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News Release

Siemens Energy scoops EEF National Manufacturing Award for Innovative People Practices

Siemens Energy is celebrating following its success at the first national manufacturing awards hosted by the manufacturers' organisation, EEF in London last week.

The awards, launched last year, are designed to recognise excellence in four categories: innovation, enterprise, environmental responsibility and skills development, rewarding world class performance and celebrating excellence in the UK's manufacturing industry.

Siemens Energy Service Fossil, based in Newcastle, scooped the Infor Innovative People Practices Award in recognition of its improved business performance and working environment by developing its own training capability. By bringing training in-house and establishing recruitment schemes for school leavers and ex-service personnel, the 900strong division is effectively future-proofing its business.

Martin Hottass, Energy Sector Development Partner for Siemens Energy Service Fossil says that: "In 2006, we took a long hard look at our future and discovered that 30% of our workforce would reach national retirement age within 15 years. This, combined with rapid business growth, meant we would need to recruit around 400 tradespeople in that period. With declining apprenticeship schemes across the energy sector resulting in few young people coming into the industry, we faced a long-term challenge trying to recruit from a shrinking labour pool so took the bold step of creating our own training centre."

Opened in 2009 to overcome both the current skills gap and the projected shortages, the Siemens training centre instructs Siemens employees and customers across the energy sector. For example, Siemens' Wind Power business is experiencing exponential growth and will need to recruit 100 new technicians a year up to 2015. In order to meet the learning and development needs of the business and realise economies of scale, the training facility has been established as a UK centre for Wind Power Service Technician Training. Almost 200 wind power technicians have been trained to date and a qualifications framework for the wind power sector is under development.

According to Prof Stephen Evans, Chair of the EEF National Awards Judging Panel, Siemens won the award because: "The company has shown a long-term commitment to attracting recruits from outside its sector and, by integrating with other parts of the business, has shown strong, competent management."

The training centre also teamed up with other Siemens divisions to secure a National Training Contract in 2008. Siemens Energy Service Fossil is now attracting 20 apprentices a year to its business. "As a national contract holder Siemens can now deliver advanced apprenticeships in engineering from a variety of awarding bodies, adopting best in class practices and attracting the best recruits," adds Hottass.

Recognising that attracting entry-level talent through apprenticeships wouldn't, on its own, create a balanced workforce so Siemens has also turned its attention to ex-service personnel; approximately 4,000 people with engineering skills leave the services every year. Using the Career Transition Partnership initiative, which funds service leaver placements, the company has successfully recruited 50 ex-service personnel. At the other end of the spectrum, Siemens in the North East has forged links with eight local schools, taking part in careers evenings, science lessons and work placements to encourage young people to consider careers in energy engineering.

Siemens Energy Service Fossil Managing Director, Carl Ennis states: "Average retention rates for engineering apprentices are 60% in the UK. At Siemens in Newcastle, thanks to our dedicated training capability, it's 85%. Being able to demonstrate best-in-class training standards gives us the edge in new business bids since high quality training is a key factor when awarding contracts in the energy industry. Offering training to our customers and partners also allows us to build stronger links with our customers." Siemens secured a total of four regional awards to compete in the EEF national finals; two Innovation entries from Energy Sector business Siemens Industrial Turbomachinery Limited based in Lincoln as well as an entry in the Enterprise category for Siemens Healthcare Diagnostics Products in Llanberis, North Wales.

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Notes to editors:

Photograph

Siemens Energy Service Fossil Energy Sector Development Partner, Martin Hottass (second left) and Siemens Energy Service Fossil Operations Director, Graham Hartley (second right) accept the Innovative People Practices Award from Infor's Emma Rainey and awards host, Declan Curry from BBC Two's Working Lunch.

For more images, please visit: <u>http://www.eef.org.uk/awardsgallery/</u>

About Siemens in the UK

Siemens was established in the United Kingdom 167 years ago and now employs 16,915 people in the UK. Last year's revenues were £4.2 billion. As a leading global engineering and technology services company, Siemens provides innovative solutions to help tackle the world's major challenges, across the key sectors of energy, industry and healthcare. Siemens has offices and factories throughout the UK, with its headquarters in Frimley, Surrey. The company's global headquarters is in Munich, Germany. For more information, visit www.siemens.co.uk

About EEF

EEF is the manufacturers' organisation. Everything we do is designed to help manufacturing businesses evolve, innovate and compete in a fast changing world. With our combination of business services, government representation and industry intelligence, we provide the skills, knowledge and networks they need to thrive. Around a quarter of the UK's manufacturing businesses are our members and many more use our services to help them work better, compete harder and innovate faster. Because we understand manufacturers so well, policy makers trust our advice and welcome our involvement in their deliberations. We work with them to create policies that are in the best interests of manufacturing, which encourage a high growth industry and boost its ability to make a positive contribution to the UK's real economy.

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