



Webcast – Sustainable Procurement @ Green Factory Co-Creation Challenge

15 September 2021



Welcome!



Agenda – Overview



1	Welcome & Agenda	Carlos Palacios & Edward Krubasik
2	DI CPO View on Sustainability	Jens Eckert
3	Ongoing sustainability initiatives at SCM for Siemens	Tjeerd Doevendans
4	Sustainability Roadmap @ DI FA	Tobias Barfuss
5	Tech for Sustainability Campaign/ Green Factory Co-Creation Challenge	Anna Schindler
6	Q&A	Carlos Palacios & Edward Krubasik

Your hosts & moderators for today's webcast

Jens Eckert

Head of Procurement
Siemens Digital
Industries



Tjeerd Doevendans

Functional Excellence &
Sustainability
Ambassador for SCM
Siemens Corporate SCM



Carlos Andres Palacios Valdes

Sustainability Challenge
Business Owner &
representative of Siemens
Digital Industries
Technology & Innovation



Anna Schindler

Global Development
Program Member &
Team Lead for
Sustainable
Procurement Stream



Tobias Barfuss

Siemens Digital Industries
– Factory Automation,
Head of Procurement
Amberg



Edward Krubasik

Sustainability Challenge
Business Owner &
representative of Siemens
Digital Industries
Technology & Innovation



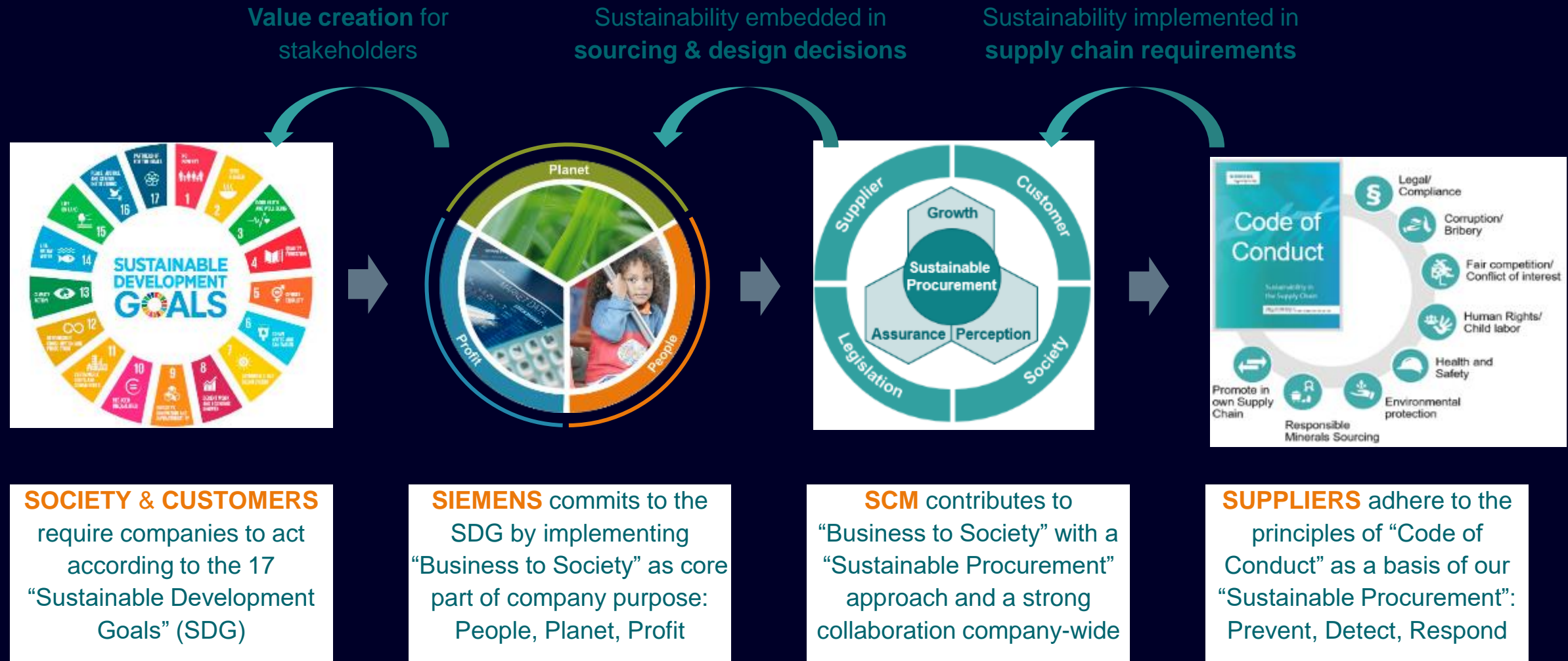
Agenda – Overview



Join the Green Factory
Co-Creation Challenge
Share your ideas for
sustainable procurement
until 21 September 2021

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SCM significantly contributes to Siemens' sustainability strategy by incorporating SUSTAINABILITY IN THE SUPPLY CHAIN



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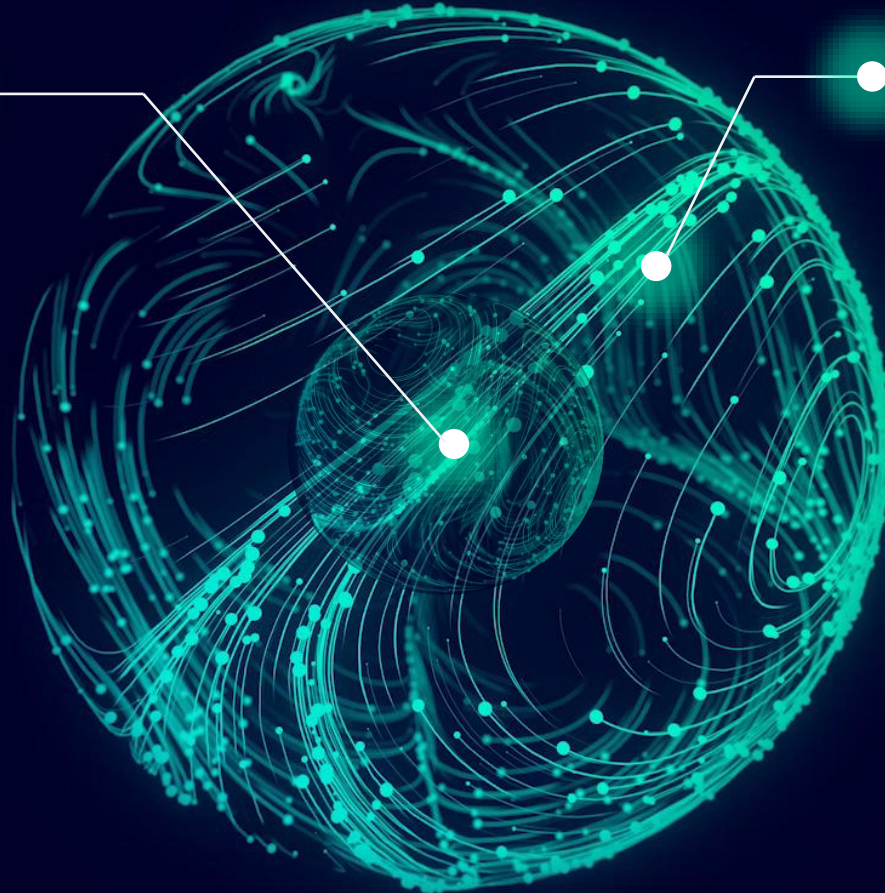
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In our supply chain,
we transform the
everyday with
a comprehensive
Sustainable
procurement **approach**
focused on our
strategic priorities.

Sustainability Assurance

Supplier commitment to our Fundamentals required in our Code of Conduct as basis for business relationship (R4B)



Sustainability Performance

Suppliers Sustainability behavior as differentiator in supplier selection and sourcing decision

Sustainability in the supply chain is also an integral part of **DEGREE**, our comprehensive framework to guide how we conduct business all around the world



Our DEGREE framework is substantiated with clear ambitions

Decarbonization

- **Net zero operations by 2030** in line with SBTi pathway
- **Net zero supply chain by 2050, 20% emissions reduction by 2030**

Ethics

- Striving to **train 100% of our people** on Siemens' **Business Conduct Guidelines** every three years

Governance

- **ESG secured supply chain** based on supplier commitment to the **Supplier Code of Conduct**
- **Long-term incentives** based on **ESG criteria**¹

Resource efficiency

- Next-level **robust eco-design** for **100%** of relevant Siemens product families **by 2030**
- **Natural resource decoupling** through **increased purchase of secondary materials** for metals and resins
- **Circularity** through **waste-to-landfill reduction of 50% by 2025** and towards **zero landfill waste by 2030**

Equity

- **30% female** share in **Top Management** by FY 25
- Access to **employee share plans**: maintain high level and **expand globally to 100%**²
- Global commitment to the **New Normal Working Model**

Employability

- **Double digital learning hours by 2025**
- Access to **employee assistance program**: maintain high level and **expand globally to 100%** by 2025
- **30% improvement** in Siemens' globally aggregated **LTIFR**³ **by 2025**

¹ Assessed on the basis of a Siemens internal ESG/Sustainability index, incl. Customer Net Promoter Score, CO₂ Reduction, Training Hours

² Where legally possible and reasonable ³ LTIFR: Lost time injury frequency rate (of Siemens employees and temp. workers) baseline FY2020

➤ SCM Targets

Decarbonization

support the 1.5°C target
to fight global warming



Supply Chain Decarbonization strategies



Carbon Web Assessment cycle:
Assess-detect-develop loop.



Carbon reduction @ Suppliers:
target setting and action plans

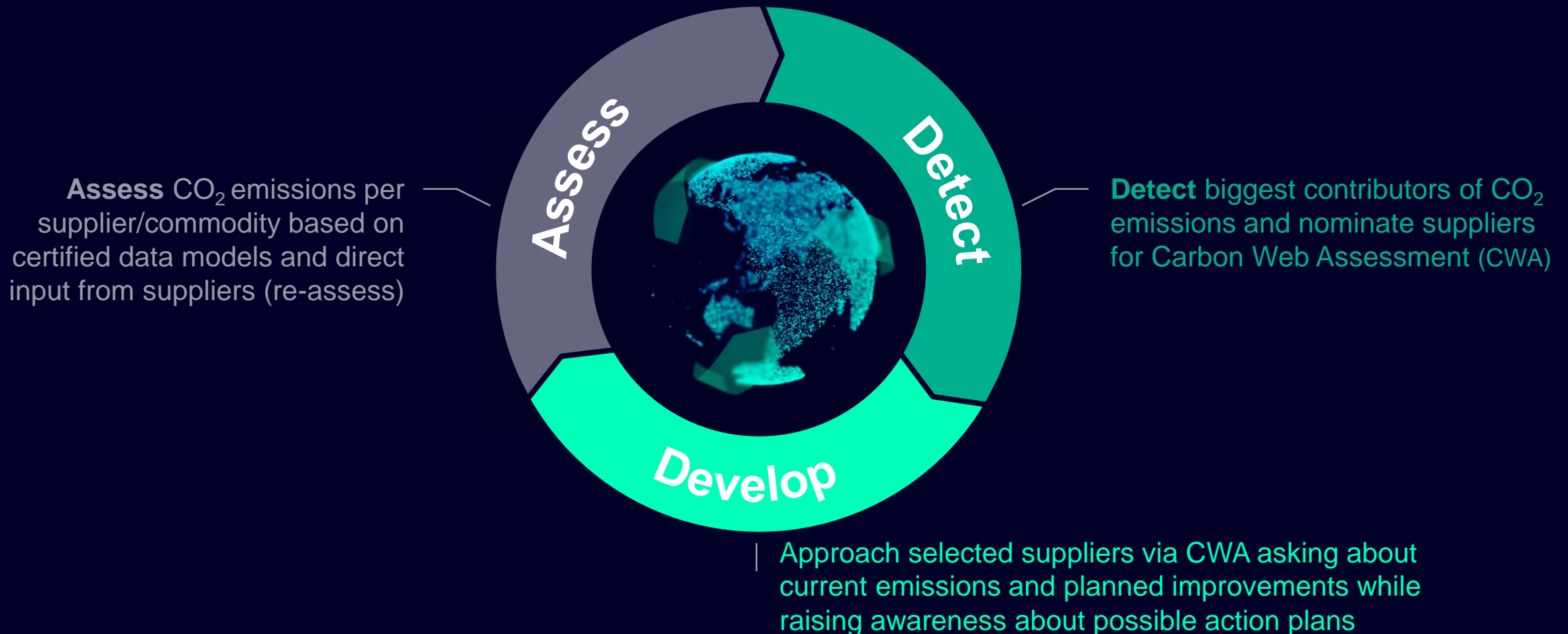


Green Digital Twin:
Enable sustainable design and
sourcing decisions



Carbon Neutral Travel & Fleet:
Commitment to 100% EV by 2030

Siemens AG commits to reduce **upstream CO2 emissions** by 20% until 2030. This path started in 2018 and will accompany us into the far future.



Governance

apply state-of-the-art systems for effective and responsible business conduct



ESG Secured Supply Chain programs



Holistic approach based on international standards and our Business Conduct Guidelines




Consistent detection of suppliers adherence to our Fundamentals through audits and assessments



Clear supplier commitment to our Fundamentals required in our Code of Conduct



Responsible Minerals Sourcing process to prevent the incidence of conflict minerals in our supply chain



**What's good for our business
and what's good for people
and our planet go hand in hand.**

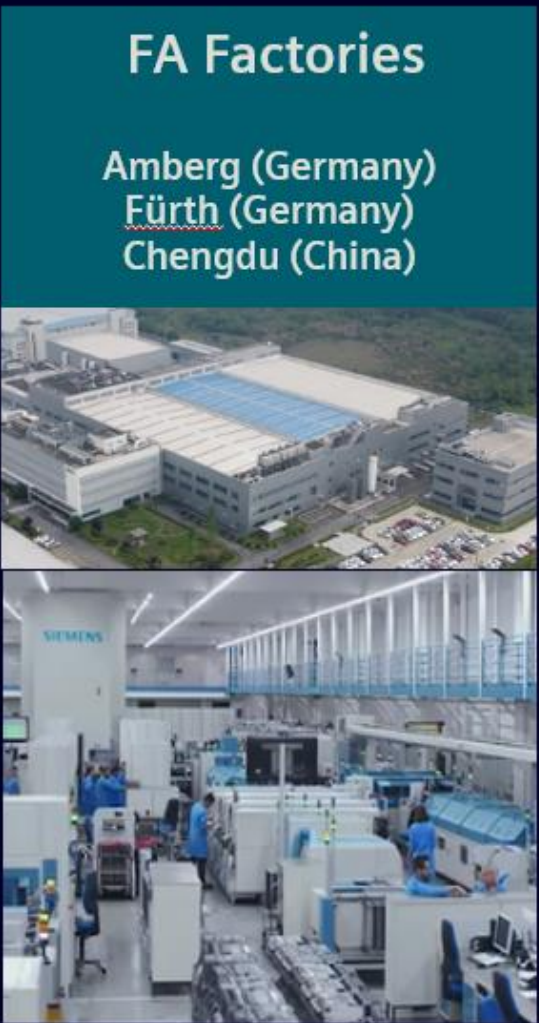
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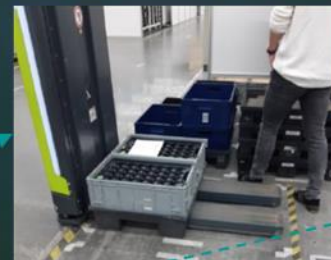
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DI Factory Automation – ‘Industry Thought Leader’ with global manufacturing footprint awarded by the World Economic Forum as a Digital Lighthouse

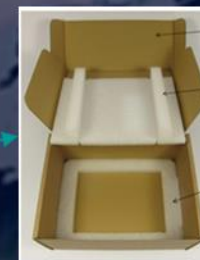


Factory Automation is looking into various possibilities to improve his sustainability footprint

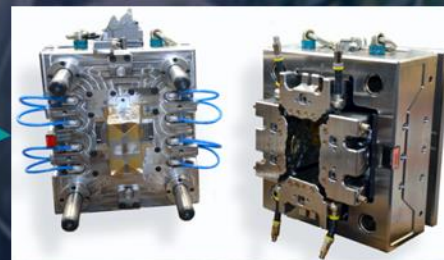
> Re-use transport boxes



> Substitution of plastic packaging



> Reduction plastic resin waste



> SIMATIC products for energy metering



> Usage recycled plastic resins



> Localization to reduce transportation



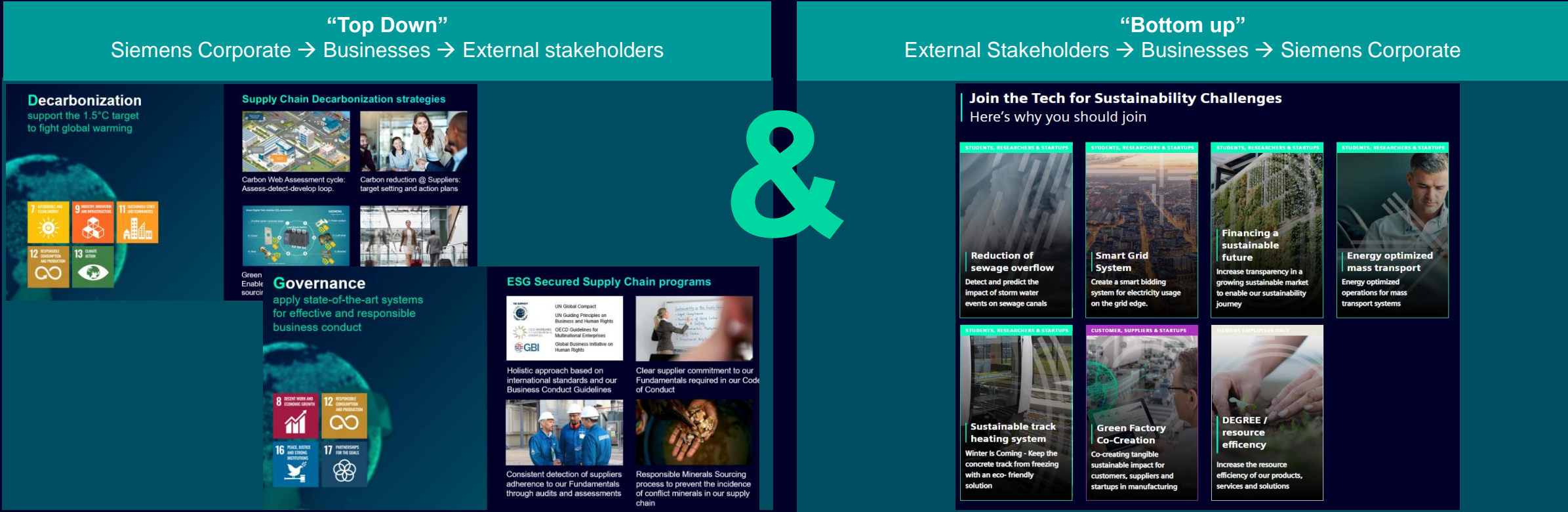
“Co-Creation is key”

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SCM Corporate has launched several initiatives already in order to advance sustainability in the supply chain – but now we want to hear from you!



Setting the scene – Tech for Sustainability Campaign @ Siemens Corporate

START INNOVATING

Tech for Sustainability Campaign

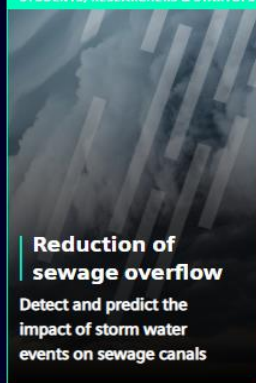
Tech for Sustainability is a global initiative for students, researchers, startups and innovative individuals to leverage technology to solve real-world sustainability challenges and shape our future along with Siemens. Participate by choosing a challenge listed below and work on real problems by submitting your ideas.

[Siemens Innovation Ecosystem](#)

Join the Tech for Sustainability Challenges

Here's why you should join

STUDENTS, RESEARCHERS & STARTUPS



Reduction of sewage overflow
Detect and predict the impact of storm water events on sewage canals

STUDENTS, RESEARCHERS & STARTUPS



Smart Grid System
Create a smart bidding system for electricity usage on the grid edge.

STUDENTS, RESEARCHERS & STARTUPS



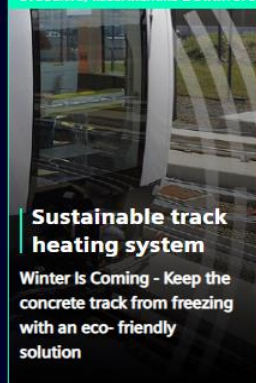
Financing a sustainable future
Increase transparency in a growing sustainable market to enable our sustainability journey

STUDENTS, RESEARCHERS & STARTUPS



Energy optimized mass transport
Energy optimized operations for mass transport systems

STUDENTS, RESEARCHERS & STARTUPS



Sustainable track heating system
Winter Is Coming - Keep the concrete track from freezing with an eco- friendly solution

CUSTOMER, SUPPLIERS & STARTUPS



Green Factory Co-Creation
Co-creating tangible sustainable impact for customers, suppliers and startups in manufacturing

SIEMENS EMPLOYEES ONLY



DEGREE / resource efficiency
Increase the resource efficiency of our products, services and solutions

Setting the scene – Green Factory Co-creation challenge @ Siemens DI FA

Green factory co-creation challenge



About this Challenge Description

Sustainable production is the challenge of the 21st century. While the industrial revolution is driving wealth, health, and prosperity for over two hundred years across the globe, many manufacturing companies waste resources and harm the environment. Global CO2 emissions are expected to increase by over 20% in the next 30 years. In order to keep growing our economies to the benefit of the people, it is critical that we stop using finite resources of our planet and move to sustainable growth within a circular economy.

- Improving factory sustainability along the entire value chain – from suppliers to end customers

[Green factory co-creation challenge](#)

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Increase the resource efficiency of our products, services and solutions

Green Factory Co-Creation Challenge: Improving factory sustainability along the entire value chain

Today's focus: Sustainable Procurement

Sustainable Design



What **design aspects** have the largest impact on recyclability?

Sustainable procurement



How can we **improve the resilience** of our supply chain and enhance sustainability?

- ❖ Dematerialization
- ❖ Decarbonization
- ❖ Resilient Supply Chain
- ❖ Innovation in the Supply Chain

Sustainable manufacturing



How can we **accurately forecast auxiliary material usage**?

Energy efficiency



How can we **avoid factory energy consumption peaks**?

Circular economy



How can we quickly evaluate the **remaining life of products & machines**?



CALL TO ACTION - We need your ideas!

How can you **support** DI FA sustainability initiatives?

What would you **expect** from Siemens DI FA to help you be more sustainable?

For what topics would you like to **partner** with Siemens DI FA to achieve more sustainability?

Please submit your first ideas until 21st September onto the [Siemens Innovation Ecosystem!](#)

Challenge Timeline

Idea Capturing



27 July – 21 Sept

- Upload your first ideas onto Siemens [innovation platform](#)

Validation & Mentoring



22 Sept – 26 Oct

- Fostering of ideas, completing missing information

Voting & Management Decision



27 Oct – 02 Nov

- Decision Board to select winners of challenge & nomination for bootcamps

Award Ceremony



19 Nov

- Preparation of implementation plan of how to advance with relevant ideas

Why should you participate?

- ✓ Win a sustainability bootcamp that is especially designed for you in a modular manner in order to accelerate the implementation of at least one of your key topics.
- ✓ Learn about current innovation methods with us, and apply directly.
- ✓ Get in contact with subject matter experts to discuss your challenges and expand your network in the sustainability field
- ✓ Identify where Siemens solutions can support or actively contribute to new approaches.

Please submit your first ideas until 21st September onto the [Siemens Innovation Ecosystem](#) and start the dialog with us about your sustainability topics!

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Questions?



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Thank you for your interest!