83rd LCA Discussion Forum

Scope 3 Environmental Data at Siemens Opportunities, Challenges & Solutions

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Agenda



Scope 3 Environmental Data at Siemens Opportunities, Challenges & Solutions



Siemens Sustainability Insight



Transforming the everyday to create a sustainable tomorrow



Siemens sustainability track record More than 15 years of leadership...



2003 **UN Global Compact**



2015 Carbon-neutral pledge



2018 **Charter of Trust**



2021 SBTi commitment

2008 Environmental Portfolio



2016 Business to Society®



2020 Eco-efficiency @Siemens

2021 Siemens DEGREE 2022

Step up CO₂ ambitions





Responsible Business Practices Supply Chain and Human Rights

Clear requirements for our suppliers

35 bn € of goods and services purchased from ~150 countries (FY22)

66.000 Suppliers

4.912 Self-assessment of suppliers

321 Quality audits of suppliers

426 External sustainability audits Risk-based approach to supplier management

ESG-secured supply chain

We respect human rights along our value chain

Business Conduct	Code of Conduct	
Guidelines	for Suppliers	sourcing of
		minerals

- Commitment driven by top management and monitored by Executive Board and Sustainability Board; regular assessment of material human rights issues
- Comprehensive ESG due diligence with respect to customerfacing business (ESG radar) in addition to best due diligence practices with respect to supply chain and in-house operations
- Regular stakeholder dialog with external human rights advisors, investors, rating agencies, and NGOs
- External collaborative dialogs, including the Global Business Initiatives on Human Rights (GBI), the UN Global Compact, the UN Guiding Principles



econsense

Our DEGREE Framework sets clear priorities for Sustainability at Siemens

Decarbonization

support the 1.5°C target to fight global warming

Ethics

foster a culture of trust, adhere to ethical standards and handle data with care

Governance

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

Employability

enable our people to stay resilient and relevant in a permanently changing environment

Equity—

foster diversity, inclusion, and community development to create a sense of belonging

Resource efficiency

achieve circularity and dematerialization



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 criteria¹
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 FY25 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 LTIFR³ by 2025



Scope

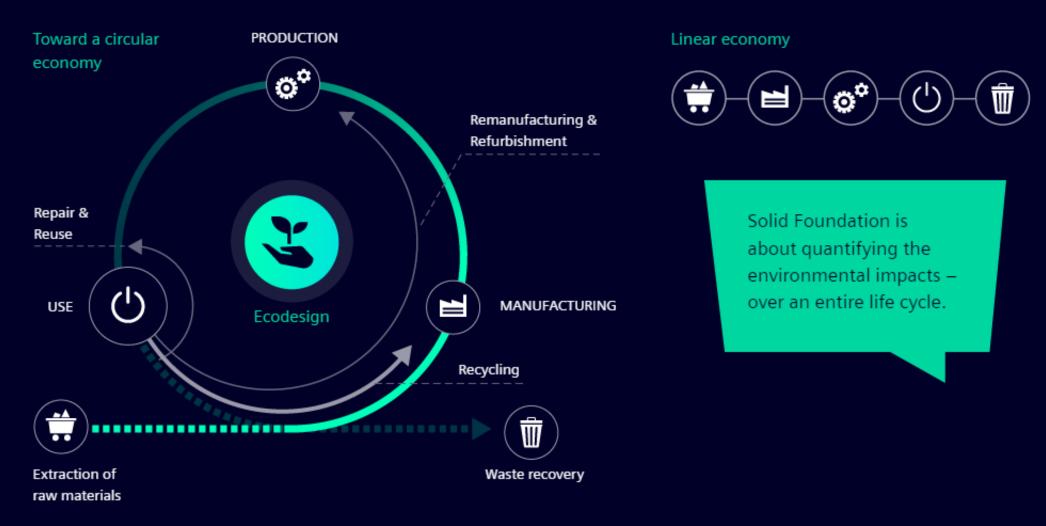
Our Environmental Scope is not only on Products It is on PSSS



* The term PSSS refers to all Siemens business types (products, systems, solutions and services), including inter alia software and digital applications.



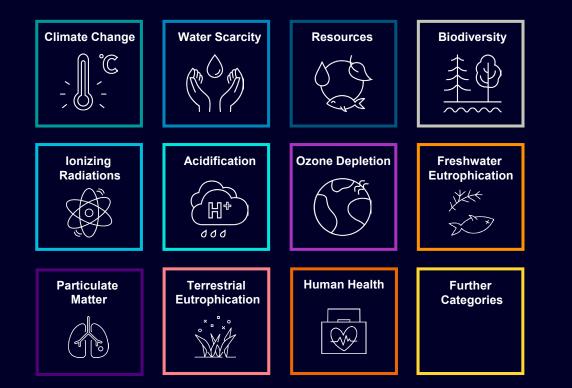
Quantifying environmental impacts





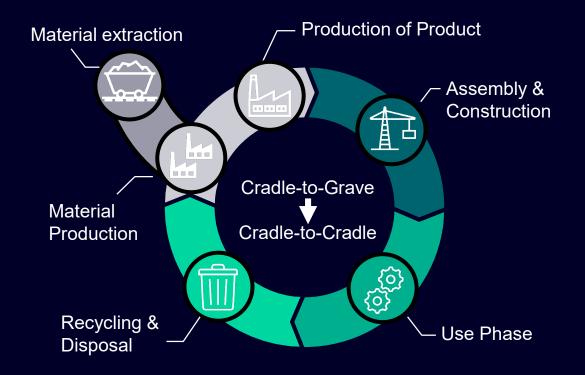
... creates Product Environmental Footprint transparency and encompasses the entire product lifecycle

Product Environmental Footprint with multiple impact categories



Product Lifecycle from Cradle-to-Grave



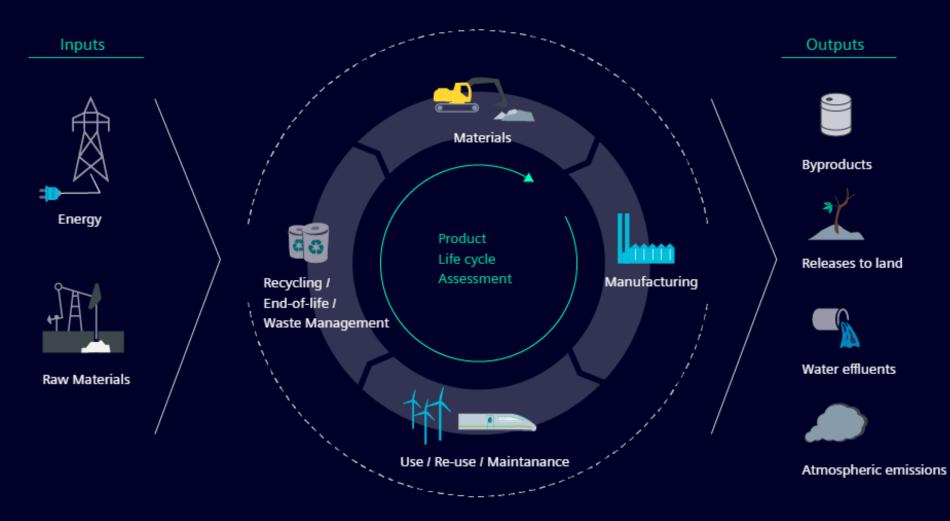


Design and Implementation

Benefits, Opportunities and Risks



Huge Investment in Change Management



Are LCAs comparable?

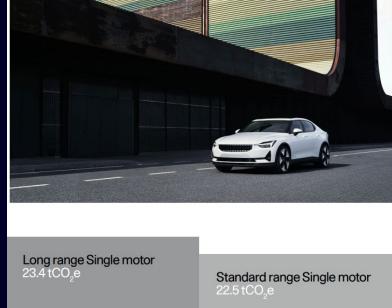
Can you compare these two results?

No, because we know nothing about what is behind of this data. How was the **functional unit** defined (*Lifecycles, use phase , calculation rules etc?*) What were the respective system boundaries?

Only products with the same **functional unit** and same Life Cycle Impact Assessment method and calculation rule can be compared.

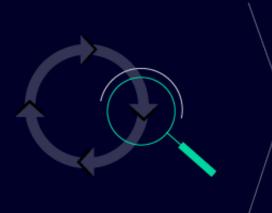
As you can see that the **most important thing is transparency** and documentation. Whether in the preparation of the LCA or in the communication of the results.







Life Cycle Assessments and Environmental Product Declarations It is a long way in front of us







Siemens' strategy

 Quantitative assessment of environmental impacts related to the life cycle of a product, system, solution or service

Output

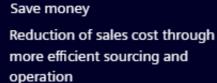
- End of FY22: 71 LCAs and 1,294 EPDs for our products, systems, solutions and services
- Tracked by our reporting tool SESIS (Siemens Environmental and Safety Information System)
- Individual LCAs / EPDs remain the property of the businesses

Measures

- Life Cycle Assessments (LCA) according to ISO 14040/44
- Environmental Product Declarations (EPD) according to ISO 14021 or 14025
- A wide range of possible impacts on climate change and the environment are considered

How to profit from Eco Efficiency analysis







Make profit

Increase in competitiveness through additional selling points in new and saturated markets



Avoid risks

Maintain revenue in environmentally sensitive markets; Safeguard public procurement





Example: LCA for Service



PHASE I: System boundaries of Service Agreement Non-digital Corrective for one service intervention



All **steps** are considered from PM 080 onwards and include:

- 1. Order Entry and Processing
- 2. Call Handling/ Dispatching/ Remote service delivery
- 3. Travel
- 4. Accommodation
- 5. Pre-site activities
- 6. Maintenance
- 7. Finalization and report to back-office

Note:

- Corrective similar to on-site/ on-call service
- Logistics (materials/ tools) negligible (similar assumptions for logistics and warehouse apply as on-site/ on-call)
- Back-office (technician prep) negligible
- PM080 means starting from order entry.

Back office Travel and accommodation

On-site activities

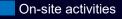


PHASE II: Life Cycle Inventory of Non-digital Corrective Service Agreements



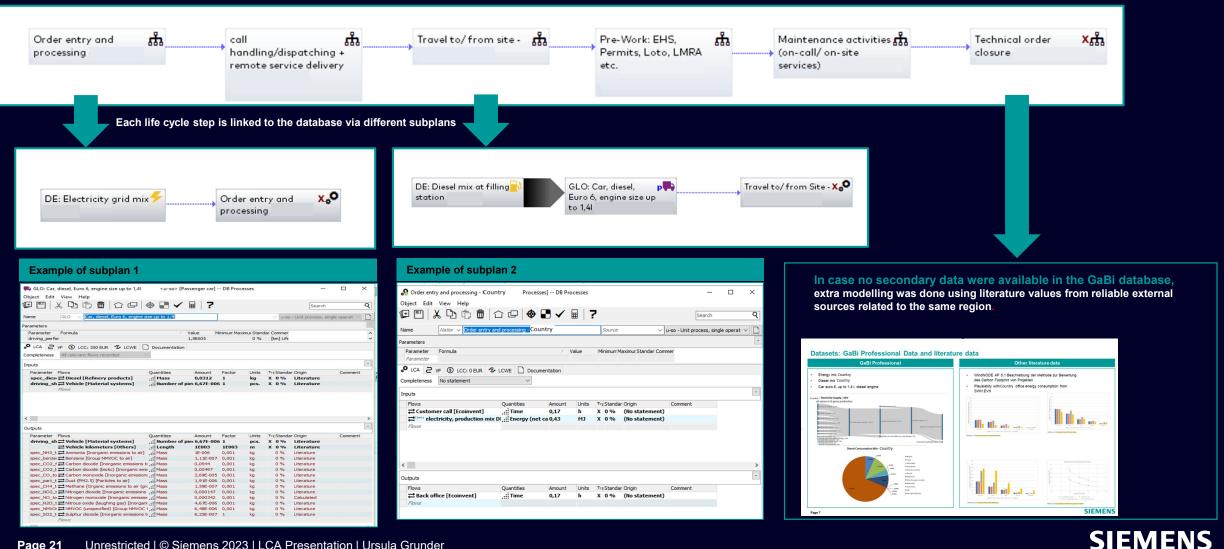
	Preventive	Corrective	Preventive	Corrective	Preventive	Corrective	Preventive	Corrective	Preventive	Corrective	Preventive	Corrective	Preventive	Corrective
RSS AT	X min	X min	X min	X min	X min	X min	X min	X min	X min	X min				
RSS CH	X min	X min	X min	X min	X min X km	X min X km	-	-	X min	X min	X min	X min	-	
RSS DE	X min	X min	X min	X min	X min	X min	X min	X min	X min	X min				
RSS FR	X min	X min	X min	X min	X min	X min	X min	X min	X min	X min				
SI EA CS DE	X min	X min	X min	X min	X min	X min	X min	X min	X min	X min				

Back office





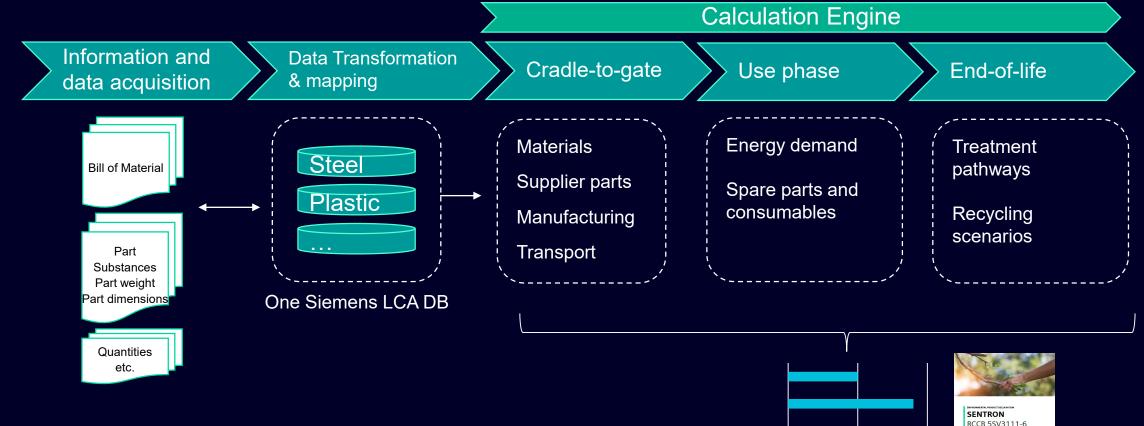
PHASE III: GaBi Model LCI data were entered in the LCA tool GaBi (vx.x) and modelled as shown



One Siemens LCA Databox



Green Digital Twin



- Technical product information are matched through BOM import with centrally managed and aligned One Siemens LCA DB
- Within Calculation engine required information for different life cycle phases are considered and can be adjusted by the user
- Environmental footprint results are directly visible and can be downloaded as EPD report

Environmental footprint result

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Certification according to ISO 14040 & 14044 - Overview

Siemens input

- Documentation of the application
- Methodological choices
- Sample
 calculations
- Data used
- Data structure
- Impact assessment categories used
- Qualification of LCA specialists

TÜV verification

Check documentation and methods

Check calculation engine

Verify data model used and data quality

Check reporting

Certificate and online documentation on TÜV page



"GDT Web Application is suitable for calculations according to DIN EN ISO 14040 and 14044"

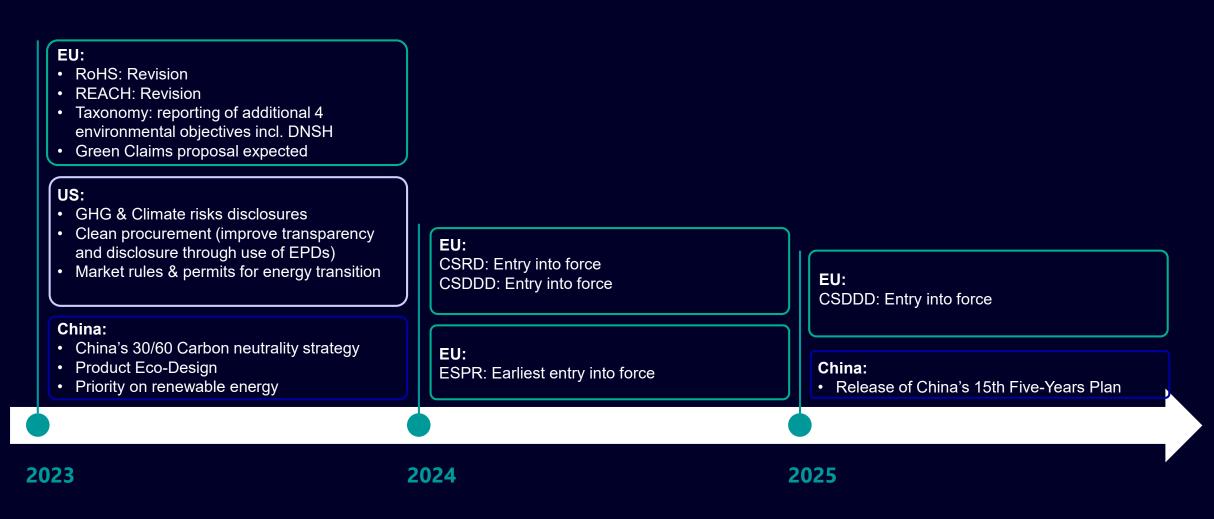


Way forward and Conclusion



Global regulatory "Tsunami" – It's time to act now!

Companies need to improve in the fields of data transparency and sustainable product design





Contact

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