Sustainability as an opportunity

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Megatrends are shaping the future of our planet

The result is huge challenges in terms of ……..infrastructure and efficiency

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Efficient use of resources

Urbanization	•By 2050, the urban population will double to 6 Billion people ***Australia most Urbanised 87%+*** •Globaly 50%+ now live in cities • By 2025, China will have over **200 cities** with more than **one million** inhabitants each.	
Demographic change	• In the United States, **expenditure** for **healthcare** already accounts for 16 percent of the GDP. • Asia Pacific "Middle class" 2009 **0.5** Billion 2030 **3.5** Billion	
Climate change	• Limiting global **warming to 2°C** requires a 15-fold increase in carbon productivity • This results in investment needs of **10.5 trillion €** in the energy sector **by 2030**	
Globalization	• While the **emerging regions** of Asia/ Pacific and Africa/ Middle East provide only about 32% of today's global economic output, they will contribute **50% of growth by 2020**.	

Source: McKinsey; International Energy Agency (IEA)

Page 3

Australia..Victoria…biggest challenges

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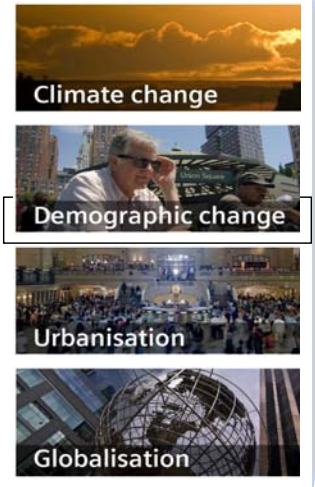
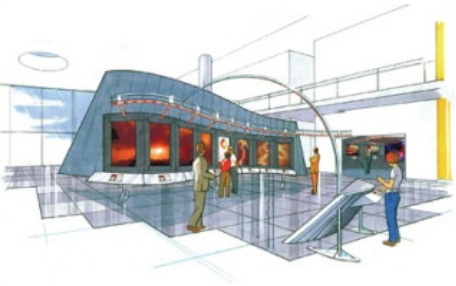
Megatrends



2008 CEDA issues

1. Water
2. Energy
3. Education & Training
4. Labour Skills
5. Environment
6. Transport
7. Productivity
8. Governance
9. Emerging Industries
10. Health



Page 4

….these challenges as a business opportunity

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Efficient use of resources

Urbanization	**Effective** and **environmentally friendly infrastructure**, whether in developed or rapidly growing emerging nations (e.g. the supply of energy, power and water; mobility)	
Demographic change	**Efficient and affordable long-term medical care** and **age-appropriate infrastructure** (e.g. mobility, medical care, nursing care, administration)	
Climate change	**CO_2 reduction** and **energy efficiency** (e.g. in power generation, transport and distribution; industry; buildings; mobility; households)	
Globalization	Specific requirements of **regional markets** and the management of **global processes and development** (e.g. products for emerging markets,global value chains)	

Contribution…Siemens insights into "how to become sustainable", jointly developed with major world cities

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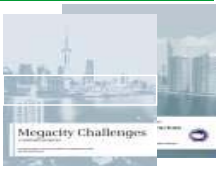
Perception studies	**Megacity Challenges** ▪ Comprehensive analysis based on interviews with over **500 city managers in 25 selected megacities** ▪ Urban infrastructure **trends and challenges** as well as **global best practices**
Comparative studies	**Green City Index (GCI)** ▪ **Index compares cities** across **8 dimensions of environmental sustainability**: ▪ CO_2, energy, buildings, transportation, waste & land use, water, air, governance
Implementation studies	**Sustainable urban infrastructure series** ▪ **"How to become a sustainable city"** with focus on measures for **resource efficiency and CO_2 abatement** ▪ Examples: London, Munich, Yekaterinburg, Dublin, Trondheim



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Challenge…. “The Vision”