

Siemens Business to Society: An Impactful Framework for Shared Value

Siemens Nigeria: A Case for Good Corporate Citizenship

Siemens: Setting the Pace for Good Corporate Citizenship in Nigeria.

Nigeria has the largest economy in Sub Saharan Africa driven by growth in agriculture, telecommunications, and services. It is however predominantly reliant on oil as its main source of foreign exchange earnings and government revenues. The Oil and Gas sector accounts for about 80% of total government revenues and 90% of export earnings. As Africa's biggest exporter of oil, although Nigeria is well-positioned as a key regional economic player, socio-economic development has been constrained by inadequate power supply, insecurity, illegal cross-border trading, declining infrastructure, restrictive trade policies, prohibitive regulatory environment as well as pervasive corruption in the judiciary, legislature and other government agencies.

Over the years, the burden of responsibility for meeting these challenges eventuated by socio-economic development have fallen on businesses in Nigeria. The Organized Private Sector in Nigeria works collaboratively with key stakeholders to identify and prioritize initiatives which deliver sustainable value especially in the areas of environmental stewardship, healthcare, education, economic empowerment, capacity building and infrastructure development.

There are varying methodologies of engagement including charitable activities and contributions. However, some companies have expanded beyond this narrow perspective by the integration of socially responsible practices into their core operations. Therein lies the relevance and value of the Siemens Business to Society (B2S) initiative.

Siemens support for sustainable development in Nigeria is driven by their widely acclaimed model Business to Society initiative which is focused on achieving societal,

economic and environmental advancements in the following areas: economic development , environmental sustainability, developing local jobs and skills, providing value-adding innovation, improving quality of life and positive societal transformation.

Defining the Siemens “Business to Society” model, CEO, Siemens Nigeria, Onyeché Tifase said, “Our ‘Business to Society’ initiative represents the multidimensional ways we approach creating real value in the lives of Nigerians and Nigerian communities.”

“At Siemens, we appreciate how critical it is for businesses to impact on their stakeholders and society in a positive and sustainable manner. We are proud of our heritage and business in Nigeria, but beyond profits, we measure our success in the broader context of the significant value we have added over the last 50 years” she affirmed.

Since 1970, Siemens’ technology, products and services have contributed to driving the Nigerian economy. According to the latest Business to society report prepared by Pricewaterhouse Coopers (PwC), in 2019 alone, Siemens contributed a total of \$562.5mn in Gross Value add (directly and indirectly) to Nigeria’s GDP through constructive engagement with industries especially in the Oil & Gas, Manufacturing and utilities sectors.

The PWC report also reveals that Siemens technology has contributed 9% to Nigeria’s operational power generation installed capacity. Furthermore, the widely acclaimed partnership agreement between Siemens and the Federal Government for the Presidential Power Initiative (PPI) is set to upgrade the electricity grid network and increase operational capacity from 4,500 MW on an average currently, to 25,000 megawatts (MW). According to Tifase “ This is a demonstration of our commitment at Siemens to make significant investments in providing value-adding initiatives to address challenges in Nigeria’s power sector”.

Siemens Nigeria remains a strong partner to the Nigerian government in developing local jobs and skills. The company has positively impacted employment with an estimated number of 48,000 jobs linked to Siemens' business operations in Nigeria.

Furthermore, as part of their commitment to shaping societal transformation, Siemens is taking a leading role in supporting the government's commitment to fight corruption and improve transparency in the public and private sector. The PWC report stated that Siemens Integrity Initiative (SII) has invested about \$1.29mn in Nigeria to promote anti-corruption practices through capacity building and training. Says Tifase "Our social investment programmes have been designed to achieve the highest levels of stakeholder resonance and maximal benefits to the society".

In addition to these initiatives, Siemens is ideally positioned to meet their goals of improving the quality of life for Nigerians and ensuring environmental sustainability through their partnerships and active participation in initiatives that will provide access to quality healthcare for up to 100,000 Nigerians and achieve a net-zero carbon footprint by 2030.

As an international company present in Nigeria over the last 50 years, Siemens has played a vital role in addressing Nigeria's socio-economic challenges to ensure an ever-improving society for Nigerians today and future generations. " Siemens is fully aware of the imperative for businesses to impact positively on society and we remain passionately committed to the socio-economic development of Nigeria" Tifase concluded.