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Siemens and APEX sign broad agreement aimed at unlocking economic growth potential in Brazil

- **Memorandum of Understanding addresses shortcomings in Brazilian infrastructure and competitiveness**
- **Siemens plans to triple its investments in Brazil to €1 billion over the next five years**
- **Digitalization is creating new global business models and opportunities for Brazil**
- **Potential catalyst for a new cycle of sustainable growth, equivalent to 3.1 percent of GDP with up to 1.2 million new jobs**

Siemens has signed a Memorandum of Understanding (MoU) with the Brazilian Trade and Investment Promotion Agency (Apex-Brasil) in São Paulo. Initiatives outlined in the agreement have the potential to unleash a new cycle of sustainable growth in Brazil over the next five years. During this period, Siemens plans to triple its investments in the country to up to €1 billion, focusing on initiatives relating to electrification, automation and digitalization as a means of promoting social and economic development.

The MoU addresses shortcomings in Brazil's infrastructure in the areas of energy, transportation and healthcare while also supporting greater competitiveness for local industries through increased productivity, which is to be driven primarily by digitalization and enhanced energy efficiency. Siemens is also committed to continuing its transfer of knowledge by granting software licenses for universities, participating in technology and academic partnerships and offering special training courses. According to Siemens, the initiative has the potential to attract over €50 billion in additional capital expenditure in Brazil from various sources. This will be done by fostering investments and know-how transfer in strategic segments that have been identified as bottlenecks for the local economy. The resulting more dynamic business environment could create a total of up to 1.2 million jobs.

The agreement was signed yesterday by André Clark, CEO of Siemens Brazil, and Roberto Jaguaribe, President of Apex-Brasil, at the São Paulo Chamber of Commerce, with Brazilian President Michel Temer and Siemens President and CEO Joe Kaeser attending the event.

Kaeser is convinced that the initiative will help create a feasible financial, technical and regulatory framework for advancing Brazil's vital infrastructure. "The Fourth Industrial Revolution, which we call Industry 4.0, is triggering significant changes in the global industrial landscape. With their creativity and commitment to innovation, the people of Brazil can benefit greatly from these opportunities. That's why it's important to act quickly to build the necessary infrastructure in energy and mobility and create a well-trained workforce. As the leading company in this space, Siemens is fully committed to serving as a reliable and competent partner," said Kaeser.

For André Clark, the most important goal of this cooperation is to remove roadblocks, thus opening up the way for important and necessary investments in the country. "Our assessment is that, if the proposed measures are implemented, our €1-billion investment will have a multiplier effect. With these measures being directed to key strategic areas, this could be an important catalyst for attracting up to €50 billion from other investors all over the country – creating up to 1.2 million jobs over the next five years." Noting that Brazil should seize this opportunity to strength its industry segment based on the current Fourth Industrial Revolution, Clark added: "Digitalization is a game changer, and we're committed to driving the process of Brazil's reindustrialization under this new model, which is based on innovation, value creation, efficiency and productivity."

According to Jaguaribe, the MoU signed with Siemens reinforces Apex-Brasil's role as a one-stop shop for foreign investors. "The agency has the know-how to coordinate public and private entities and identify the best business and investment opportunities as well as the ability to assist companies in allocating resources in Brazil. We've been working with Siemens for a long time, and we're now strengthening our partnership."

Since its first activities in the country in 1867, Siemens has had a positive impact on Brazil's infrastructure and economy. Over the last 15 years, the company has invested more than €1 billion in project implementation, production localization, research and development, human resources and training measures. With 14 factories and seven R&D centers, Siemens now has almost 6,000 employees in Brazil. Its activities contribute around €5 billion to the country's GDP, resulting directly or indirectly in 260,000 jobs.

According to Clark, this agreement goes far beyond business and is consistent with Siemens' approach to Brazilian society: "At Siemens, we believe that companies only really

succeed if they meet the needs of the society in which they operate. This means that business has a responsibility to foster economic and social development and companies must add lasting value to the countries and communities in which they are active.”

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