More than one way
Corporate responsibility in the UK

www.siemens.co.uk
Siemens UK

about us

Historic facts

In 1873
Siemens laid the first undersea cable linking Britain and the US.

In 1879
Siemens built the world’s first electric train for Bushmills, Northern Ireland. The first public railway designed by Siemens opened on Brighton seafront in 1883.

In 1881
Siemens installed the world’s first commercial power station, and also the first electric street lighting, in Godalming, Surrey.

In 1888
Siemens developed the first 1Mb memory chip to go into production and the first GSM mobile phone with colour display in 1997.

Siemens is a leading global technology company providing innovative solutions to help answer the world’s toughest questions confronting industry, healthcare, energy and the environment.

We’ve been operating in the UK for over 160 years, driving innovations which have helped to improve the way we live and work. Today, we design and manufacture products and systems ranging from traffic lights, gas turbines and turbine spares to the superconducting magnets used in medical scanners and the drives that are behind many of the UK’s manufacturing plants.

We also provide essential services across key sectors of the UK economy, including maintaining fleets of electric and diesel trains, asset funding for medical equipment in the NHS, and running back-end processes for major financial institutions and public sector bodies.

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Siemens UK
where we are

At Siemens, we believe responsible company management is a prerequisite for social acceptance and long-term business success.

For us, corporate responsibility means that we safeguard the success and future of our company by taking seriously economic, social, ethical and environmental concerns and by being a benchmark in regulatory compliance, transparency and governance.

**Facts**

- 27 operating companies in the UK
- 20,000 employees in the UK, including about 6,000 in manufacturing
- Over £3.5 billion in annual revenues in 2007
- £69 million invested in R&D in 2007

Find out more at www.siemens.co.uk
more than one way
to be responsible

Welcome to our first corporate responsibility report for Siemens in the UK. This is an opportunity to share some of the exciting and innovative ways in which we are looking to lead the field in corporate responsibility, both in the products and services we provide and also in the way we conduct our business.

It’s a chance for us to affirm our commitments, share our successes and look at areas in which we need to improve.

In the last 12 months, we’ve established a formal corporate responsibility Steering Group under my chairmanship, which has senior management representation from all major business units. This group has committed itself to lead and deliver a more focused approach to the different areas of corporate responsibility in the UK and provide top-level accountability.

Following some initial baselining, we’ve set ourselves a number of key performance indicators (KPIs) against which we can benchmark our progress – see page 20 for details of these.

“To be ‘responsible’ – meaning our commitment to ethical and responsible actions – is one of our three core company values.”

Günter Dombrowe, Chairman of the Corporate Responsibility Steering Group and managing director, Siemens Medical Solutions
Whose job is it to save the planet?
Siemens is driving the debate on some of the key issues of today. In July 2007, for example, we brought together a panel of thought leaders at Westminster to debate the question “Whose job is it to save the planet?” in front of an audience of MPs, journalists and other opinion leaders. Clark MacFarlane, then managing director of Siemens Building Technologies and now managing director of Siemens IT Solutions and Services, chaired the debate featuring four key speakers: Michael Jack, MP; Tony Juniper, executive director of Friends of the Earth; Juliette Jowit, transport and environment editor at The Observer; and Soli Townsend, managing director of Futerra. Townsend said: “As more of the public take small, not hugely impactful steps, they are much more likely to demand larger, very impactful steps from business and government.”

We believe that our prominent position carries with it serious responsibilities. It brings an obligation to conduct our business to the highest ethical standards and to learn from particular challenges our company has faced elsewhere in the world. We are not only committed to 100% compliance with all relevant laws and regulations across every part of our business and at all levels, but aim at being an industry benchmark in this respect.

It is our goal to develop, nurture and value our people so that they can realise their full potential in a supportive working environment. In some areas, such as workforce diversity, we recognise that there is still more we can do. As a result, we’ve conducted a major data-gathering and benchmarking exercise and established a national Diversity Council to develop a new roadmap to help us get to where we want to be.

In other areas, such as our education and community initiatives Generation21 and Caring Hands, we are very proud to share some of our achievements to date and our plans for the future – these include the establishment of such initiatives in each part of our UK business. The health and safety of our employees and contractors remains a top priority for Siemens in the UK. We’ve recently created a business-wide Health and Safety Advisory Group to help ensure that a ‘zero-harm’ approach is established and applied right across our operations.

We take our environmental impact very seriously and have been working with the Carbon Trust to evaluate our carbon footprint and look at ways of minimising this. The move to our new UK corporate headquarters in August 2007 was an opportunity to put into practice some exciting new approaches in creating a world-class, environmentally sustainable workplace – see pages 12–13 for more details.

While our internal efforts in this respect are important and valuable, they are eclipsed by several orders of magnitude by the positive environmental impact provided by our environmentally innovative products and services – from the world’s largest offshore windfarm to energy-saving household appliances – which you can find out more about in this report.

We are keen to engage all our stakeholders in our approach to corporate responsibility and would be delighted to hear your feedback.

I look forward to sharing our progress with you in the years to come.

Günter Dombrowe

Left: We are committed to promoting to our employees and the wider community the positive health benefits of taking regular exercise. In autumn 2007, we held an employee rowing regatta and also launched Stroke for Stroke week in support of The Stroke Association. Both activities link to our sponsorship of GB Rowing.
more than one way
to ensure the highest standards of compliance

Siemens is committed to acting with integrity, honesty and in compliance with all legal requirements as the basis for conducting our business.

Ensuring responsible governance and regulatory compliance is an ongoing challenge that affects every aspect of our operations. We have reinforced our efforts to respond positively to this challenge and to implement change when and where needed.

Fit4 2010
Our Fit4 2010 programme defines clear and ambitious targets for the company, with corporate responsibility one of the four key levers driving sustainable business success.
International framework

In line with Siemens AG, our parent company, we comply with the German corporate governance code, which sets out internationally recognised standards for good and responsible governance. We are listed on the New York Stock Exchange and are therefore subject to the rules and regulations of the US Securities and Exchange Commission.

Since its launch in 1999, Siemens has been included every year in the Dow Jones Sustainability Index (DJSI), which recognises companies with exceptional economic, social and environmental performance records.

Responding to challenge

At the end of 2006, Siemens AG became subject to allegations of improper business conduct. While we are not aware of any investigations in the UK, we are nevertheless fully engaged with learning from these experiences and meeting the challenges ahead. Siemens has launched a large number of measures to uncover cases of misconduct and increase employee awareness. Dedicated compliance officers have been appointed for all of our UK businesses who in turn report to John Garred, the newly appointed regional compliance officer for Siemens in the UK. This team is helping to ensure that a proactive approach to compliance is at the heart of everything we do, providing support, advice and leadership.

A new web-based training programme aimed at the prevention of bribery and corruption is being rolled out across our businesses, helping our employees to understand better the potential areas of risk in their dealings with customers and suppliers.

This will be followed by similar training to raise awareness and understanding of anti-trust issues, to be rolled out in 2008 and beyond. We believe that with a new and robust strategy and team in place, we are better equipped than ever to respond to any challenges in a positive and proactive manner.

Compliance is an issue which extends far beyond fraud and corruption, and is an integral part of every aspect of our business – from protecting the health and safety of our employees, to managing the environments we work in, to protecting data and looking after company property. We are working hard to ensure that we meet all our obligations and develop a culture in which compliance issues are consistently and positively addressed.

Open dialogue: Ask us and Tell us compliance helpdesk

During 2007, Siemens established a global compliance helpdesk that provides a round-the-clock, professional service to employees. Using the Ask us facility on the global company intranet, colleagues can post questions on any aspect of business compliance and get a quick response. This helps to ensure we operate with integrity, transparency and to the highest standards of compliance at all times.

In addition, the Tell us facility allows employees, suppliers, customers and business partners to report in complete confidence any concerns, issues or irregular practices – either online via the helpdesk link at www.siemens.com/compliance or by telephone on 08000 328483. The call centre and website are operated by an external provider and incoming messages are not traced.

"We have no tolerance for illegal conduct, and we respond to violations with clear consequences. We will continue to strengthen compliance as a key element of Siemens’ corporate and leadership culture."

Peter Löscher, Siemens President and CEO
Protecting and promoting the wellbeing of our employees is an integral part of the Siemens culture. We demand the highest standards of occupational health and safety in everything we do, while also enabling our employees to enjoy active and healthy lifestyles through initiatives which focus on areas such as nutrition, exercise and health assessment.

Our goal: zero harm

All our businesses are committed to developing a culture in which no work-related injury or illness is acceptable, known as a ‘zero-harm’ approach. We strongly believe that good performance in health and safety is not merely the absence of accidents or illnesses, but the creation of a culture in which all employees work proactively to identify potential causes of incidents and take preventative action in advance.

The compulsory reporting and investigation of near-miss incidents is one means of achieving this. We also aim to provide strong leadership on health and safety issues from our senior management – each of whom must conduct a twice-yearly site safety tour – while providing all our employees with the training and culture in which taking responsibility both for themselves and others is integral to their working practices.

We’ve recently introduced an increased focus on peer auditing, in which each business is assessed by colleagues from another Siemens business in the UK. We’ve also established a partnership with Mitsui Sumitomo Insurance, which provides our employer’s liability insurance, to assess the inherent risks related to our activities and look at ways to reduce these.

While these developments continue to drive improvements in health and safety performance at Siemens, we are not complacent. The recent creation of our business-wide Health and Safety Advisory Group, at which all our businesses must be represented, helps us to share best practice and work together more efficiently towards our ultimate goal of zero harm.

David Griffiths, health, safety and risk manager, Siemens plc
Living well, working well

Encouraging the overall wellbeing of our employees is more than just the responsible thing to do; it also makes sound business sense, through decreased absenteeism, improved motivation and enhanced productivity.

At Siemens Automation & Drives, a wellbeing initiative delivered by service provider Road to Health was introduced in 2007. It offers initial on-site confidential health assessments to every employee and a personalised assessment of lifestyle risks and strategies to combat them. As well as discounted membership to local gyms, employees can also take advantage of an online resource through which they can create and monitor tailored exercise programmes and access information on areas such as nutrition and disease prevention.

Other wellbeing initiatives have been introduced in recent years at Siemens Enterprise Communications, Siemens Medical Solutions and Siemens Transportation Systems, among others.

Driving for safety

According to figures from the Royal Society for the Prevention of Accidents (RoSPA), more than one third of all road accidents involve a driver who was at work at the time. Driving is a necessary but potentially hazardous part of many Siemens employees’ working lives. To respond to this risk, advanced driver training is being rolled out across Siemens businesses in the UK.

Siemens Medical Solutions, for example, has trained 284 drivers, representing 96% of its company car drivers, in the past three years. It has also used technology and improved working practices to significantly reduce the annual mileage of its drivers. The level of accidents per year has reduced from 145 accidents in 2003 to 81 in 2007. As a result, fewer drivers have been injured or suffered personal inconvenience through road traffic accidents and the business has benefited through a reduction in lost time and insurance premiums.

Taking time to take CARE

Siemens Transportation Systems has put safety at the heart of its business through a far-reaching initiative called Take CARE. Launched in April 2007, it involves team briefings and employee training in key areas such as near-miss reporting, personal protective equipment, fatigue and manual handling.

Buy-in at management level has been crucial to the campaign’s success. All senior management has received further training in areas such as risk assessment and health and safety management. Supported by an ongoing communications campaign, Take CARE has already resulted in a reduction in minor injuries and an increase in near-miss reporting; the quest towards a ‘zero-harm’ working culture continues.

“Accident prevention should be perceived not as a legal obligation, but as being motivated by a duty to our fellow man and by sound economic sense.”

Werner von Siemens, company founder, 1880

Facts

112 total RIDDOR* incidents in 2007, with an incidence rate** of 653 and 1,370 near misses

100% attendance of businesses at Health and Safety Advisor Group meetings in 2007

Gold Medal 2007 from the Royal Society for the Prevention of Accidents (RoSPA)

In 2007, Siemens Energy Services was awarded its fifth Gold Medal by RoSPA, each of which recognises five consecutive years of improvement in the management of health and safety across the business.

* Incident reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR)

** Incidence rate = No. RIDDORs x 100,000

No. employees
more than one way
to drive people excellence

At Siemens, we know that the long-term success of our business is dependent on attracting and retaining the most talented people, and helping them to realise their full potential.

In line with the People Excellence pillar of our global Siemens strategy, we see effective talent management as a business priority and consider improved diversity across our workforce as a key driver in our ongoing competitiveness.

Championing diversity
The creation of our Diversity Council in April 2007 represents a landmark for our organisation. Bringing together senior managers from across our different businesses, the Council meets regularly to champion diversity and to lead initiatives aimed at creating a more inclusive and representative workforce.

“One Siemens is a company where you are always encouraged to expand your horizons and develop the skills that will support your long-term career ambitions.”

Ketan Patel, currently with Siemens Medical Solutions
A business case for diversity

In 2007, Siemens Traffic Controls set out its plans for diversity as a key element in its bid for contracts with Transport for London. The resulting Diversity Action Plan, which defines strategy, targets and commitments until 2012, aims to create an employee base that is representative of the communities in which it works.

Along with improved diversity monitoring and communications, a wide range of new initiatives are already under way. All employees are now required to take part in diversity awareness workshops, which will be extended to key sub-contractors in 2008. To improve access to the nearby workforce, all positions are now advertised in a local Job Centre Plus and the use of various minority websites and job boards is being investigated.

Diversity initiatives include:
• An audit of the recruitment and selection processes
• Internal and external benchmarking
• UK Diversity Recruitment and Selection Forum – participation
• Employers’ Forum on Disability – corporate member
• Training pilot conducted and diversity training included in Siemens Orientation Day
• Increased focus on supplier diversity credentials.

Managing talent

We realise that our people are our greatest asset. Our goal is to create an environment in which they can develop their talents, realise their ambitions and achieve their best work.

Our Graduate Development Programme was launched in 2005 to help attract and retain the best young people. Currently, only 6% of our employees are aged under 25.

We aim to double our yearly intake of graduate trainees to 200 by 2009 as well as increase the number of apprentices we recruit, ensuring that we can draw on ambitious new talent to help develop the future of our businesses.

Our Talent Management programme is aimed at empowering employees to develop the skills they need for successful long-term careers at Siemens. Relaunched in the UK in 2007 and put into action in our autumn appraisals, the Siemens Leadership Framework (SLF) is a performance assessment system aimed at identifying leadership potential and equipping individuals with the capabilities to achieve outstanding results.

Birgit Saul, talent management executive, said: "The updated SLF makes the process of evaluating performance and talent more straightforward and transparent. It highlights the capabilities Siemens is looking for in people at all levels, including those who’d one day like to move into a management role.”

"Diversity is not just a matter for HR, all of us should be thinking about what we can do to encourage it.”

Rebecca Clarke, UK personnel manager

Facts

73% of our workforce are male

200 graduate trainees per year by 2009

Siemens UK ethnic origin data

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Siemens UK employee age data

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<td>65+</td>
<td>1%</td>
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</tbody>
</table>
more than one way to be a good corporate citizen

At Siemens, we constantly strive to play a positive role in the communities we work in, as well as supporting those in need further afield.

Siemens Generation21 is our global educational programme, which works to realise the potential of the engineers, scientists and technology experts of tomorrow by generating enthusiasm and offering new opportunities to learn today. It focuses on children and young adults at pre-school, school and university levels, and helps to both awaken and develop interest in the world of technology and related careers.

Supporting schools in Manchester
In Manchester, three of our businesses have been working together to deliver Generation21 activities across the city and beyond. Siemens Automation & Drives, Siemens Transmission & Distribution and Siemens Global Shared Services received one of our top business excellence awards in 2007 for their work aiming to encourage and support interest in science and engineering among young people.

Alongside its work with the higher education sector in the North West, Siemens has been supporting engineering, design and technology in schools in Manchester since 1997 through its Making Things Work initiative, which helped introduce the Systems and Control element of the curriculum to 14 schools. Following the success of this programme and a review by Manchester Metropolitan University in 2005, a new Generation21 programme has refocused efforts on two inner-city schools that attract a high proportion of students from ethnic backgrounds: the all-girls Whalley Range 11–18 High School and the mixed Trinity Church of England High School.

We have been working closely with both schools to understand their needs and reflect this in the support we offer. Already, over 60 students have worked in teams at our sites in Manchester on two-week projects focused on engineering, information technology and business-related subjects such as sustainability, energy and smart-home technology.

Career days have provided girls at Whalley Range with the opportunity to meet successful female role models working in different areas of Siemens; curriculum days have provided students with an insight into the practical applications of subjects such as science and maths; and industry days have given students and teachers the chance to see the hi-tech world of modern industry in action at Siemens.

An Ofsted Report on Whalley Range in March 2007 stated: "A significant strength of the school is its links with outside business. These enable many students to gain relevant practical experience. Competitions and projects add a further dimension and encourage skills such as teamwork and creative problem solving, and have been a major factor in stimulating students’ confidence in looking forward to their future working lives.”
To achieve this, we have developed two programmes to channel our activities: Generation21 and Caring Hands.

Our Caring Hands programme helps make the world a better place by coordinating a broad range of charitable activities. Through it, we support our employees to take part in volunteer community service projects across the country, raise money for people in need of aid or assistance, and run a disaster relief programme to respond rapidly to emergencies around the world.

Making a difference from Nottingham to India

With its partner organisation, Siemens Information Processing Solutions (SIPS), Siemens Energy Services in Nottingham has been using Caring Hands as a platform to improve lives both at home and abroad. The businesses have initiated an ongoing programme to support an orphanage in Chennai, India, which looks after children from backgrounds of poverty and disadvantage. The Seva Chakkara Orphanage is home to 85 children from 18 months to 16 years of age and provides them with accommodation, schooling (up to 10 years after which they attend grammar school) and medical attention. The orphanage currently receives no state or government funding, instead relying on donations and goodwill gestures. Siemens has helped to secure the future of the orphanage through an initial five-year commitment, which offers our business knowledge and experience to help them learn, as well as giving financial support to help with building and infrastructure improvements. Our colleagues in Chennai have provided volunteers to teach various skills, including arts and crafts, computer skills, English lessons, music and dance.

Closer to home, we have established a link with Seagrave Primary School in Nottingham via Business in the Community (BITC) as a part of the Caring Hands programme. The school is located in an area of significant social deprivation where over half the pupils are eligible for free school meals and more than a quarter have learning difficulties or disabilities. As well as providing financial support to the school each term, Siemens colleagues at Nottingham are being encouraged and given the time from work to help support Seagrave Primary through two initiatives: spending an hour a week helping children learn to read through the right-to-read programme and also volunteering to help out at the school’s Nottingham Cares Breakfast Club. The aim of the club is to ensure children have had a proper breakfast to give them a good start to the school day with sufficient energy to concentrate and behave well in class.

Find out more at www.siemens.co.uk/caringhands
more than one way
to minimise our impact on the environment

Siemens aims to be an industry leader in responding to the threat of climate change, both through the innovative products and services it provides and also by minimising the impact of its own operations on the environment.

Working with the Carbon Trust
We believe that effective carbon management not only is the responsible thing to do, but also offers tangible commercial advantages such as reduced energy costs and an enhanced reputation across all our stakeholders – including customers and employees.

To help us achieve this, in 2007 we worked with the Carbon Trust to carry out a scoping study to quantify the company’s carbon footprint. This focused on 11 key UK manufacturing sites and offices, and company-wide business travel. Based on the available data for gas, electricity, oil, business travel, waste and water, our carbon footprint for 2006/07 was calculated at approximately 88,000 tonnes of CO₂, 73% of which was produced from the sites and 27% from business travel. We continue to work on improving the quality of our data in order to increase the overall accuracy in measuring our carbon footprint.

Having established a baseline carbon footprint, we are continuing to work with the Carbon Trust to develop the most effective strategies to reduce our footprint at these key sites. Key actions currently under discussion include improvements in energy management, improvements in data collection and analysis, higher efficiency machinery and improving employee awareness.

“Our aim was to create an inspiring, environmentally friendly, modern working environment for our employees, helping them to work to their highest potential, productively and in comfort. The relocation of our UK headquarters has been an ideal opportunity to rethink the way we work and massively reduce our impact on the environment.”

Andrew Beshaw, managing director, Siemens Real Estate
Green thinking at new HQ

In 2007, we moved our corporate headquarters from Bracknell to Frimley, Surrey, providing an ideal opportunity to rethink the way we work and reduce our impact on the environment. We significantly enhanced the buildings on our new campus by installing many of our own state-of-the-art products to reduce consumption and increase energy efficiency. Lights automatically turn themselves on when movement is detected and dim or brighten according to the natural light in the office. The temperature, blinds and air-conditioning are controlled centrally to minimise energy consumption.

The aim is to recycle 75% of all waste at the new HQ – and mechanisms are in place to measure that. We also run shuttle buses from stations to encourage staff to travel by rail, and offer preferential parking for car-sharers. Video-conferencing also reduces the need for business travel.

An international standard

Many of our UK businesses have achieved or are working towards ISO 14001, the internationally recognised accreditation for environmental management systems. In other areas of our business, compatible or alternative environmental management systems are in place or being evaluated.

Driving change at Congleton

Siemens Automation and Drives in Congleton was our Factory of the Year in 2007. The factory produces more than one million drives per year, which control the frequencies of power supplied to motors. It is also a site where environmental performance is at the top of the agenda. Recent initiatives include the installation of a new roof, which improved insulation and a change in boiler configuration to enable more efficient heating. These and other additions have led to a reduction in gas expenditure by 12% in a single year. Improved waste segregation has recently resulted in a 10% reduction in waste sent to landfill and an increase in waste recycling. Building on this momentum, an Environmental Panel was formed and is working with the Carbon Trust to calculate a carbon footprint for the entire site and establish ways of minimising this.

Facts

150 million tonnes of CO₂ = the total amount of CO₂ emissions in the UK each year
20 million tonnes = the reduction of annual CO₂ emissions the Government wants to achieve in the UK by 2012
20% reduction in CO₂ emissions = the target of Siemens globally between 2006 and 2011
88,000 tonnes of CO₂ = the Carbon Trust’s estimate of Siemens’ carbon footprint in the UK
122 tonnes of CO₂ and £34,000 = estimated annual saving from intelligent lighting systems at our new head office in Frimley
more than one way
to meet our energy needs

“If we don’t act now, the consequences of climate change will be destructive,” UN Secretary-General Ban Ki-moon said before the 2007 Climate Summit in Bali. It is becoming increasingly clear that some tough questions in relation to energy use need to be answered if we are to ensure a sustainable way of life in this century and beyond.

For example, with a growing urban population, how can you reliably power the megacities of the 21st century? How can you transmit power thousands of kilometres to remote areas of the world? And last but not least, considering the scarcity and environmental impact of fossil resources, how can we best use renewable energy sources?

As a world leader in power technologies, Siemens is providing solutions to these questions. Through the development of cleaner coal, combined heat and power, and renewable energy technologies, we are helping to meet our growing demand for reliable energy while addressing the environmental issues we face.

In the UK, as part of a contract with coal-fired power station Drax in Yorkshire, Siemens is undertaking the largest steam turbine modernisation project in UK history to help reduce CO2 emissions – see opposite for more details.

Right: Siemens is helping to meet growing demand for water-metering services in the UK, particularly in so-called ‘water-stressed’ areas in the South and South-East.
The generation question

Drax in Selby, North Yorkshire, generates about 7% of the UK’s electricity needs – making it Western Europe’s largest coal-fired power station. However, this also means that it was responsible for 21 million tonnes of carbon dioxide emissions in 2005.

In 2007, Siemens Power Generation signed a £100 million deal to upgrade the turbines at Drax over the next four years. Replacing the turbines at the 4,000 megawatt power station will increase the overall efficiency of the plant to almost 40%, strengthening its position as the UK’s most efficient coal-fired generator.

This improved efficiency will reduce CO2 emissions by one million tonnes per year – equivalent to taking 275,000 cars off the road.

Siemens is also a leader in wind power technology and supplies state-of-the-art turbines for both onshore and offshore wind farms around the UK. This includes supplying turbines for the largest-ever offshore windfarm – Greater Gabbard, located off the Suffolk coast – which, once completed, will supply electricity to some 415,000 homes in the UK. Alongside other key windfarm projects we are working on, this will make a significant contribution to the Government’s stated target that 10% of UK electricity consumption should be provided by renewable energy by 2010.

Siemens is helping to reduce energy consumption in homes and businesses by developing energy-efficient appliances, metering services for energy and water, and energy-saving lightbulbs. For example, the refrigerators Siemens makes today use 79% less electricity than an equivalent model in 1990, and we offer a range of other A+ energy-efficiency-rated appliances such as washing machines, tumble dryers and dishwashers.

“Siemens is the leading supplier of offshore wind turbines in Europe, with several major projects currently in progress around the UK. We are therefore very proud that our technology is making a key contribution towards the implementation of an environmentally friendly power supply and the UK government target to generate 10% of the UK’s electricity from renewable sources by 2010.”

Andreas Nauen, head of Siemens Power Generation’s Wind Power division

Facts

22 million tonnes of CO2 a year
the reduction in emissions if all households in Europe replaced appliances that are more than 10 years old with A+ energy-efficient models

A quarter of electricity used in England and Wales passes through substations controlled by our systems

9 million meters installed, maintained and read in UK homes and businesses

40% of the UK’s wind turbine generating capacity is provided by Siemens
more than one way to make industry more efficient

In the global economy, the demands on industry are greater than ever before. Siemens is helping UK businesses from across diverse sectors meet their new challenges by enabling them to be more productive, more cost-efficient and more environmentally aware.

We’ve been asking some of the difficult questions that industry faces in the 21st century. For example, how can you manufacture customised products at affordable prices? How can we be more productive with fewer resources? And can we create businesses that are both competitive and ‘good’? Siemens is providing answers to these and many other questions that UK companies are asking today.

For example, rising energy costs meant that Allied Glass Containers in Leeds faced a serious threat to its profitability. By installing Siemens variable speed drive control technology, the company has cut the electricity consumption of its fan coolers by more than 40%. This has saved several hundred thousand pounds, cut annual carbon emissions from the plant by almost 2,000 tonnes – and achieved the forecast 10-month payback on investment.

At Premier Foods in Worksop – the home of some of Britain’s favourite food brands such as Campbell’s soup, Oxo, Bachelor’s and Homepride – the introduction of the Climate Change Levy and rising energy costs back in 2000 prompted the company to work with Siemens to install an intelligent energy management system. This system and
As the challenges of climate change continue to grow, businesses in the UK are facing the challenge of reducing their carbon footprint. A recent study by Siemens Financial Services revealed that while a quarter of firms are measuring their carbon footprint and two-fifths have implemented carbon emission reduction schemes, the limited range and high costs of low-carbon options are preventing the rapid uptake of energy-efficient equipment. The report outlines how government could incentivise such investment through capital allowances for low-carbon equipment, reducing costs and stimulating demand and manufacturing development. Improved asset finance is seen as key to ensure that investment in environmentally friendly equipment is good for business and the planet.

Can UK business really afford a low-carbon economy?

In 2007, Siemens Financial Services published a groundbreaking study into how UK business is responding to the challenges of climate change and in particular its investment in low-carbon equipment and processes. While a quarter of firms are measuring their carbon footprint and two-fifths have implemented carbon emission reduction schemes, the limited range and high costs of low-carbon options are preventing the rapid uptake of energy-efficient equipment. The report outlines how government could incentivise such investment through capital allowances for low-carbon equipment, reducing costs and stimulating demand and manufacturing development. Improved asset finance is seen as key to ensure that investment in environmentally friendly equipment is good for business and the planet. Download the report at www.siemens.co.uk/finance

Left: Automatic number plate recognition technology developed by Siemens, in use by Transport for London.

Facts

- 16% of the UK’s total electricity demand could be saved if businesses adopted intelligent low-energy lighting systems.
- 1.5 million tonnes of CO₂ would be saved each year if every UK home replaced three ordinary lightbulbs with energy-saving versions such as those produced by Osram.
- 80% less energy is used by Siemens extra-low-voltage traffic signals compared with traditional designs – great news for local authorities wanting to reduce the carbon footprint of intersection control.

Left: In addition to six-figure energy cost reductions, the Siemens energy management and monitoring system at Premier Foods in Worksop enables the company to effectively comply with industry requirements, as well as to meet the relevant government targets.

A programme of continuous improvement has enabled Premier Foods to cut its energy bills by 2% year on year – an achievement made all the more remarkable by the fact that gas and electricity prices have seen high double-digit increases since 2003. In the retail sector, Tesco and ASDA have installed Siemens building management systems in stores across the country. These help improve the energy performance and efficiency of store systems such as air-conditioning and motion-sensor lighting by ensuring that they are only used when required. The user-friendly operating units enable non-technical personnel to control their buildings, and also allow for remote fault-finding and resolution.

In February 2008, the city-wide Low Emission Zone (LEZ) was implemented by Transport for London (TfL). Only trucks, taxis and buses fulfilling a specified emission standard are able to drive through this zone without payment. To ensure effective control of the zone, TfL has commissioned Siemens to install digital cameras for automatic number plate recognition (ANPR). It is the same solution already installed by Siemens in 2007 for the expansion of the London congestion charge system.

Another recent green innovation from Siemens Traffic Controls in Poole is the suite of new low-voltage traffic controllers including traffic lights, regulatory signs and street furniture, which – as well as improving safety and controlling complex road junctions – have also been designed to reduce energy costs, consuming an average of only eight watts over the normal dim/bright cycle. Through our water technology business, we also help to keep water flowing across the entire system – from drinking water, to industrial water, wastewater and water transport, we are able to provide the answers. For example, Siemens Water Technologies is providing Yorkshire Water’s Knotspur Water Treatment Works in Leeds with an innovative odour control system to help improve air quality in the area.

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more than one way

to improve healthcare

Access to effective and affordable healthcare is an issue that affects us all – as individuals, as families, as patients and as taxpayers. Siemens provides cutting-edge solutions from diagnostics to infrastructure that are helping to prevent, diagnose and treat illness while improving the efficiency of our healthcare systems.

Probably the greatest healthcare challenge we face is how to cope with the increasing demands and expectations of an ageing population. In 2003, it was estimated there were 20 million people aged 50 or over in the UK. By 2031, there will be 27 million. Siemens is working to meet the needs of this growing population segment across a wide range of diagnostic, therapy and care aspects. For example, the reduction in hearing sensitivity with age can affect the quality of life for many. We work with NHS Audiology to combat this by improving the efficiency and quality of services. Specialist patient management systems help organise appointments and capture information, thereby speeding up treatment. A special screening device assists in the assessment and prioritisation of patients at the primary care stage, while our ‘open fitting’ hearing aid solutions mean that patients can be fitted with a suitable instrument on the same day they are assessed.

Siemens medical imaging technology plays a crucial front-line role in hospitals and clinics across the country through the provision of X-ray mammography and ultrasound equipment for screening programmes, for rapid diagnosis of critical conditions in emergency departments by means of CT scanners, and for repeated monitoring of courses of therapy. Research institutions and teaching hospitals benefit from state-of-the-art MRI and PET/CT systems to make progress in the understanding and treatment of conditions such as dementia and different forms of cancer. Our advanced interventional X-ray systems provide unique capabilities for safe and patient-friendly, minimally invasive therapies. As the leading provider of MRI scanners, we are extending the boundaries of diagnostic sports medicine and even of high-end veterinary work. The world’s first hand-held ultrasound device, P10, is extending the diagnostic capabilities of doctors and paramedics to ‘anywhere, any time’.

Below: Our Centra Active hearing device offers the world’s most advanced hearing technology while also being discreet, comfortable, water-resistant and rechargeable, ensuring those who like to live an active lifestyle can continue to do so without hearing loss slowing them down.

Left: HearCheck is an easy to use hand-held hearing screening device that has been developed to quickly identify hearing loss and increase the efficiency of patient referrals in the primary care stage.
Siemens Medical Solutions recently launched the world's smallest portable ultrasound scanner, the Acuson P10, which is set to transform the future of ultrasound examinations and save lives, time and money. This flexible and portable device can be carried by doctors doing their rounds, for maternity check-ups in local GP clinics, in intensive care units or even beyond the boundaries of the hospital at trauma scenes by the emergency services where a fast diagnosis could make all the difference. Emergency medicine consultant Dr Lisa Munro Davies, from the Bristol Royal Infirmary, says: "The P10 has the potential to revolutionise current UK practice. It takes us beyond the 21st century by enabling decision making on the move, while making savings for the health service and enabling even greater gains in patient care."

**Facts**

**Hearing aids**
- we are the largest supplier to the NHS

**15,000 women**
- are screened in the UK for breast cancer every weekday using Siemens equipment

**83 years**
- will be the average UK life expectancy by 2050 – in 1950, it was 69 years

Left: Siemens Medical Solutions is a world leader in diagnostic imaging and the UK's number one provider of magnetic resonance imaging (MRI) scanners. We are constantly setting new benchmarks in MRI technology to provide excellent image quality, superior diagnostic quality and exceptional patient comfort.
more than one way
to drive progress

Our key performance indicators (KPIs)

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<thead>
<tr>
<th>Area</th>
<th>KPI</th>
<th>Measure</th>
<th>Target</th>
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<tbody>
<tr>
<td>Suppliers</td>
<td>Evaluate all suppliers for ethical and socially responsible procurement</td>
<td>% of suppliers evaluated</td>
<td>Evaluate 80% of all key suppliers by end of September 2009</td>
</tr>
<tr>
<td>Energy management</td>
<td>Cut CO2 emissions</td>
<td>Per m²</td>
<td>Reduce by 5% per site by end of September 2009</td>
</tr>
<tr>
<td></td>
<td>Increase use of renewable energy</td>
<td>Increase total UK usage</td>
<td>Achieve 6% of total UK energy use from renewables by end of September 2009</td>
</tr>
<tr>
<td>Water</td>
<td>Reduce water consumption</td>
<td>Per m³</td>
<td>Reduce by 5% by end of September 2009</td>
</tr>
<tr>
<td>Waste</td>
<td>Reduce waste produced per employee</td>
<td>Average weight per employee</td>
<td>Reduce by 5% by end of September 2009</td>
</tr>
<tr>
<td></td>
<td>Increase amount of waste recycled (not sent to landfill)</td>
<td>% recycled</td>
<td>Recycle 50% of all waste by end of September 2009</td>
</tr>
<tr>
<td>Fleet</td>
<td>Reduce business miles per car benefit</td>
<td>Average miles per year</td>
<td>Reduce by 5% by end of September 2009</td>
</tr>
<tr>
<td></td>
<td>Reduce CO2 emissions per car benefit</td>
<td>Average emissions of fleet</td>
<td>Reduce by 5% by end of September 2009</td>
</tr>
<tr>
<td></td>
<td>Reduce road traffic accidents</td>
<td>Own-fault road traffic accidents per 100,000 miles</td>
<td>Reduce by 10% by end of September 2009</td>
</tr>
<tr>
<td>Travel</td>
<td>Reduce air travel</td>
<td>Number of flights per employee per year</td>
<td>Reduce by 5% by end of September 2009</td>
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<tr>
<td></td>
<td>Track and encourage utilisation of video and audio conferencing</td>
<td>Average minutes per year per employee</td>
<td>Increase by 5% by end of September 2009</td>
</tr>
<tr>
<td>Occupational safety</td>
<td>Reduce accident and incident rates</td>
<td>Frequency of accidents and occupational incidents (ratio per business)</td>
<td>Reduce by 10% by end of September 2009</td>
</tr>
<tr>
<td>Diversity</td>
<td>Increase female employees</td>
<td>Female employees as percentage of workforce</td>
<td>Deliver year-on-year increase</td>
</tr>
<tr>
<td></td>
<td>Increase employees from ethnic minorities</td>
<td>Ethnic minorities as percentage of workforce</td>
<td>Deliver year-on-year increase</td>
</tr>
<tr>
<td>Corporate citizenship</td>
<td>Embed Generation21 programme</td>
<td>Business unit engagement in Generation21</td>
<td>All UK businesses to have established a formal Generation21 programme by end of Sept 2008</td>
</tr>
<tr>
<td></td>
<td>Embed Caring Hands programme</td>
<td>Business unit engagement in Caring Hands</td>
<td>All UK businesses units to have established a formal Caring Hands programme by end of Sept 2008</td>
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</tbody>
</table>