SIEMENS

Press

Siemens Logistics

Constance, April 22, 2021

Siemens wins major contract to increase capacity at Incheon Airport

- Highly efficient baggage handling thanks to the latest VarioTray technology
- State-of-the-art software for seamless operational workflows
- Extension of existing early bag store by 3,000 spaces
- Implementation during live operation

Siemens Logistics has won a major order for the large-scale expansion of the baggage handling system in Terminal 2 of South Korea's Incheon Airport. The contract will help airport operator and customer Incheon International Airport Corporation increase capacity. In addition to supplying extensive baggage conveying and sorting technology, Siemens is responsible for the technical project management, the layout design, and the software solutions. The project scope also includes integrating the new equipment into the existing system.

"We are proud that Incheon International Airport Corporation chose us for this strategically important project," said Michael Reichle, CEO of Siemens Logistics. "With our high-performance VarioTray technology and intelligent software solutions, we are significantly supporting the customer to become even more competitive."

"The best partner is vital for the planned capacity expansion. Siemens has proven for years that we can rely on the company's comprehensive expertise and long-standing experience," added HoSeok Kim, Director of Incheon International Airport Corporation.

Siemens Logistics will supply state-of-the-art, high-throughput VarioTray conveyor technology to transport baggage quickly and reliably in Terminal 2. For the final sorting of the bags, the company will implement several high-performance VarioSort TTS tilt-tray sorters with a total length of more than three kilometers. In addition, the capacity of the ultra-modern VarioStore early bag store, which has been in operation since 2018,

Press Release

will be expanded significantly to accommodate a total of 6,000 storage spaces. With its efficient Lift&Run system, VarioStore improves the processing of transfer baggage and enables passengers to check in early. Furthermore, the departures and arrivals zone will be fitted with additional carousels.

Fully integrated automation will form the brain of the system, with functionalities including the computer-based monitoring and control of all technical processes with SCADA (Supervisory Control and Data Acquisition). The software will control both existing and new system components across the whole of Terminal 2, enabling extremely reliable baggage handling. To ensure a high level of fail-safety, Siemens will implement state-of-the-art hot backup controls in conjunction with a virtualized server architecture for maximum system availability.

The customer will also benefit from the smart Baggage Vision System software, which combines optical character recognition (OCR) with barcode reading to optimize the identification of every individual bag – even if the baggage label has been partially destroyed. This solution lowers the number of delayed or misdirected baggage items.

The extensive hardware and IT measures are to be implemented over the next four years. Siemens will execute the project without any interruption to ongoing airport operations.

This latest order is a continuation of the successful collaboration between Siemens Logistics and Incheon Airport: Since 1996, Siemens has installed new systems and extended several existing ones in Terminals 1 and 2 and in the satellite terminal. The company has also been awarded with technical support contracts to ensure smooth operation of the baggage handling system. Incheon Airport was recently the first airport worldwide to reach the new Level 4 in Airports Council International's Customer Experience Accreditation program.

Contact for journalists

Monica Soffritti

Phone: +49 7531 86 2659

monica.soffritti@siemens-logistics.com

www.siemens-logistics.com

Siemens Logistics GmbH, headquartered in Constance, Germany, is a fully owned subsidiary of Siemens AG. Siemens Logistics is a leading provider of innovative and high-performance products and solutions for mail and parcel automation; for airport logistics including baggage and cargo handling; and for the digitalization of logistics processes using high-end software. Comprehensive customer service completes the portfolio. Siemens Logistics is represented worldwide through its regional companies and active in more than 60 countries. Major customers include renowned airports as well as postal and parcel service providers around the globe. Further information is available online at www.siemens-logistics.com.

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 170 years. Active around the world, the company focuses on intelligent infrastructure for buildings and distributed energy systems and on automation and digitalization in the process and manufacturing industries. Siemens brings together the digital and physical worlds to benefit customers and society. Through Mobility, a leading supplier of intelligent mobility solutions for rail and road transport, Siemens is helping to shape the world market for passenger and freight services. Via its majority stake in the publicly listed company Siemens Healthineers, Siemens is also a world-leading supplier of medical technology and digital health services. In addition, Siemens holds a minority stake in Siemens Energy, a global leader in the transmission and generation of electrical power that has been listed on the stock exchange since September 28, 2020. In fiscal 2020, which ended on September 30, 2020, the Siemens Group generated revenue of €57.1 billion and net income of €4.2 billion. As of September 30, 2020, the company had around 293,000 employees worldwide. Further information is available on the Internet at www.siemens.com.

Page 3/3