

# Environmental Protection in the Supply Chain/Logistics

**Joint GHG Emission Inventory for  
Siemens Shipments handled by  
DB Schenker Logistics**

**EcoTransIT, Paris  
5 October 2010**

Version 1.0 / 2010-10-5



**Siemens' suppliers  
undertake:**

- To act in accordance with the applicable statutory and international standards regarding environmental protection;
- to minimize environmental pollution and make continuous improvements in environmental protection;
- to set up or use an environmental management

*Extract from Code of Conduct  
for suppliers*

# Agenda



EcoTransitIT  
World Stakeholder  
Workshop

5 October 2010

UIC Headquarters  
Paris

## ▪ Shipper's View

SIEMENS

- Sustainability at Siemens
- Initial situation for carbon footprint assesement
- Requirements and scope

## ▪ Logistics Provider's View

DB SCHENKER

- Challenge 1 - Organizational scope
- Challenge 2 - Modes of Transport
- Challenge 3 - Transparency of Methods
- Challenge 4 - Result

# Sustainability at Siemens Sustainability in Our DNA Ever Since

**SIEMENS**



"I will not sell  
the future  
for instant profit!"

*(Werner von Siemens 1879)*

- 1849 Healthcare insurance
- 1910 Vacation home
- 1950 Reconstruction bonus
- 1995 Siemens Environment Report**
- 2001 Business Conduct Guidelines  
(incl. environmental protection)**
- 2003 Partnership with UNICEF
- 2005 Generation 21 and Caring Hands

We at Siemens don't just talk about sustainability.  
We've made the three areas of sustainable development

**environment**

**business**

**society**

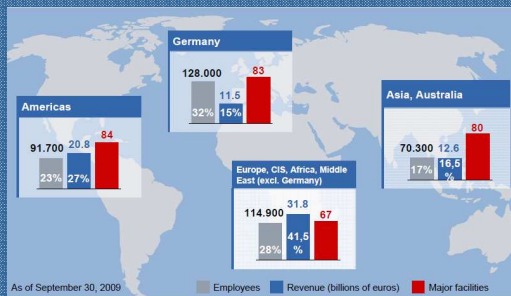
the cornerstone of all our activities.



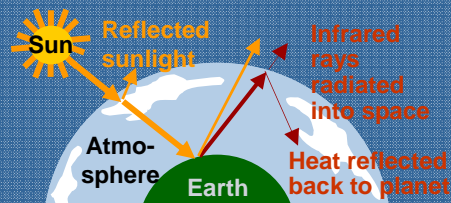
# Sustainability at Siemens Goals Are Ambitious and Give Directions



## Worldwide presence Basis for competitiveness



Requires global supply chains and consequently contributes to global warming



"Climate and environment protection are therefore an entrepreneurial remit being a social responsibility and success factor at same time."

*Quote: Peter Löscher, CEO Siemens AG*

## Our key sustainability goals

300

million tons less CO<sub>2</sub> emitted by our customers

25

billion euros in revenue with our Environmental Portfolio

20%

improvement in CO<sub>2</sub> efficiency

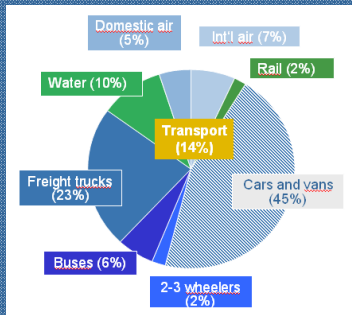
20%

billion euros in revenue with our Environmental Portfolio

# Initial Situation

## Dialogue with Main Logistics Providers

Transport sector causes 14% of CO<sub>2</sub> emissions worldwide



Those emissions have to be influenced to tap the full potential for ecological optimization

"Going it alone" is not enough to avoid waste of resources and to protect climate and environment

### Schedule

#### April 2008

Environmental questionnaire to check suppliers fitness

#### July 2008

First workshops with selected logistics providers of importance for Siemens, followed by further workshops

#### Sept 2009

First satisfying results, CO<sub>2</sub> report

#### 2010

Transfer into regular reporting

### Targets

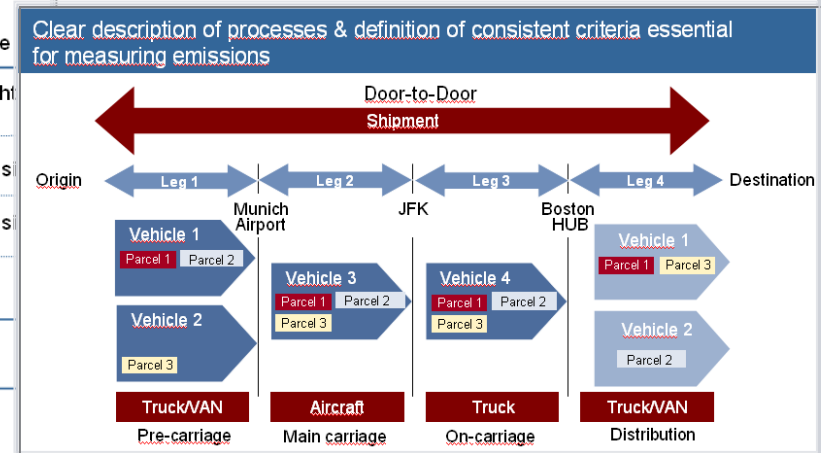
- Exchange motives and expectations
- Set up common understanding on frame of action
- Understand providers method to evaluate CO<sub>2</sub> emissions
- Standardized method to evaluate CO<sub>2</sub> emissions
- Elaborate reporting systems
  - CO<sub>2</sub> emissions
  - Suppliers' measures and their impact / effectiveness
- Develop target system

# Requirements and Scope

## Siemens provided

- Calculation Basis
- Process Description

Calculation Basis	
ton-kilometer ton-mile	A unit of freight transportation equivalent to a ton of freight moved one kilometer/mile
Road	Including pre-carriage for air and sea freight and distribution on site
Air <sup>3)</sup>	Excluding pre-carriage and distribution on site
Ocean <sup>3)</sup>	Excluding pre-carriage and distribution on site
Rail <sup>4)</sup>	Main carriage
Remarks	Business included / excluded for FY, e.g. VDO
US Market	SCS (Supply Chain Solutions) plus CEP
Germany/EU	Road, Air, Sea, Rail plus CEP



## Siemens expects

- Calculation of CO<sub>2</sub> emissions
- Annual reporting on company level

## Final Remark

You can't manage what you don't measure....  
...but don't overdo it:

- Reporting is one side of the coin
- Ecologic and efficient supply chain the other side



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SIEMENS

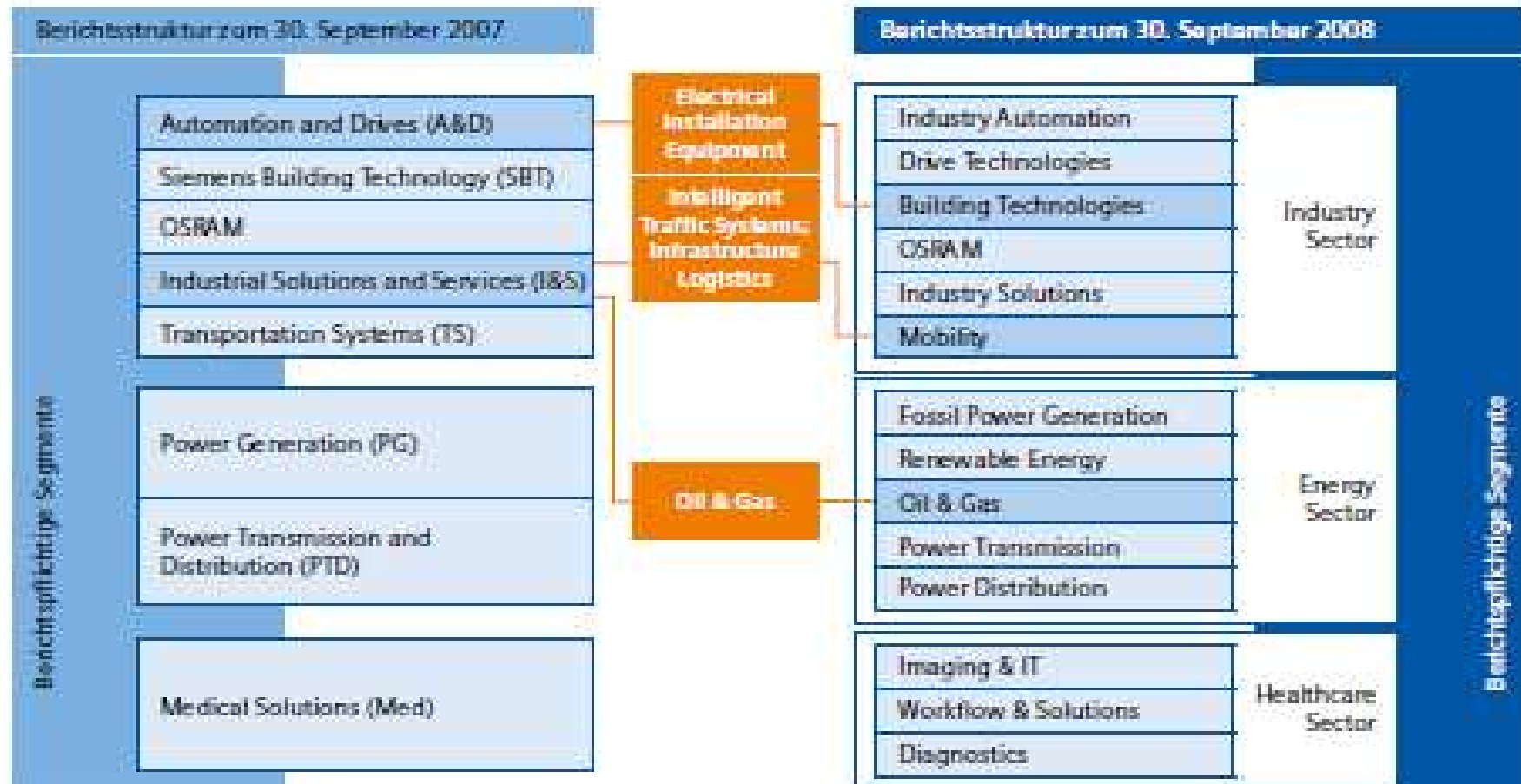
- Sustainability at Siemens
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## ▪ Logistics Provider's View

DB SCHENKER

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# Challenge 1 Embracing all SIEMENS Business Units





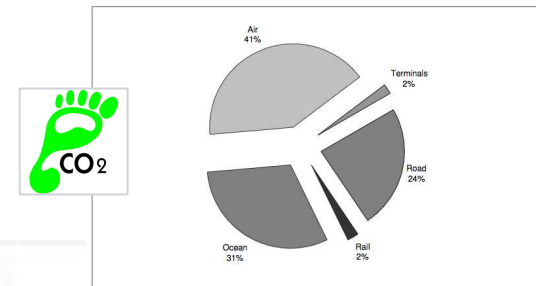
## Challenge 2 Embracing All Shipments for All Modes of Transport



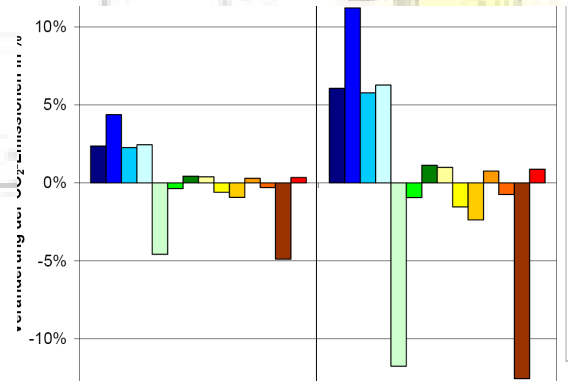
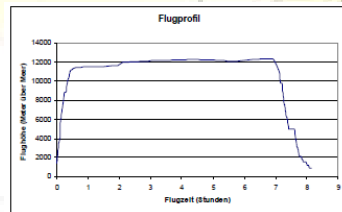
- Rail transport in Europe
- Road transport in Europe
- Air transport worldwide / U.S. domestic
- Ocean shipping worldwide:
  - container shipping
  - bulk shipping
- Pre-/on-carriage air & ocean transport (modal split)
- Terminal handling

# Challenge 3 Transparency of Methods

- **Laying the basis**  
DB Schenker Logistics annual footprint



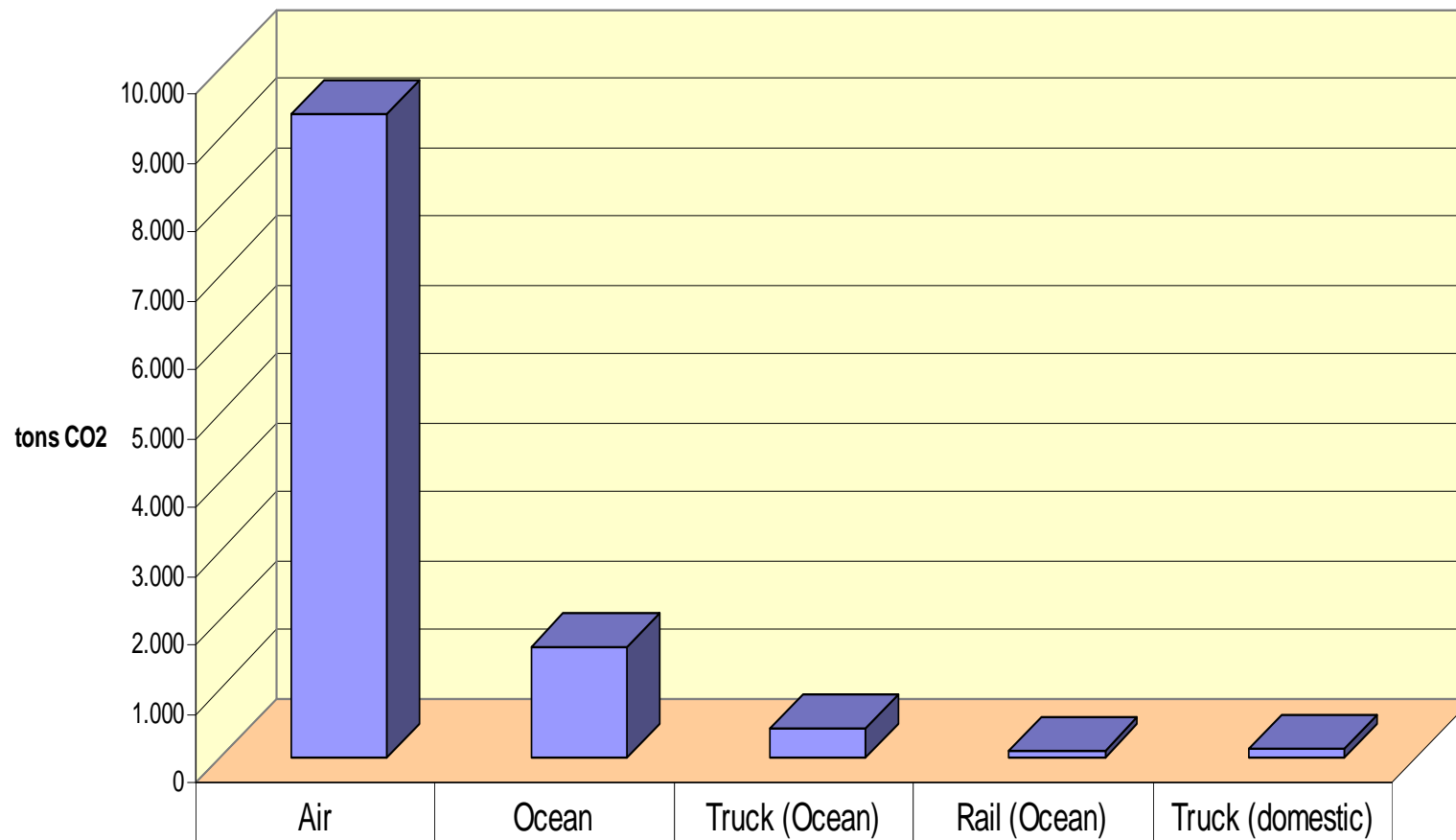
- **Defining system boundaries:**
  - Scope
  - Correction factors
  - RFI



- **Locating sensitivities**

# Challenge 4 Explaining the Result

### Co2 emissions per mode of transport





## Thank you very much for your attention

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