

Going Green

She's all about the people – and the planet, and is working hard to make sure Siemens stay true to its promise of becoming carbon neutral by 2030.

JUDITH WIESE
CPSO @ Siemens AG

Judith juggles two priorities at Siemens: people and the planet. She's the global tech powerhouse's chief people and sustainability officer (CPSO), not to mention a member of the Managing Board (as of 2020). As you can imagine, a lot rests on her shoulders. Given the recent COP 26 in Glasgow, Milestone is delving into her efforts to make Siemens carbon neutral.

"Today, technology is focused on sustainability but it's important to talk about what we mean exactly by sustainability," Judith says. "Siemens is approaching the issue along the three dimensions of ESG: environment, social, and governance. We have such a long heritage, we're nearly 180 years old, and we've been doing a lot through innovation and tech to influence how people and societies live going forward." →



Judith explains that Siemens is long-term orientated – focusing on sustainability from a planetary and environmental perspective is written into the company’s strategy, portfolio, and DNA. Incorporating energy generated by renewable sources into industrial processes reduces both CO₂ emissions and operating costs: “We’re also not a heavy industry. We’re not steel, we’re not cement, and we think that predominantly, we have to offer technological solutions developed through our innovation to help our customers transform. Our microgrid systems are helping many customers around the world to reduce their carbon emissions and achieve greater energy efficiency.”

Carbon neutral

Judith points to Siemens’ microgrid systems in the Azores Archipelago, which are reducing CO₂ emissions by more than 3,500 tonnes each year. Siemens recently announced its new framework for sustainability, which revolves around the DEGREE concept. It stands for Decarbon-

isation, Ethics, Governance, Resource efficiency, Equity, and Employability.

“Again, this is very important for us in terms of how we establish a culture, where treatment of people is equitable,” she says. “And that goes to diversity targets, that also goes to equity as in, how do we allow all people to participate in Siemens through share plans? Those are the things that we subsume under equity.”

The last E is very close to my heart - it stands for employability, because in a world that is changing so fast and where digitalisation also disrupts how we work and the type of work that we do, we think that the biggest gift and the biggest obligation that we have as an employer and a big company is to equip people to be resilient – to embrace change, to look positively and confidently to the world, but also to be relevant in terms of their professional skills and really make sure that we up- and reskill in a way that allows people to remain relevant to the employment market. Whether that’s within Siemens or beyond shouldn’t really matter.

MICROGRIDS

• The traditional power grid provides reliable power – most of the time. But when natural disasters or security breaches threaten the grid, the ensuing blackouts can be catastrophic and costly. That’s why companies and utilities are working together to build resilient, flexible power systems called microgrids. Operating either as part of the traditional grid or independently (or both), microgrids are revolutionising the way we manage our energy resources.

HUMAN EQUITY

• “Outstanding people are a key factor in a company’s success. We are very pleased to have gained an internationally experienced HR manager for the Managing Board of Siemens AG. Her appointment is also an important step in shaping the management team of the realigned and focused Siemens AG” – Jim Hagemann Snabe, chairman of the Supervisory Board of Siemens AG.

The COVID effect

With more than \$17 billion in revenue, Siemens’s 2021 results are an improvement on last year. Judith believes the pandemic gave firms the chance to self-analyse and work out how to better contribute to building a more sustainable world.

Progress is slow – CO₂ emissions only fell by 7% in 2020, despite the COVID all but grinding industry to a halt. To comply with the 2015 Paris agreement, carbon emissions need to be slashed by 7.6% each year until 2030, a topic of hot debate during November’s COP 26, but Judith is optimistic: “The goals don’t seem so far away, thanks to technological innovation. Companies can provide solutions.”

“We’ve been reporting sustainability KPIs for quite some time. We have a big sustainability report that we publish every year, but here we really wanted to say, ‘Let’s put out target systems. Let’s not just report numbers, but let’s really put out some target systems.’” Judith explains. “In terms of resource efficiency, it is about designing our portfolio in a different way, designing our products in a different way, and using our digital technology through what we call the green digital twin as well to make sure that our portfolio is following a robust design approach. And of course, that will help our customers as well. Now, there are targets, like how do we use secondary material under resource efficiency as well?”

Siemens’ objectives in terms of sustainability are not limited solely to the company’s own operations; it also provides solutions for others. One example, explains Judith,

Our DEGREE framework sets clear priorities for Sustainability at Siemens



CARBON NEUTRAL OPERATIONS BY 2030

• In September 2015, Siemens became the first global industrial company to commit towards carbon neutrality by 2030. Siemens has set a clear signal that companies must take leadership in driving decarbonisation. Siemens is committed to reaching carbon neutrality by 2030, and its facilities are on the verge of boasting a zero carbon footprint. The company is also striving to cut emissions by 20% by the same year and be carbon neutral by 2050. Siemens Mexico’s operations are already net zero carbon.

is its Siemens’ partnership with Mercedes-Benz – in March this year they announced they will be working together on the sustainable digitalisation and automation of the automobile industry with the support of the state of Berlin.

Judith says: “We have further expanded our successful cooperation with Mercedes-Benz in Berlin in recent months. We’re working with them on their Brownfield site

in Berlin to make the site and the production completely emission free. They want to make that a blueprint for 30 of their factories around the world. We’re helping them with digitalisation, with automation, sustainability, engineering. And we’re also actually helping them with upskilling and reskilling their people. It’s our technology and our innovation that will help the customer become emission free and make sure that they

take their people with them. Together, we are proving that state-of-the-art technologies can also make existing production facilities fit for the future. We are thus taking a major step towards sustainable and even more competitive automotive production. The future of mobility begins in the production hall. And technology from Siemens enables this transformation towards electromobility. This makes us proud.”