

# Siemens Energy USA – Company Presentation

December 2023





A successful energy transition requires balancing  
**affordability, reliability,  
and sustainability.**

# U.S. Presence – A Fully Integrated, Full-Service Partner and Driver of the Energy Transition

**SIEMENS**  
ENERGY



**24%** of total US  
Generation capacity



**100+** years in the US



**\$1.5B** spent with US  
suppliers annually



**20M** US homes powered  
by Siemens Gamesa  
renewables



**4,900+** US suppliers



**\$7.8B** Transmission  
equipment installed in the  
US in last 10 years

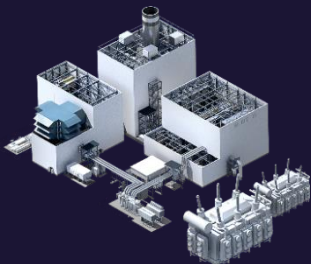
# Organizational Structure



**Rich Voorberg**  
President, North America

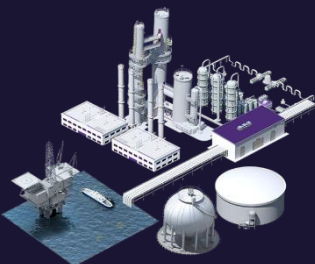


**Scott Luzzi**  
Vice President, Finance



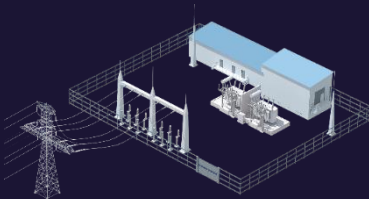
## Gas Services

- Large and industrial gas turbines
- Large steam turbines
- Large generators
- Heat pumps
- Modernization and upgrades



## Transformation of Industry

- Sustainable Energy Systems
- Compression
- Electrification, Automation and Digitalization
- Steam Turbines and Generators



## Grid Technologies

- Decarbonized
- Digitalized
- Resilient

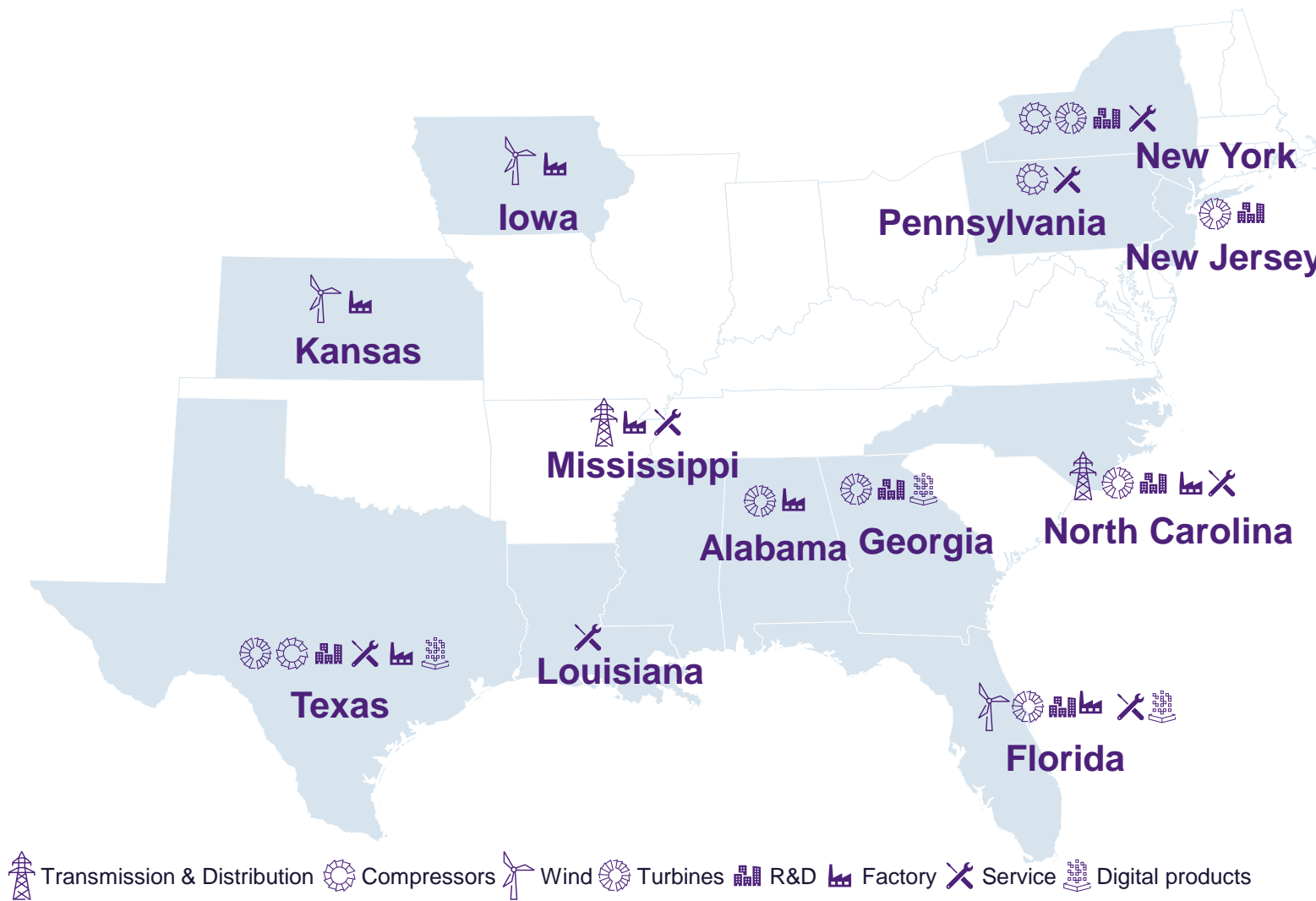
## Siemens Gamesa Renewable Energy

- Onshore Wind Turbines
- Offshore Wind Turbines
- Service Wind

## CEO Functions

- Legal & Compliance
- HR
- IT
- Communications
- Government Affairs

# USA - Full Value Chain



## Orlando, Gibsonton and Casselberry, FL

Home to the FAST Logistics Center, engineering, manufacturing and lab support for power generation testing in addition to Wind R&D, service center Gibsonton is home to Advanced Airfoils Components, where we manufacture blades and vanes for our gas turbines.

## Charlotte, Winston-Salem and Raleigh, NC

Specializes in manufacturing, engineering, business development, project management and services for Transmission & Power Generation equipment

## Houston, TX

Provides assembly & tooling as well as engineering support for turbines, ventilators, compression solutions, power plant solutions

## Olean, Painted Post, NY

R&D and service for gas / steam turbines & compressors

## Mount Pleasant, PA

Home to large scale turbine and generator services, including maintenance, repair and modification

## Fort Madison, IA

Manufacturing for Wind turbine business

## Richland, MS

Transmission & Distribution manufacturing of our circuit breakers, arresters and voltage regulators

## Alpharetta, GA

Specializes in instrumentation, controls and electrical solutions for power generation management

## Hutchinson, KS

Manufacturing for Wind turbine business

## Fort Payne, AL

Manufactures electrical components for generators including stator bars, copper components and fabricated products

## Headquartered

Orlando, FL

- Offices and facilities across the region, including > 20 production & service repair sites
- Approximately 11,800 employees
- 500+ armed service veterans

Note: Excludes small sales office or manufacturing / service locations with < 50HC (~10 in total); All HC numbers are approximate

 Transmission & Distribution
  Compressors
  Wind
  Turbines
  R&D
  Factory
  Service



## Major Canadian facilities

### Calgary, Edmonton, Alberta

- Dresser Rand (Service center)

### Ontario

- Scarborough (Trench coils - Transformers)
- Sarnia (Dresser Rand service center)
- Trench factory (Instrument transformers, bushings, coils)

### Montreal, Trois-Rivières, Quebec

- Trois-Rivieres factory (Amorphous core Transformers)
- AGT Factory and Office (Aeroderivative gas turbines)

### Mount Pearl, Newfoundland

- Office and Service center

## Headquartered

Oakville, ON

- Approximately 1,700 employees nation-wide
- 4 Factory Locations in multiple Provinces
- Offices/Warehouses from coast to coast



Siemens Energy is a  
**global leader in the  
energy business**

**~ 1/6**

of global electricity generation  
is based on our technology.

**96,000**

employees work as a team  
to energize society.<sup>1</sup>

We are present in

**> 90** countries.

We invest around

**€1bn** annually in  
research and development.

<sup>1</sup> Number of employees as of September 30, 2023  
December 2023





# We energize societies across the globe

based on

01

## Decarbonization through Technology

We have the technologies to support our customers in transitioning to a more sustainable world.

02

## People with Responsibility

We have the people that turn ideas into reality to provide reliable, affordable and sustainable energy.

03

## Partnerships for Innovation

Together with our partners we are developing innovations of the future.

04

## Profitability as a Foundation

Profitability is a prerequisite of a successful and sustainable company. We focus on performance.





01

Decarbonization through Technology

**We cannot wait for the perfect solution:  
We have technologies to shape the energy  
transition now.**

As an integrated energy  
technology company

**we support our  
customers along  
the energy value  
chain**



## Low- or zero-emission power generation

- Gas Services
- Siemens Gamesa



## Transport and storage of energy

- Grid Technologies



## Reducing GHG emissions and energy consumption in industrial processes

- Transformation of Industry





## › Gas Services

# Low- or zero-emission power generation through service and decarbonization

In 2021, CO<sub>2</sub> emissions from electricity and heat production reached an all-time high of more than **14 gigatons**. If every coal-fired power plant were to switch to natural gas, CO<sub>2</sub> emissions could be cut **in half**.

## Our offerings

- Low- or zero-emission power generation
  - All gas turbines under one roof: from 4 MW to 600 MW; steam turbines from 90 to 1,900 MW and generators from 25 to 1,300 MVA.
  - Highly efficient and low-emission gas turbines with higher ramp-rates enable compensation of fluctuating renewables.
  - Clean fuel burning capabilities for low to zero emissions and leading hydrogen co-firing capabilities: Up to 75% hydrogen co-firing capability today and 100% by 2030.
  - Decarbonization opportunities through service offerings, modernization and digitalization of the fleet.
- Electrification of heat generation with proven high- and low-temperature heat pumps for up to 150°C and 70 MWth to decarbonize the heating sector.

➤ [Visit the website](#)

Company Presentation

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# Ramping up when renewables take a break

## Charlotte

North Carolina, U.S.

- The gas-fired Lincoln Combustion Turbine Station, built for energy provider Duke Energy, ensures a stable supply of electricity when power from solar generation is not available.
- The installed heavy-duty HL-class gas turbine can reach full capacity within minutes. Innovative simulation was used in its design and material development to account for the extreme stresses caused by quick starts and to ensure durability.
- Its high performance earned two GUINNESS WORLD RECORDS™ titles, for the most powerful simple-cycle gas power plant and for the world's fastest ramp-up rate by a 60Hz gas turbine power plant.
- Combining sensor data with Artificial Intelligence during testing helped to optimize design and maintenance, and enabled condition and dispatch simulations, resulting in reliable, efficient, and flexible power for the future.

➤ Learn more





# A leading position along the entire spectrum of wind

Wind energy will provide up to **20%** of the world's electricity **by 2030**.<sup>1</sup>

## Our offerings

- Leading supplier of wind turbine technology and service solutions for onshore and offshore wind.
- Versatile product portfolio, covering a wide range of customer requirements and wind conditions. Output: Up to 15 MW offshore and 7 MW onshore.
- Siemens Gamesa turbines generate more than 127 GW of wind power all over the world – enough clean energy to power 117 million households.
- 335 million tons of CO<sub>2</sub> are avoided each year through installed wind turbines from Siemens Gamesa, compared to fossil fuel power generation.
- Service provided for more than 82 GW of installed capacity – on site or through digital and remote solutions.

<sup>1</sup> Source: Global Wind Energy Council

[Visit the website](#)





## > Grid Technologies

# Enabling a reliable, sustainable and digital grid

The rising share of renewables, growing energy demand, ageing infrastructure and increasing complexity require new connections but also upgrade and renewal of existing grids.

## Our offerings

- The power grid is the backbone of the energy transition. Siemens Energy offers a leading portfolio and solutions in HVDC transmission, grid stabilization and storage, high voltage switchgears and transformers, and digital grid technology.
- High-Voltage Direct Current (HVDC) is a key enabler of the energy transition.
- With our project expertise and grid technologies know-how we provide holistic solutions for the storage project value chain.
- CO<sub>2</sub>-neutral Blue products for sustainable and greenhouse gas free power grids and eco-friendly fluids like ester.
- Next generation digital products and solutions through IoT<sup>1</sup>-connected grid devices equipped with edge computing, analytics and Artificial Intelligence (AI).
- Service for power transmission products, systems and solutions.

<sup>1</sup> Internet of Things

[Visit the website](#)

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# Connecting New York's first utility-scale offshore wind farm to the grid

## New York State

### United States

- First offshore HVDC grid connection project in the U.S., deploying a technology that will reduce transmission losses over long distance.
- Green energy for nearly 600,000 homes in New York State.
- Sunrise Wind will support New York's goal of 100% clean electricity by 2040.
- To date, Siemens Energy has connected the offshore grid to the mainland 21 times, bringing more than 12 gigawatts of wind power to households in Europe.

🔗 Learn more





# Decarbonizing the industrial sector

The industrial sector globally accounts for **30%** of emissions and **~38%** of energy consumption.<sup>1</sup> Industry needs to reduce emissions by **5 Gigatons per year**. Increasing electrification and efficiency are key and demand for green H2 and derivative fuels will rise.

## Our offerings

- We enable decarbonization of the industrial sector and the transition to sustainable processes, building on a strong industrial customer base, a global network, diverse technologies and integrated execution capabilities.
- Our offerings include:
  - Hydrogen electrolyzers and Power-to-X-solutions – key to H<sub>2</sub> and e-fuel production
  - Integrated EAD<sup>2</sup> solutions – critical for process optimization and electrification
  - Industrial steam turbines and generators allow more energy efficient operations
  - Turbo and reciprocating compressors – fundamental components for hydrogen transport, storage, and processing
  - Advanced services cover the life-time of assets

<sup>1</sup> Source: IEA

<sup>2</sup> Electrification, automation, digitalization



➤ Transformation of Industry in action

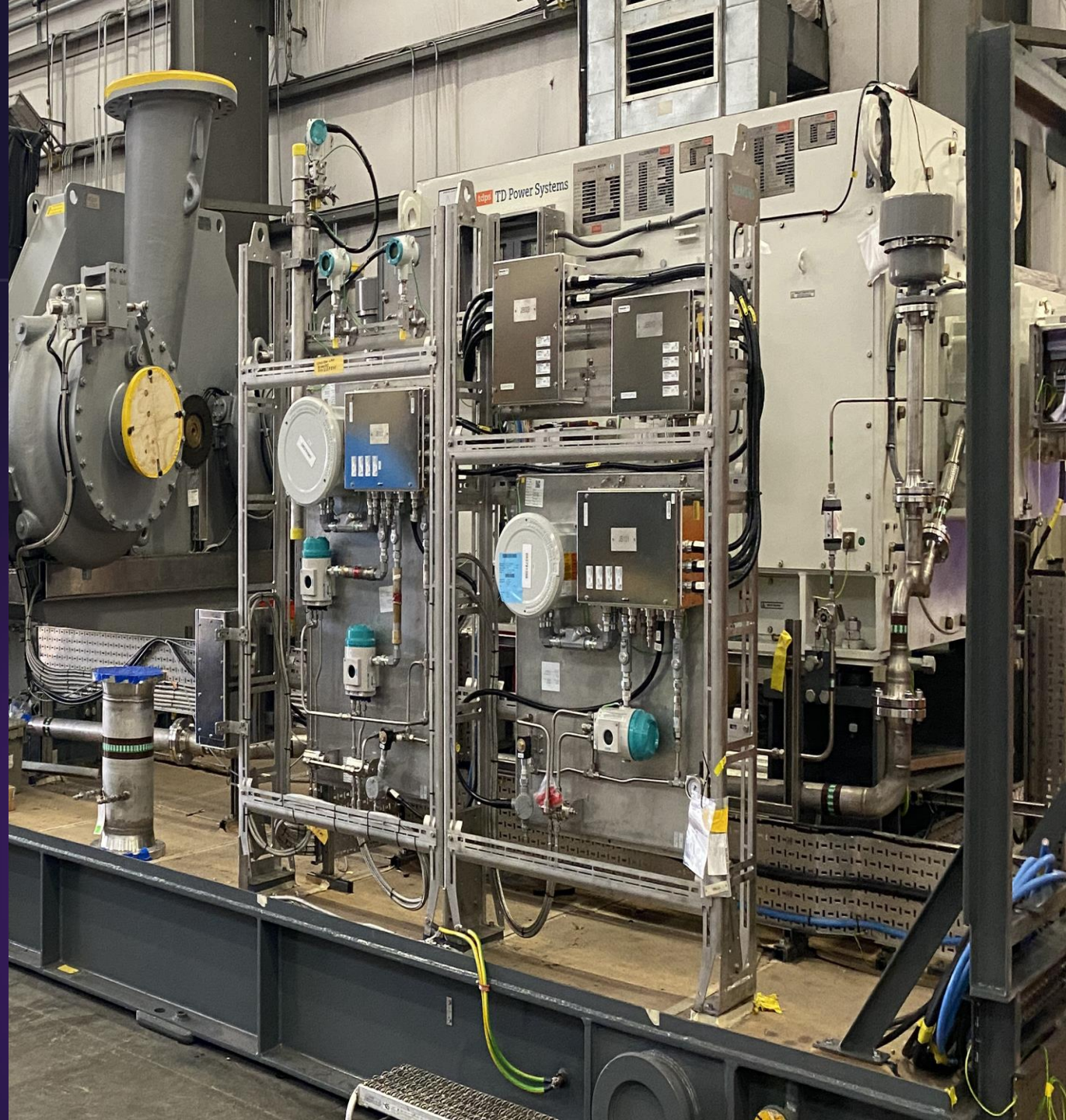
# Installing the world's first integrally geared hybrid liquefaction train

## Charlton

Massachusetts, U.S.

- The hybrid drive system will combine a Siemens Energy low-emissions industrial gas turbine, integrally geared compressor, and electric motor-generator to ensure stable and efficient operation of the plant's main refrigeration/liquefaction train throughout the year while slashing emissions, improving efficiency and reducing cost.
- Expected to produce a baseload of 170,000 gallons of LNG per day for Boston gas and up to 250,000 gallons per day to other utilities.
- The plant has an onsite LNG storage capacity of 2 million gallons and will be available for delivery by truck and used as a feedstock for utility distribution companies and power generation facilities.

➤ [Learn more](#)



# Our Strategy

## Digitalization as a value driver

Siemens Energy digitalizes the energy transformation – effectively, efficiently and securely.



### Digital Solutions

We offer advanced digital solutions seamlessly **across our product range**.

Example:

Plant Optimization and Energy Management

Cybersecurity

Asset digitalization, Sensproducts™

Grid automation

SIEAERO – digital service for power line inspection

Grid simulation



### Increasing the value of our offering

We combine our **domain expertise** with our **digital expertise** to differentiate our value and offerings **for our customers**.

We **automate** our internal processes and build the necessary digital **infrastructure to react to rapid changes** of the digital world.

Example:

Remote Services

Intelligent Asset Performance

Digitalized outage processes





02

People with Responsibility

**Technology alone will not make the difference:  
It is our people who put sustainability into action.**

Sustainability

# is a business opportunity and a core part of our strategy

## Highlights within our Sustainability Program

- **Decarbonization** approach along the entire value chain
- We strive for maximum **circularity** in all our products and processes
- **Health and safety** management anchored in EHS policy and certified to ISO 45001
- **Societal engagement** initiatives focus on driving the energy transition, access to education and sustaining communities

## Sustainability is integrated in business decisions

- Regular **progress review** in Executive Board and Sustainability Council
- ESG component in senior management **long-term incentives**
- ESG criteria for **R&D allocation** and portfolio strategy
- €100 **CO<sub>2</sub> price** in infrastructure investments

## We honestly disclose progress

- Annual disclosure of progress in our **Sustainability Report**:

➤ [Our Sustainability Report 2023](#)

- Transparency is honored by **ESG ratings**:

**MSCI**  
ESG Research

**CDP**  
DISCLOSURE INSIGHT ACTION

**SUSTAINALYTICS**

**ISS ESG** ➤ **ecovadis**



# Our Sustainability Program is underpinned by ambitious targets

## Decarbonization

- **Climate-neutral** in own operations by 2030
- Aspiration of **Net zero value chain** in line with 1.5°C
- **2030 targets:** -30% greenhouse gas (GHG) emissions per Euro spent (vs. 2018) and -28% GHG emissions from products sold (vs. 2019)

## Gender diversity

**25% by 2025 | 30% by 2030**

(share of women in top leadership positions)

## Safety

Safety leader in our industry through the activities launched within our “**Zero Harm**” program

## Compliance

**Zero tolerance** towards corruption, violations of the principle of fair competition, and other breaches of law





# Our people are our most important asset

**96,000** colleagues working in over 90 countries<sup>1</sup>

**28%** women in top leadership positions<sup>2</sup>

**€80m** were invested in continuing education in FY 2023

**~2,100** trainees and working students in Germany alone

Career job portal

**BEST**   
**♥ PLACES  
TO WORK**  
2024 **\*GLASSDOOR\***



<sup>1</sup> Status: September 30, 2023  
<sup>2</sup> In our former reporting segment Gas and Power, as of September 30, 2023

December 2023

# Zero Harm

## Employer with a vision

### Our three principles

**Zero incidents – it's achievable!**

**We take care of each other!**

**No compromises on health and safety!**

Our employees are our greatest asset. It is why we want every single Siemens Energy employee to be able to **rely on a safe working environment at all times.**





# Societal Engagement



## Access to Education

Promote Stem and Climate Education

(targeted at under-represented demographics)



## Driving Energy Transformation

Support clean Energy R&D and projects



## Sustaining Communities

Disaster Relief

(esp. related to electricity supply)



80% of our donations will support the three Strategic Pillars shown above, which are linked to the Siemens Energy's in-focus UN Sustainable Development Goals. 10% of the remaining will support causes important to our customers and partners, and the other 10% will support community engagement activities in areas where we have operations.





03

Partnerships for Innovation

**We cannot do it alone.  
Innovating the energy future is too important  
to be left in silos.**

# We are driving innovation with our partners

R&D net spending

~ €1.1bn<sup>1</sup>

Employees in R&D

4,300<sup>1</sup>

## Global Innovation Centers

to drive partnerships & co-creation:



Orlando, United States of America



Berlin, Germany



Abu Dhabi, United Arab Emirates



Shenzhen, China

## Key R&D partners

**10** of the top 25 world-ranked universities<sup>2</sup>

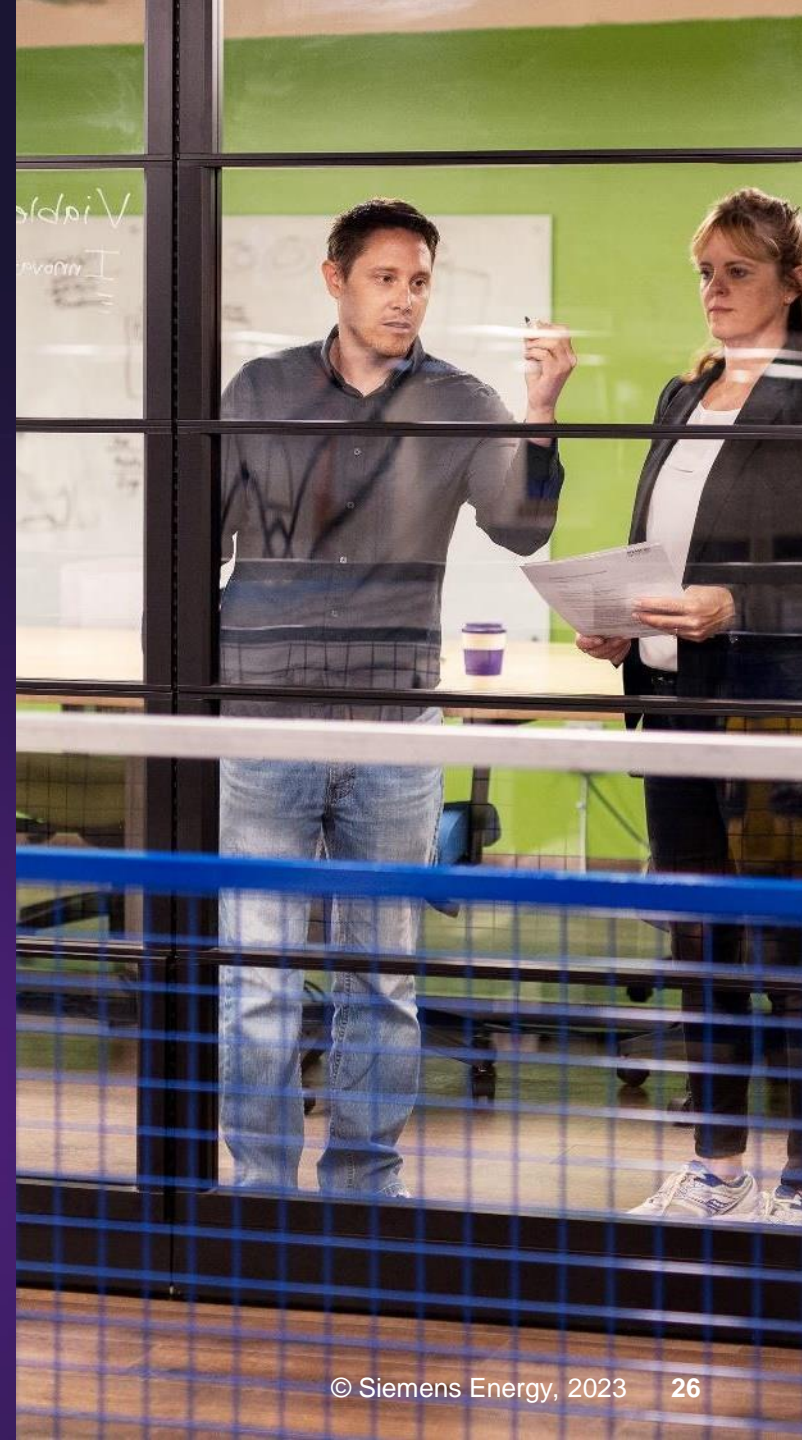
**22** Start-ups through [Siemens Energy Ventures](#) (external/internal)

↗ [Siemens Energy Ventures](#)

<sup>1</sup> FY 2023 | <sup>2</sup> QS World University Rankings by Subject 2022: Engineering & Technology

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# Our lab for creating the future

## Innovation Center - Orlando

### Shaping the future

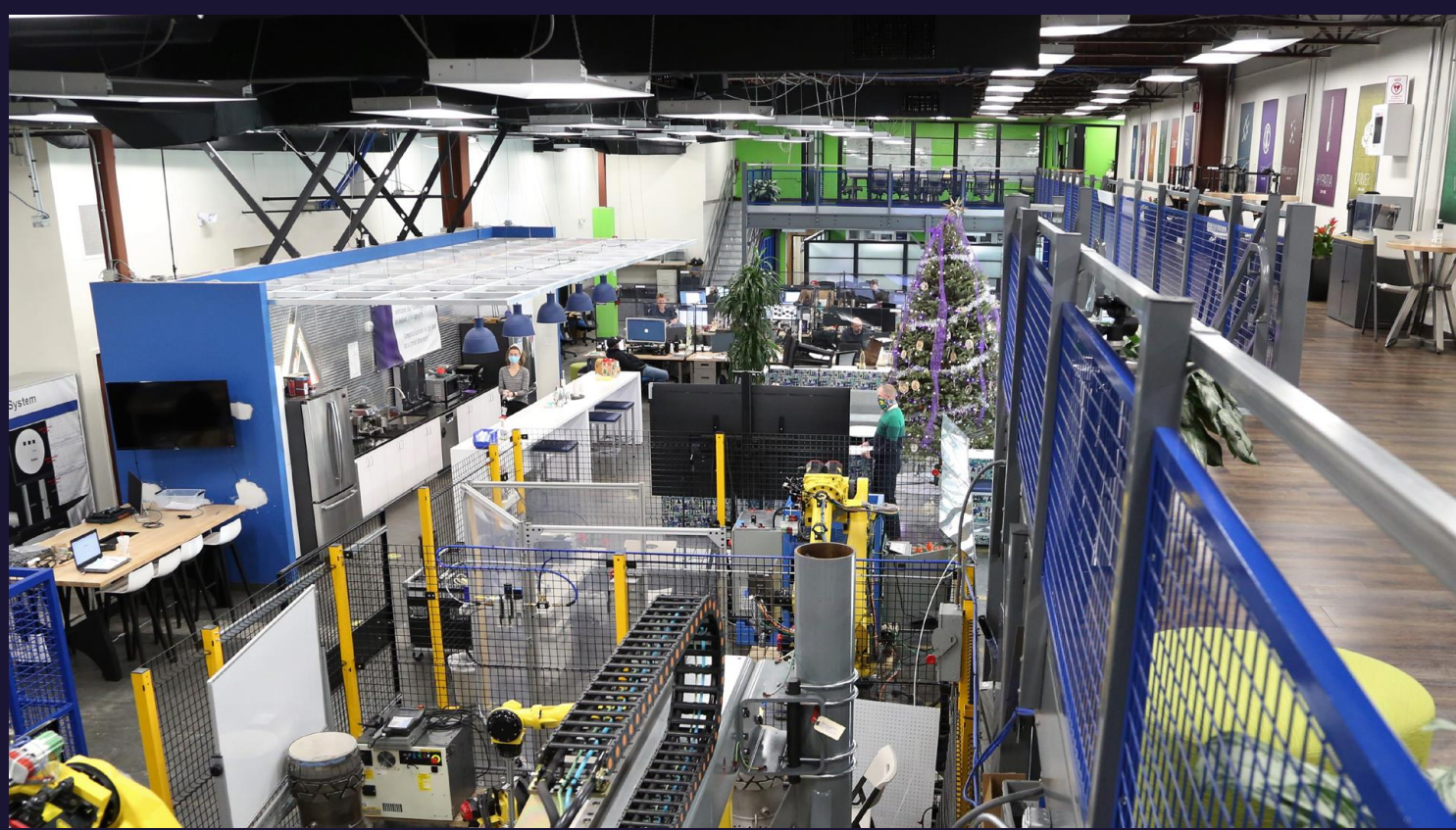
- A 30,000 sq ft. creative workshop in Orlando, Florida.
- Complete product development for customers as well as Siemens Energy—from design to simulation and from production of prototypes to tests.

### Equipment:

Industrial robots, 3D scanners and printers, electron microscopes, precision machine tools (3-axis and 5-axis CNCs).

### Successes:

Development time shortened from 6 months to 6 weeks; automation reduced production time to one quarter of time needed for manual production.





We focus on

# Five fields of action to shape the energy world of tomorrow

🔗 Find out more

## Decarbonized Heat and Industrial Processes



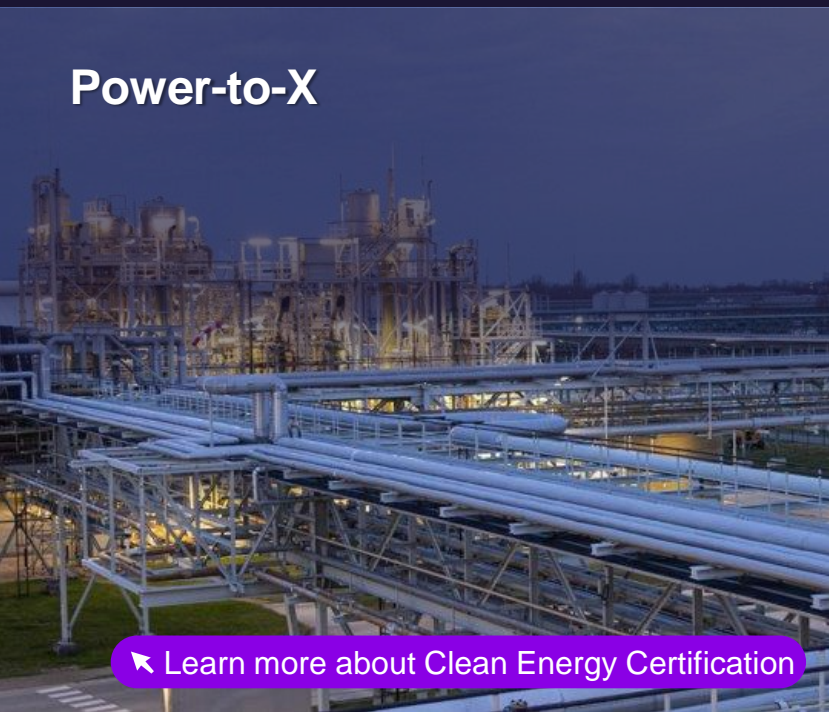
🔗 Learn more about net-zero heat

## Energy Storage



🔗 Learn more about Li-Ion Battery Systems

## Power-to-X



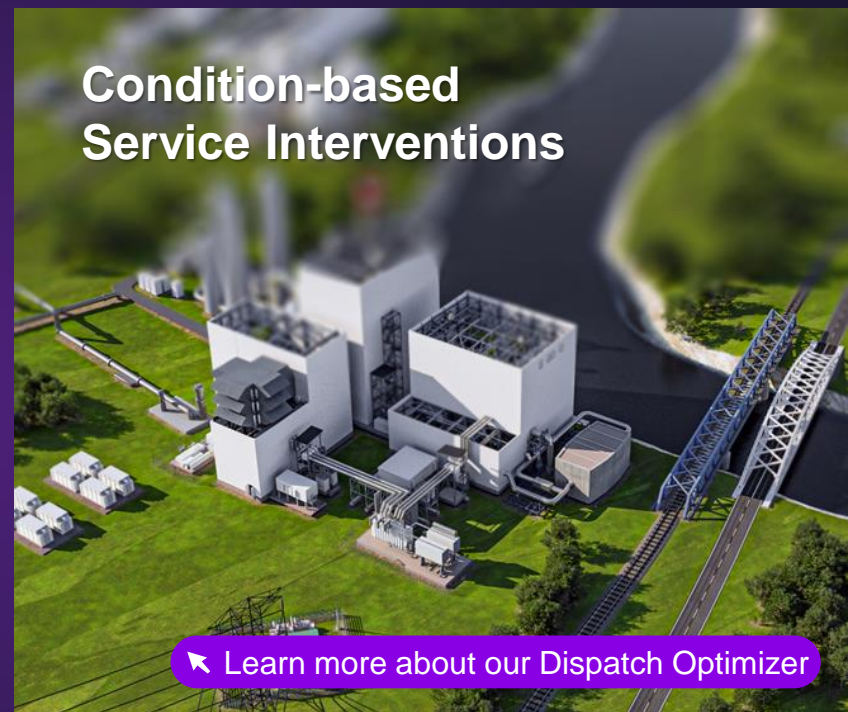
🔗 Learn more about Clean Energy Certification

## Resilient Grids and Reliability



🔗 Learn more about Grid Stabilization

## Condition-based Service Interventions



🔗 Learn more about our Dispatch Optimizer



04

Profitability as a Foundation

**Good ideas are not enough.  
Energy resilience requires a profitable  
business.**

# Our company structure

We support our customers along the entire energy value chain

**SIEMENS**  
energy

Gas Services

Grid Technologies

Transformation  
of Industry

Siemens Gamesa

**Therein: Independently Managed  
Businesses**

- Sustainable Energy Systems
- Electrification, Automation, Digitalization
- Industrial Steam Turbines & Generators
- Compression



# As an integrated energy technology company

we aim to increase customer focus, transparency and accountability

## Our operating model is focusing on

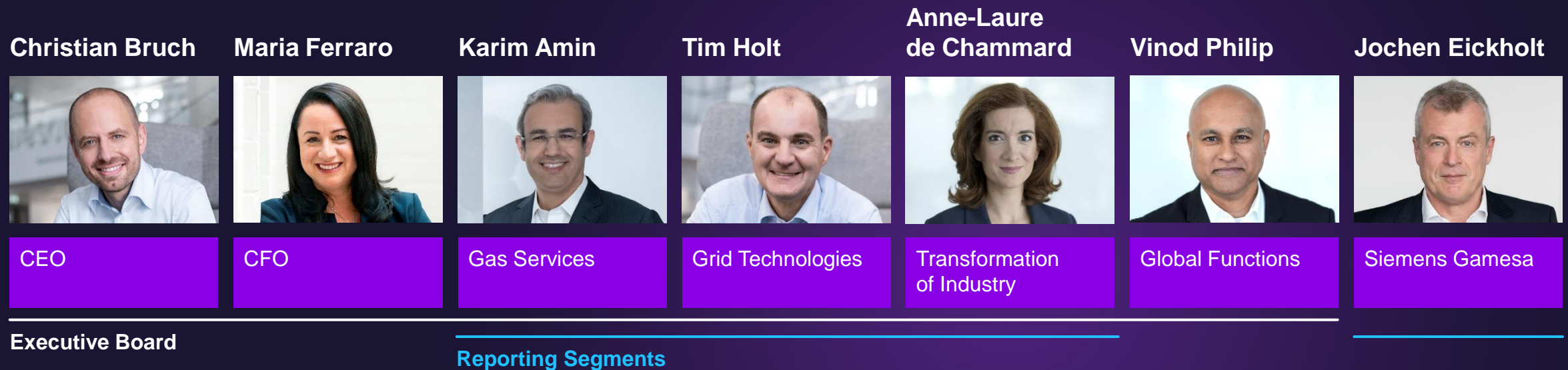
Clear structures

Unified go to market

Operational excellence

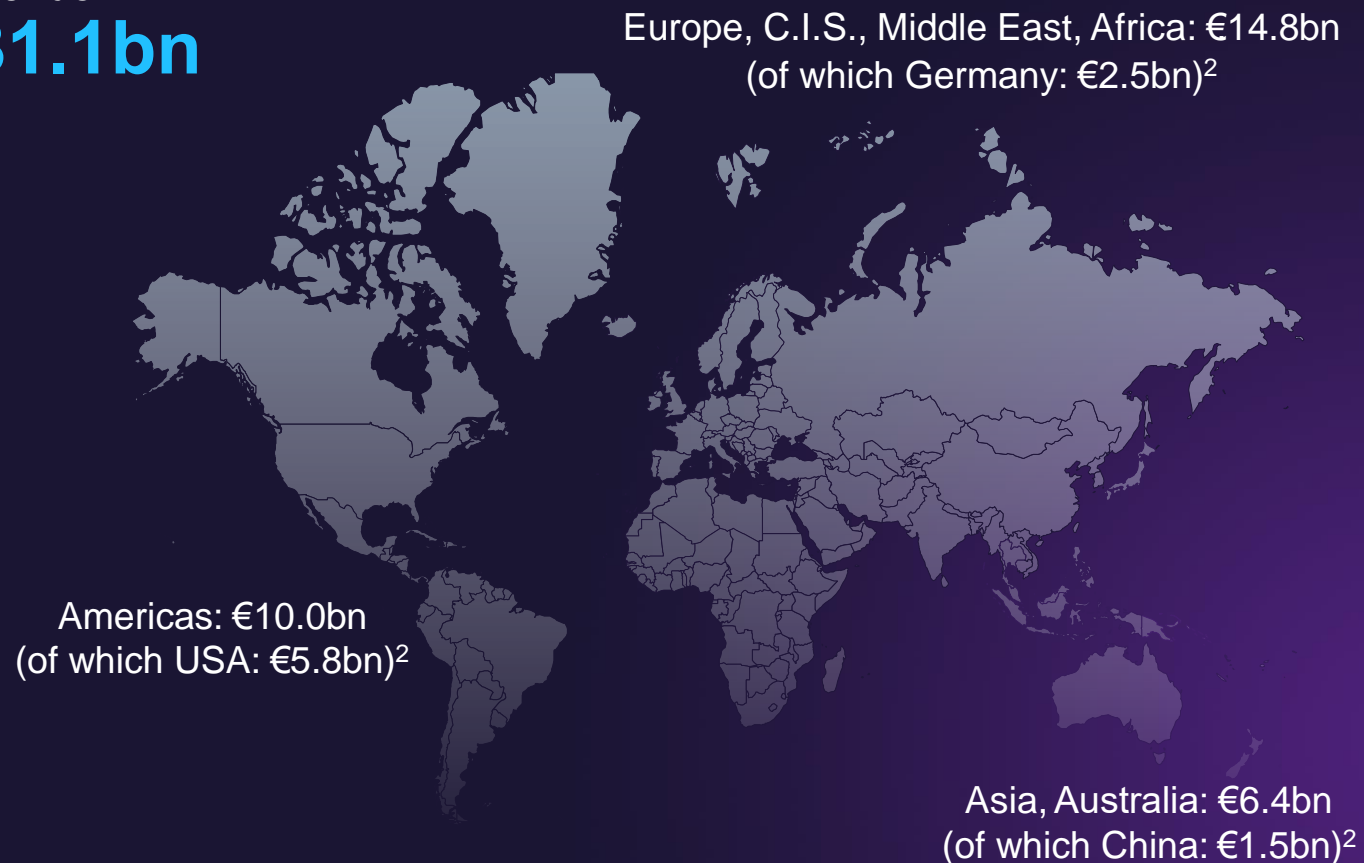
Focused innovation

## This is reflected in our new company structure



# Our financial performance in Fiscal Year 2023<sup>1</sup>

Revenue  
**€31.1bn**



🔗 Our Annual Report 2023

Orders  
**€50.4bn**

Order backlog  
**€112bn**

Basic earnings per share  
**€(5.47)**

Profit before  
Special Items  
**€(2,776)m**

Profit margin  
before Special Items  
**(8.9)%**



Our financial performance in the  
**fourth quarter of Fiscal Year 2023**

Orders  
**€10.6bn**

Revenue  
**€8.5bn**

Order backlog  
**€112bn**

Basic earnings  
per share  
**€(1.04)**

Profit before  
Special Items  
**€(487)m**

Profit margin  
before Special Items  
**(5.7)%**

🔗 Q4 FY 2023 Earnings Release



# Our financial outlook for Fiscal Year 2024

and our targets for Fiscal Year 2026

	FY24 Outlook		FY26 Targets	
	Revenue Growth <sup>3</sup>	Profit Margin before SI <sup>1</sup>	Revenue CAGR <sup>3</sup>	Margin reported <sup>1</sup>
Gas Services	(4) – 0%	9 – 11%	Flat	10 – 12%
Grid Technologies	18 – 22%	7 – 9%	Low double digit	9 – 11%
Transformation of Industry	8 – 12%	5 – 7%	High single digit	7 – 9%
Siemens Gamesa	0 – 4%	around neg. €2.0bn	Low single digit	Break-even <sup>2</sup>
Siemens Energy	3 – 7%	(2) – 1%	Mid single digit	5 – 7%
Net Income		up to €1bn incl. impacts from disposals		€1 – 1.5bn
Free Cash Flow pre-tax <sup>4</sup>		around neg. €1.0bn		€1.0 – 2.0bn (cumulative <sup>5</sup> )

Proceeds from disposals

€2.5 – 3.0bn

This outlook excludes charges related to legal and regulatory matters.

<sup>1</sup> Profit Margin in % of revenue with Profit as earnings before financial result, income taxes, amortization expenses related to intangible assets acquired in business combinations, and goodwill impairments | <sup>2</sup> Break-even target for Siemens Gamesa before Special items | <sup>3</sup> Comparable revenue growth: Excluding currency translation and portfolio effects | <sup>3</sup> Compound Annual Revenue Growth Rate (FY23-based) | <sup>4</sup> Free Cash Flow pre-tax as operating cashflow and additions to intangible assets and PPE less Income taxes paid in million € | <sup>5</sup> Cumulative Free Cash Flow pre-tax FY24-26





We energize society



# Thank you!

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Siemens Energy on social media:

