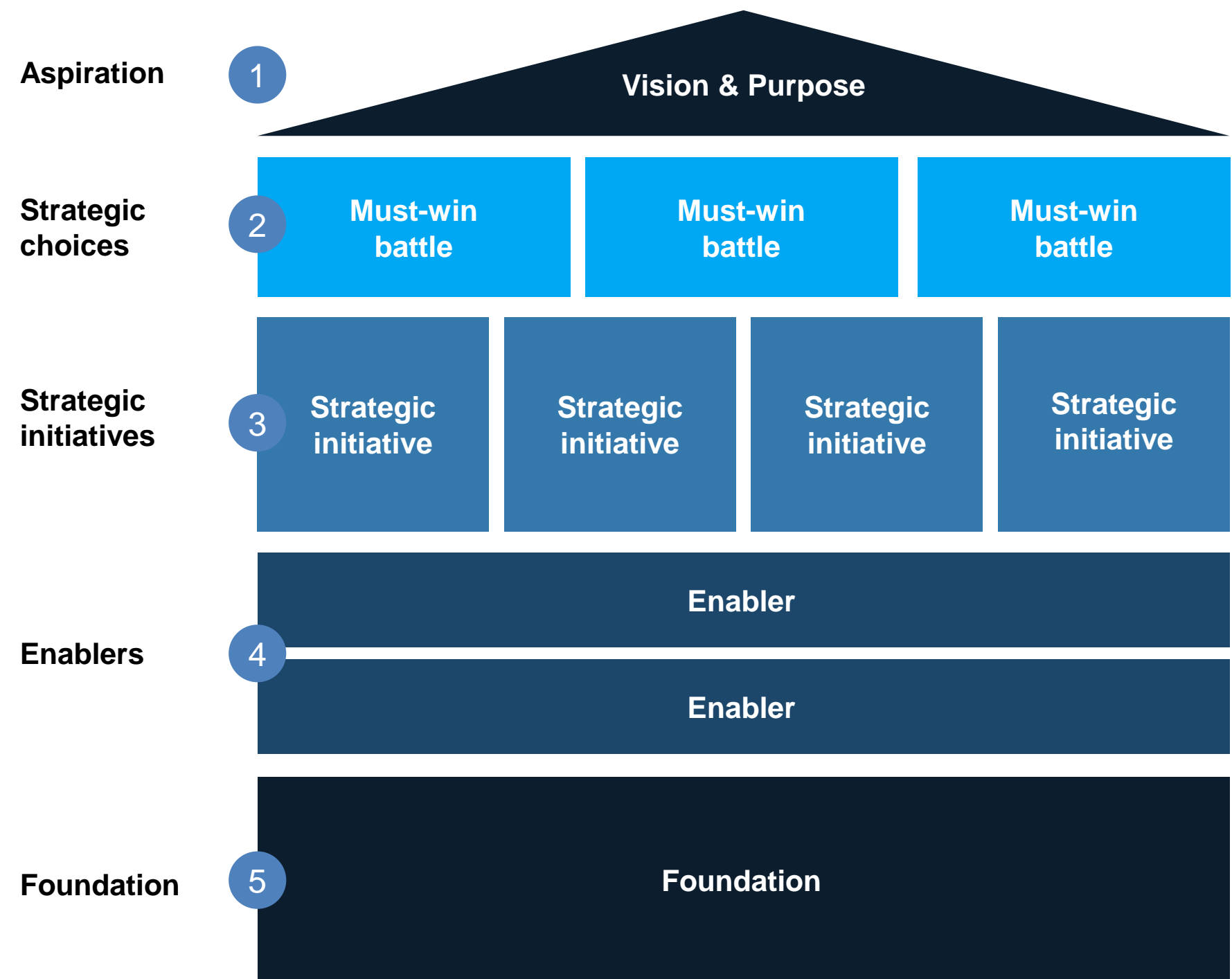
- Launch new digital offerings like Gridscale X, Electrification X, Railigent X, and Building X.
- Develop and implement Siemens Industrial Copilot for enhanced engineering efficiency.
- Integrate Altair into the Siemens software ecosystem and expand its capabilities.
- Complete the SaaS transition and broaden the SME customer base.

▪ Sustainable Infrastructure:

- Invest in capacity expansion for electrification equipment to meet growing global demand.
- Focus on developing and deploying sustainable products like the SENTRON ECPD and utilizing green steel.
- Partner with industry leaders like BASF to drive circular economy initiatives.
- Focus R&D activities on sustainable and decarbonizing offerings for buildings, utilities, and industrial customers.

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Strengthening Foundations for Sustainable Innovation and Growth – **Strategic Initiatives**



3 Strategic Initiatives

▪ Software and Digital Services Business:

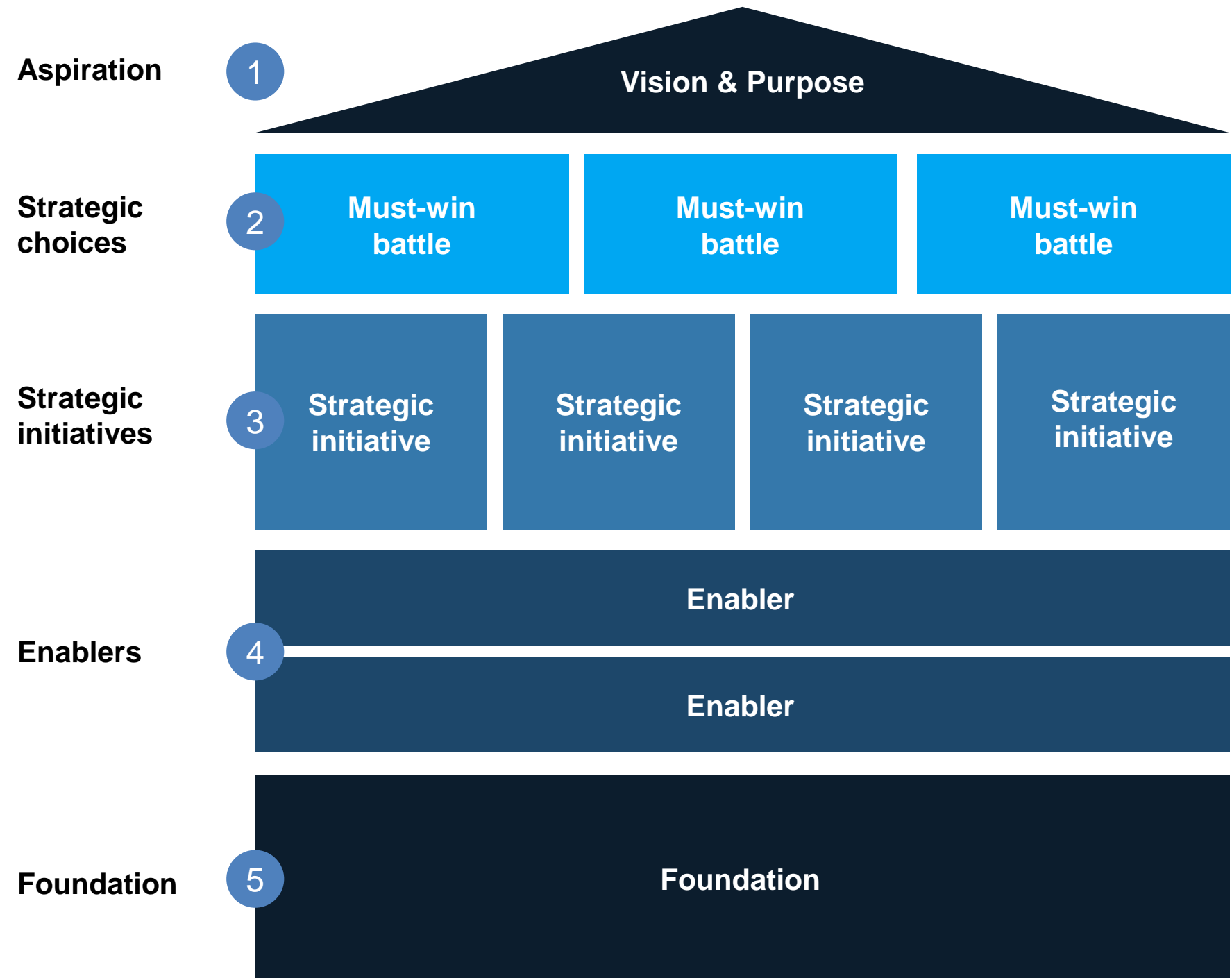
- Enhance EDA offerings through acquisitions and strategic partnerships.
- Develop new SaaS-based software products and transition existing products to the cloud.
- Grow the share of Annual Recurring Revenue (ARR) from software businesses.

▪ Portfolio Optimisation:

- Divest non-core assets like Innomotics and Airport Logistics to focus on core technology areas.
- Acquire companies like IDT ebm-papst and Danfoss Fire Safety to expand in strategic markets.

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Strengthening Foundations for Sustainable Innovation and Growth – **Enablers**

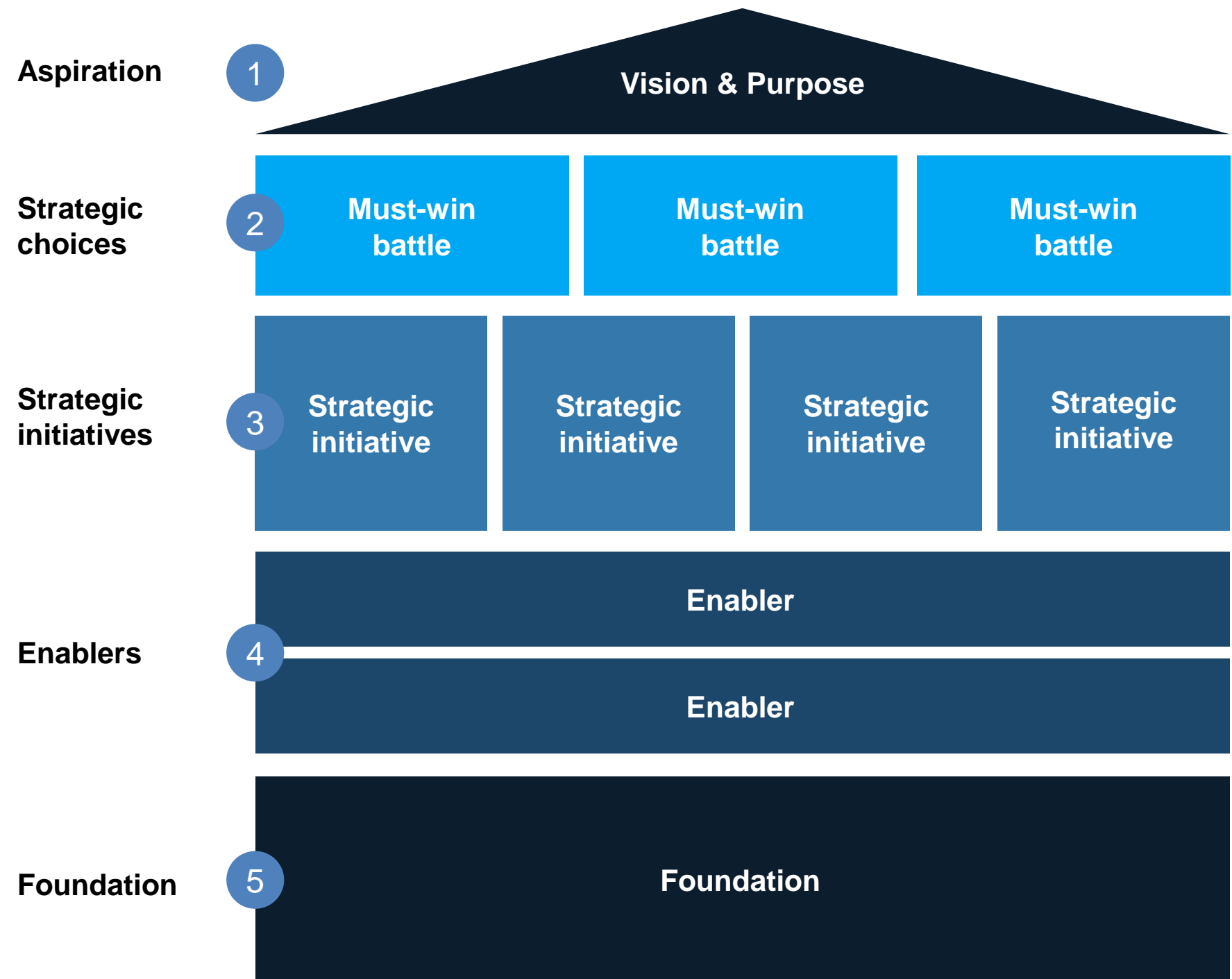


4 Enablers

- **Financial Strength and Investment:** Leverage strong cash flow and a robust balance sheet to invest significantly in R&D, capacity expansion, and strategic acquisitions.
- **Strategic Partnerships:** Collaborate with leading technology companies like AWS, Sony, NVIDIA, and Microsoft to accelerate innovation and expand capabilities.
- **Data and Technology Infrastructure:** Leverage data analytics, AI, digital twin technology, and cloud computing to drive efficiency, enhance product development, and provide innovative customer solutions.
- **Talent and Leadership:** Invest in a highly skilled workforce through training, development programs, and strategic hiring initiatives. This is also evident in their work on the #NextWork initiative.
- **Open Innovation Ecosystem:** Foster collaboration with universities, research institutions, and start-ups to identify and develop disruptive technologies.

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Strengthening Foundations for Sustainable Innovation and Growth – **Foundation**



5 Foundation

- **Strong Financial Performance:** Consistent profitability and robust free cash flow enable strategic investments.
- **Commitment to Sustainability:** EcoVadis platinum rating and active decarbonization efforts reflect a deeply embedded sustainability culture.
- **Customer-centric culture:** Tailored solutions across industry verticals demonstrate a commitment to evolving customer needs.
- **Comprehensive Risk Management and Compliance Framework:** Focuses on identifying, mitigating risks, and maintaining high ethical standards for long-term stability.
- **Global Presence and Market Leadership:** Worldwide operations provide opportunities to capitalize on diverse markets and maintain competitive advantage.
- **Decentralised Business Structure:** Empowers business units to operate with agility while leveraging the parent company's strengths.