Keys to Intelligent Industry

with Caroline Segerstéen Runervik and Fredrik Gunnarsson

EP13

Driving change and sustainability in the utilities industry with Annika Ramsköld, Head of sustainability at Vattenfall

Capgemini

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00:00:00 [Guest] **Annika Ramsköld**
In order to drive change, you need to have a very clear vision on where you're heading. You also need to be very clear to have converted that into something that each individual understand how can they contribute towards that target?

[music]

00:00:19 [Host] **Caroline Segerstéen Runervik**
Welcome to another episode of Capgemini's podcast, Keys to Intelligent Industry. And as usual, Fredrik is here next by my side. So, Fredrik, we enjoy the spring, aren't we?

00:00:33 [Host] **Fredrik Gunnarsson**
Yeah, no, it's really great that we have spring coming after a dark and cold winter. So, I actually had the pleasure of preparing the boat for the summer. So that was a great weekend.

00:00:44 [Host] **Caroline Segerstéen Runervik**
And you know, my or our international colleagues, they are always fascinated because the Swedes, you know, they just get out during this period of the year. It's light. They even invite the neighbors. ,Because, something is happening, right? In spring and summertime.

00:01:00 [Host] **Fredrik Gunnarsson**
It's like the life coming back and you discover all the beautiful stuff in nature and even the BBQ and stuff. So that's...

00:01:07 [Host] **Caroline Segerstéen Runervik**
It's a good time of the year. And that's actually a good transition to the subject of today. Because we're going to talk about sustainability, a subject which is hot but sometimes maybe not discussed enough or maybe not taking enough actions to push it forward. And we're also going to talk about an industry which is sort of the key enabler for intelligent industry utilities. So, with me today, I have Annika Ramsköld. Welcome.

00:01:36 [Guest] **Annika Ramsköld**
Thank you.

00:01:36 [Host] **Caroline Segerstéen Runervik**
You've really been part of the utility transition. So, do you want to elaborate a bit about your own personal journey and why did you take the route you did?

00:01:46 [Guest] **Annika Ramsköld**
Well, maybe I should start then from sort of what is driving me and very much I want to make an impact through engagement and drive. And I always want to safeguard people and nature, and that has been a red thread throughout my entire life, even since I was a small kid. And so it was in a way, and also, I really like to solve problems and like challenges. And therefore, the choice to become an engineer became pretty easy because that is very much about solving problem and tackling challenges. And then I sometimes joke and say, I entered Vattenfall doing my thesis work and this is now 35 years ago, and I never found the door out.

00:02:32 [Host] **Caroline Segerstéen Runervik**
Congratulations. And now maybe you're taking on the biggest challenge on sustainability dilemma. Your CEO, Anna Borg, she's very, very clear on the message: we are building the next 100 years. And basically, you are there to enable the fossil freedom driving society forward. Do you want to elaborate a bit why this is so important here and now?

00:02:54 [Guest] **Annika Ramsköld**
I think for us being a utility, we are there. We have been part of the problem. A lot of the utilities have been generating electricity and heat via use of fossil fuels. But now we are in the midst of the transformation. And the more we get fossil-free electricity and heat, then we can use that also to transform only our own sector, but also transport the other parts of society, like the transport sector or

industry, so that we can electrify those. I mean, we've been part for more than 100 years to electrify Sweden as well as the other countries where we are active. And now it's more about taking us then, sort of transforming the entire society. That will be part of the next 100 years where we've just started that journey. Our clear strategy is to enable fossil freedom that drives society forward. So, we have a science-based target both for 2030 and then we have a net zero target for 2040. And that means then that it's not only our own assets that we need to transform and get fossil-free. It's about securing the solutions we offer our customers. And we are building a lot of new fossil-free capacity and a lot of new grids, and that is requiring steel, concrete, aluminum, copper, a lot of those materials. And if we want it to be truly fossil-free electricity and heat, then we need to secure that also the materials and transports that we use to produce this is actually also fossil-free. So, it's part of converting that sector as well.

00:04:30 [Host] **Caroline Segerstéen Runervik**
So basically, it's an important part is really to secure this end-to-end supply chain. How are you driving that forward? And how do you get the rest of the organization with you?

00:04:41 [Guest] **Annika Ramsköld**
I think the starting point is that we have a clear strategy and target. That's sort of what is driving the organization. And then it's enabling the organization to secure that they integrate sustainability and the targets in all their processes so that they are clearly steered on what is required to get there. I would say very involved in dialogues with all the different business areas, all the different business functions, and try to convert the overall target that the group has into each specific area to see, okay, what is it that they need to work on? What should their specific targets be? And then help them to find ways to fulfill their targets.

00:05:26 [Host] **Caroline Segerstéen Runervik**
You're very much a change agent, getting the rest of organization mobilizing. Isn't that part of the key recipe here?

00:05:33 [Guest] **Annika Ramsköld**
In order to drive change, you need to have a very clear vision on where you're heading. You also need to be very clear to have converted that into something that each individual understand how can they contribute towards that target. Because if they cannot contribute, they will not be energized by even if they know where they are to go, they need to see what's in it for them. So, it's very much about translating the group target into tangible targets that gets everyone in the organization to understand, okay, this is how I can contribute.

00:06:11 [Host] **Caroline Segerstéen Runervik**
So really basics in change management.

00:06:13 [Guest] **Annika Ramsköld**
Change is not going to happen with a strategy in place. It comes down to people. It's always people.

[music]

00:06:21 [Host] **Fredrik Gunnarsson**
In previous episodes of the podcast, we have talked a lot about the new embedded software, the products, vehicles, new types of factories or transformation of old factories. We talked about electrification and digitalization. And in all of those areas, basically, it involves the utility and, for example, the electrification of vehicles. I know you've been active both in here in Sweden with the Volvo Group and Volvo Cars. Do you want to share what you're doing in that area?

00:06:51 [Guest] **Annika Ramsköld**
We're very early, so around... the 2007-2008, we had a lot of discussions on, okay, what should the car industry do? Could they electrify? And then we came to the conclusion that we were actually going to have a joint venture together with them. So, we realized that Volvo would not be able to do the electrification because they are good at producing cars. And then they felt that, okay, Vattenfall, you know about electricity, and yes, we do, and maybe also a little bit about how you can store and batteries, et cetera. So, we said, said, okay, but what if we go together and make a joint venture and see how we

jointly can develop this new industry in a way? And that's exactly what we did. We then had the joint venture for more than 12 years. And now, as a sort of result of that, we have the plug-in hybrid technology in all the car models that Volvo has. And that would not have been there unless we would have had this joint venture between us. That was one of the first joint ventures where you had completely different industries going together, trying to tackle one of the bigger challenges in society and then found a joint way forward.

00:08:03 [Host] **Fredrik Gunnarsson**
Did it also include solutions like charging and networks?

00:08:07 [Guest] **Annika Ramsköld**
It was both then, how do you even get the car there, but how do you get the infrastructure in place that is needed? So of course, that meant that when you sold the car, you should also be able to buy a charging box to have at your house or in your apartment. We should also, in parallel, work to secure that there was access to public charging. And it was also through the public charging that we had collaborations with Volvo Trucks and Buses also to see how could we test that and get that in place. Together with both Volvo companies, we initiated something called Roadmap Sweden, where we again also run 2011-12, put together a group of companies that made a roadmap for how could we electrify all the cars that are available in Sweden and what would that take. So, we made in a way a roadmap talking about this is what government need to do, this is what cities need to do, this is what car manufacturers need to do, this is what users need to do, etc. And put that together to show that it is possible, but a lot of actors need to be in there. And that's what we did then jointly together.

[music]

00:09:19 [Host] **Fredrik Gunnarsson**
Another area we talk a lot about is the factory side, and you are also there, very active. For example, in the green steel, with the partnership with LKAB and SSAB.

00:09:30 [Guest] **Annika Ramsköld**
What we did, and that was at the time when we started looking at, okay, where can Vattenfall contribute to the challenges in society? That's when we said, okay, we do see that the heating sector need to transform the transport sector and the industry. And in the industries, we saw that it was primarily steel and cement and concrete that were the major ones unless it was also mining. So, we very quickly then started to have dialogue with the different actors that were the largest emitters in Sweden. And the first one that emerged as a joint venture was the one, like you mentioned, the hybrid to produce fossil-free steel together with SSAB and LKAB. That was also very much about we had a joint challenge. We said that we wanted to do it, but we also realized that none of us would be able to do it on our own. And what I think that all three companies should be extremely proud about is that we made the pre-study much faster. We came to a pilot plant much faster than we originally anticipated, because all three of us knew exactly where we were going and also dared to take this leap of faith and do something jointly. When it comes to Cementa, there we worked with them for quite some time. In the end, we had a technology, but at that point of time, Cementa's mother company was not really ready. But that technology that we put forward has later on been, to some extent, adopted by CemVision, a smaller startup. So now we are collaborating with CemVision instead to be able to get fossil-free cement. And they have a somewhat different approach. They have fully recycled material and also then electrify the actual process. So, they can reduce the emissions by around 95% or even closer to 100 when we have fully matured technology.

00:11:28 [Host] **Caroline Segerstéen Runervik**
So now you talk about startups and what they can do. And you talked about other large industry players and about the hybrid collaboration. Was it individuals that was sort of eager to really make a change here? Or was it the organization and the CEOs and the fact that your part of boards and sitting part of the management team? Just a little bit interesting to understand, how did this start?

00:11:55 [Guest] **Annika Ramsköld**
I think it always again comes down to people and persons. On R&D level, there was collaboration and then coming up with ideas that were presented to the respective CEOs, that all of them also then said, okay, this makes sense and enough. So, I would say a lot of the inspiration came from super engaged

persons and the joint challenge there was how can we make use of hydrogen? And from a Vattenfall point of view, we wanted to have hydrogen as a way of storing electricity. And then SSAB needed hydrogen to get rid of the carbon dioxide when you want to extract the carbon dioxide from the iron ore. And then you had LKAB similar. So, all of us looked at the hydrogen and realized none of us would be able to do this on our own. So, there was really a business drive. Everyone realized we need to make a breakthrough technology and none of us could do it on their own. But I would say if we hadn't had the support of the CEOs later on, it would not have materialized.

00:13:00 [Host] **Caroline Segerstéen Runervik**
And as you said in the beginning, the fact that you have an organization enabling the ideas to come bottom up.

00:13:06 [Guest] **Annika Ramsköld**
Somehow, I think Swedes, we have taught from school that we are supposed to collaborate and work in teams. And then you learn how to trust people and be curious and learn from each other. And I think this is a good, good source when you want to find different partnerships.

00:13:25 [Host] **Caroline Segerstéen Runervik**
And an asset for innovation for sure. If we then look at households and buildings, of course, we see now a strong move towards microgeneration, to solar. Do you want to elaborate a bit on this and what you see in this domain?

00:13:40 [Guest] **Annika Ramsköld**
A lot of actors want to be independent and also be able to produce their own electricity and therefore we have, you can be both a consumer and producer at the same time and that's when you have of those smaller micro possibilities. So, I think there is a big interest these days for being able to produce your own electricity via solar, like I said, maybe have a battery at home. And this was, if we look like 15 years back, we didn't really have that at all. But also then, if we want to build on partnerships, there we had a very exciting partnership already back in 2010 on something we call One Ton Life, where we challenged a family try to live on only one ton carbon dioxide emissions per year in person. And at that point of time, the average of that family would have been around 7 1/2 tons. And I think that is very, very good at that point of time because we know that by 2050, we need to be down to 1 tonne per person. So, there's still a lot of development. But during that project, we then also tested if you are now producing your own electricity, how can you sell that back to the electricity provider? And that was not in the regulation, and we did not have that technology at that time. So that was part of initiating the development of those type of products.

00:15:05 [Host] **Caroline Segerstéen Runervik**
Maybe one comment more on solar. So, from a global perspective, it is quite interesting to see what's happening in China. We see that in China, only if we look at this year, looking at how much solar panel that has been produced, it's like the amount of what we've seen being produced in US during US lifetime. So, it's an amazing sort of production acceleration in China, which is positive, isn't it?

00:15:32 [Guest] **Annika Ramsköld**
I think it's fantastic. And if you look around the globe, the solar production is increasing rapidly, and that's the one that increases the most. Of course, in Sweden and Northern Europe, the wind is maybe more important because the wind we have year around. But solar is definitely picking up a lot. And I think what's interesting that not that many know is that if we start looking at how much renewable capacity, and then it's primarily solar and wind that is produced around the globe, 60% of the installed capacity is happening in China versus the rest of the globe. So pretty amazing.

00:16:12 [Host] **Fredrik Gunnarsson**
Just a follow-up question, what you mentioned before, hydrogen, there's quite some discussion in other countries, what could be the role of hydrogen going forward in the industry?

00:16:22 [Guest] **Annika Ramsköld**
I think hydrogen is extremely important in a lot of industry processes where it will be replacing coal, in particular when you want to, what is called reduce, when you want to suck out the oxygen molecules out

of materials. Then it's very, very important. I think it can also play a role in transport, not the least when you talk about shipping, maybe later on also for aviation. Of course, it can be a substitute for natural gas, but it's also a pretty expensive way. You lose energy when you produce the hydrogen as well. So, I think it's primarily in the industry processes where it makes sense, or in, like I said, transport applications where it's difficult to have other fuels. And hydrogen is going to be absolutely key for us as a utility to be able to store energy. So, it's extremely good if we have off-takers in the industry that continuously need to have that. And then we can produce when there's lots of wind and salt, then we can actually produce a lot of hydrogen.

00:17:27 [Host] **Fredrik Gunnarsson**
Some of those trends we talked about and initiatives you have, for example, in transportation industry, the households investing for certain factories, it must mean huge investments for you in your network, your grid, your systems and transformation stations, etc. How do you cope with that massive amount of investments needed in your own network?

00:17:48 [Guest] **Annika Ramsköld**
That's part of the business that we have. We are very heavy in the infrastructure. That's where we have our investments. And those are always long-term, and they are always very costly. So here it's always a matter of ensuring that you have the right speed so that you don't get too much overcapacity. We already have overcapacity in Sweden. We are producing much more than we need and we are there for exporting, which is very good. We of course need to invest a lot. And I think what we see primarily right now is a lot of investments in grid that has not been needed because we've been on a flat sort of demand curve for quite some time. So, there it's more been to shift out old assets and replace them with new and then the grid has been there. But now when we are sort of expanding on the transport sector, a lot of industries are coming up, then we need to connect those. So yes, there is a lot of investment coming up. But I would say again, it's part of our business and what we used to. So, it's not that strange in itself.

00:18:54 [Host] **Caroline Segerstéen Runervik**
Now we also talked about quite a few different sources of power. So, if you look at all these different sources, where do you see that most of the investment will go? And maybe some reflection on the fact that we in Sweden just have taken quite a decision to also continue investing in nuclear.

00:19:15 [Guest] **Annika Ramsköld**
I would say a lot of investment in new capacity will go to offshore and onshore wind, but also to some extent solar. I think in Sweden it will primarily be companies that are using their rooftops for doing that or individuals that want to have solar. I don't foresee that Vattenfall will have large solar parks, at least not in Sweden. That's what we're building in Northern Europe. And there is often a so-called hybrid plant. So, you have both wind and solar and batteries in the same spot and therefore get a very stable system. So, I think, yes, there will be a lot of investment, but then the primarily will go into wind, like I said. And of course, grid to be able to enable to connect those new assets to the consumers. But then if we start looking at nuclear, I think what we say is that we need all the fossil-free sources that we can get our hands on, because we will need a lot more fossil-free capacity to be able to manage, to turn and transform the industries of the transport sector. So nuclear will also play a role in that.

00:20:27 [Host] **Caroline Segerstéen Runervik**
And then looking at this ambition, which is absolutely critical for us, how much do you actually want to see and expect to see also the Swedish government being supportive?

00:20:38 [Guest] **Annika Ramsköld**
I think as always, we put the money where we have a business case. To invest in nuclear, those are heavy, heavy investments and also certain uncertainty and they need to be there for very many years. So, from that perspective, I think it's important that we have the guarantees. And also, in all the other countries where you have nuclear, the state always goes in with state guarantees. So, we need to secure that there is a solid business case. And in the case of nuclear, it also means that we need to have some stability and know that there is enough money in there for the full period that they will be running.

[music]

00:21:23 [Host] **Fredrik Gunnarsson**
If we look at the sustainability agenda on a more macro perspective in society, we see some sort of different signals coming from policy makers and we can feel a bit of a slowdown on some of the ambition levels, creating some reprioritization. So how would you say is the temperature right now as a Head of sustainability?

00:21:44 [Guest] **Annika Ramsköld**
I mean, sustainability is about future-proofing the companies. And in Europe in particular, we know that we are not competitive in a fossil-based economy. We need to get into the fossil-free economy. Therefore, to integrate sustainability is, for us, the way that we will be able to be competitive versus China and the US. And I think it's very clear among, at least among the front-running companies, that the course is clear, we know where we are heading, then what is happening right now is a bit sort of the pace of this transition. How quickly can we go? And then coming back also to what you said, Caroline, of course, the investment need to go hand in hand a bit with the demand. We cannot run ahead of the rest of society. So here we are, together with a lot of others, saying that we support what EU is doing to stick to the EU Green Deal to have the Clean Industrial Act and secure that we continue in the right direction. And as Head of sustainability, I'm a bit worried that maybe we're listening too much to some critical voices, that we get too much influence from what is happening in particular right now in the US and Trump sort of stepping back on the sustainability ambitions. But at the same time, I'm pretty confident that there are so many companies that see that this is a way to increase the competitiveness. So, there will still be focus sustainability and that will be at the heart. But then it's, yeah, it's the matter of the pace.

[music]

00:23:18 [Host] **Fredrik Gunnarsson**
You're sitting also in the board of CSR Sweden.

00:23:21 [Guest] **Annika Ramsköld**
Yes.

00:23:21 [Host] **Fredrik Gunnarsson**
Can you share what you do there and also the temperature among your peers in the industry?

00:23:28 [Guest] **Annika Ramsköld**
Many of us that work with sustainability, we know that sharing is caring and also sharing will make us move forward quicker because it's about then sharing risks and investments and knowledge. But I want to emphasize sustainability is not about being philanthropic and doing the good stuff. It's very much about finding the future business models that are sustainable because that's what's going to make us competitive.

00:23:58 [Host] **Caroline Segerstéen Runervik**
Because there is a strong conviction, right, that we need... a more sustainable world to also make sure that we are competitive and also have a more profitable business. It's not either or.

00:24:10 [Guest] **Annika Ramsköld**
No, they go hand in hand. We know that we could maybe be profitable short term, but we won't be profitable long term unless we have sustainable business models.

[music]

00:24:20 [Host] **Caroline Segerstéen Runervik**
Talking about supply chain, Annika, and the fact that it's also important to have strong ecosystem around you and strong networks, which is something you worked a lot with, I know.

00:24:32 [Guest] **Annika Ramsköld**
Definitely.

00:24:33 [Host] **Caroline Segerstéen Runervik**
So how do you drive that forward? And are you part of any specific ecosystems which you see are absolutely essential to drive the sustainability forward?

00:24:42 [Guest] **Annika Ramsköld**
I think if we start in the point of partnership, many think just because you go into a partnership, things will solve itself. But I think it's super important that you are clear about the purpose, what you want to go towards, but how quickly you want to get there is different. And there has been a number of partnerships that we've actually stepped out of where we realized that we wanted to be there in maybe two, three years' time, and the one that we entered the partnership with wanted to be there in 10 years' time. So, the timing piece is something that we sometimes lose out on. And I also think it's very, very important that you are clear about that you open up your books, that you build trust and dare to share.

[Host] **Caroline Segerstéen Runervik**
So, transparency is key.

[Guest] **Annika Ramsköld**
Transparency is absolutely key. And if I want to raise a good example that is different from some of the other partnerships we've spoken about, it's the so-called First Movers Coalition. And it's all about promising that we will be demanding breakthrough technology. So, by 2030, for instance, we have committed to buy 10% of all the steel that we need. By 2030, it should be fossil free. So not only low emitting, but fossil free. Same goes for cement and concrete. And then also you can commit to shipping, aviation, trucking and so forth. And the only way that you can do this is now, when you are so many companies, you give enough market signal for the actors that are to produce this, that they dare to invest in getting those technologies there.

00:26:18 [Host] **Caroline Segerstéen Runervik**
So, it's companies that is part of this coalition?

00:26:21 [Guest] **Annika Ramsköld**
It's more than 100 companies, but it's also backed up by a number of governments as well. And here I still would like to see the governments stepping up even more in incentivizing through, for instance, public procurement that they are also demanding this, is not only generally supporting.

00:26:39 [Host] **Caroline Segerstéen Runervik**
And when your part of this coalition, you actually do have to commit to some of these sort of targets.

00:26:45 [Guest] **Annika Ramsköld**
Absolutely. Then you need to commit to at least one. From Vattenfall's side, we have committed to three already.

00:26:52 [Host] **Caroline Segerstéen Runervik**
So again, leading the way a bit.

00:26:54 [Guest] **Annika Ramsköld**
Yes.

00:26:54 [Host] **Caroline Segerstéen Runervik**
So, looking at this coalition today, what implications do you see based on what's happening in the world as we speak? Well, specifically, we take the US as an example. It's not like we see they collaborative more with us, rather going and drifting away from us. How is that impacting this coalition?

00:27:13 [Guest] **Annika Ramsköld**
There is still support, but not from the official administration. So, it has triggered us. So, we've had a number of discussions now with the EU, so DD Clima, DD Growth, et cetera. And they are much more on top of this and will be supporting even more. So, I would say the gravity of the initiative will come over to Europe more to continue to drive it. But it's still, I mean, we still have a number of companies from the US that want to be part of this, but it's not the, we don't have the Senate and the president behind it in the

same way as earlier.

00:27:52 [Host] **Caroline Segerstéen Runervik**
I understand. And again, it shows that Europe can actually take a different position. Which is also positive, right?

00:27:59 [Guest] **Annika Ramsköld**
So, there is a bigger ownership now from EU. So, they also felt that, okay, now it's time for us to step up, which is very, very good. Again, it could give us a lot of advantages. Now we can take even more the lead and be more competitive.

00:28:17 [Host] **Caroline Segerstéen Runervik**
I agree completely.

[music]

[Host] **Caroline Segerstéen Runervik**
One of the really accelerators of the sustainability movement is technology. How do you as a company and in your role secure that you are investing enough? Because I would assume that you see technology as a key enabler.

00:28:36 [Guest] **Annika Ramsköld**
Absolutely. And being very sort of engineering and technology driven, definitely. So, I think we have at an early stage embraced the IT side that is coming, and all the opportunity comes in there, but also in general technology. We've always invested quite heavily into R&D. And then maybe the past 15, 20 years ensured also that the R&D has been similar as for sustainability, that it's really targeting the future profitable business models, but really looking at what opportunities do we have with technology. For instance, those hybrid parks that I told about, how to best integrate solar and wind and batteries and optimize that in a good way to get also stabilize the system and also enable that you have production at site and close to the user. So, there has been a number of different ones, but on the IT side there we have tons of exciting things that if we start looking at really the new technologies that are coming up.

00:29:40 [Host] **Fredrik Gunnarsson**
And if we look at your own operations, we see utility companies investing in what we would call smart asset management, so they reduce the downtime of the assets, predictive maintenance, also worker guidance, AR, VR, or creating full digital twins of the assets in order to optimize the whole life cycle of the assets. So, do you want to share some of the ambitions you have and then the investments in this era going forward?

00:30:08 [Guest] **Annika Ramsköld**
Maybe we can start with the digital twins. I think those are extremely important to do because, like I said, we have big plants. And if we take the nuclear plants, those mean that you cannot really access them, then you need to shut them down. So, if you can make a digital twin of that and then secure that when it's time to do the maintenance, etc., you have tested all the things. Or when you are rebuilding, we have a number of examples when we have made exchanges of different components. And while we had the digital twin, we realized that the original plan for how to get things into those areas didn't really work. So of course, that meant that the downtown for that asset was much, much shorter thanks to the digital twin. But also, I mean, we have all these hydropower plants with long tunnels with high water flows, etc. So, there has been a lot of dangerous working situations for personnel that now we can have drones going in there. They can be sub water or on water or they can be in the radioactive atmosphere as well. So, we have a lot of those. And we also have a lot of drones from the outside doing inspections of the grid, doing inspections on the offshore wind farms and onshore. And we even have started now to have drones inside several plants. Then we don't need to send people out for inspection. And of course, also predictive maintenance is part of that.

00:31:43 [Host] **Caroline Segerstéen Runervik**
Another aspect of this is, of course, in the ESG, the S, the social responsibility aspect. So, all this technology is also enable us to do the work much more safe. Because this is really a critical aspect and

also something you actually fight hard for.

00:31:59 [Guest] **Annika Ramsköld**
As Head of sustainability in Vattenfall, I spent quite some time on the social topic also, how are we interacting with local communities? How are we ensuring that the supply chain is run in a good and responsible manner? So also look into risky elements in the supply chain if it's extraction of minerals that we need for the computers or cell phones or for the wind farms or whatever it can be. But those aspects are getting more and more important and have been areas where a lot of companies have not really been looking into that before. But this is where I think a lot of work needs to be done by many companies. And here it's very much about working together because otherwise we won't be able to learn quickly enough, and we won't have the leverage that is needed to make a change in here. So here, partnerships and collaboration is going to be absolutely key. If we also tie back to the CSR Sweden, for instance, that's one of the collaborations we have, but we have many more where we can have the influence.

00:33:02 [Host] **Fredrik Gunnarsson**
We talked about a number of large changes, both in terms of the energy systems, working with companies in different sectors to facilitate the change, and also the internal digitalization. The whole change journey, also from a competence perspective, I guess that would mean that you as a company need to shift ways of working in competence. How do you cope with all of those changes in parallel in a company like Vattenfall?

00:33:27 [Guest] **Annika Ramsköld**
First of all, I think Vattenfall is a very responsible and in a way also a friendly company that really cares about the employees. And we know that also being engineering heavy, we rely on the employees to be innovative and to drive the change. So, it's very much about ensuring that people have a chance to learn more, to be trained. We have a lot of internal trainings, but we are also introducing more entrepreneurship. We have innovation, competition, and other things, try to trigger people to do their own thinking and encourage people to really come up with new ideas, dare to challenge the way that we work with things here and now, so challenge status quo. I think there is a lot about encouraging people to dare to learn new things and dare to think in different ways.

00:34:18 [Host] **Fredrik Gunnarsson**
Do you need to bring in new competence from outside? And what type of competence also are you lacking?

00:34:23 [Guest] **Annika Ramsköld**
Being more than 20,000 people, you have a number of persons that always get into the position that it's time for them to retire. And then you bring new people in. You, of course, also have younger ones coming in, want to move on to another country. Not everyone wants to remain in the same company for 35 years. I don't understand why. No, but so there is a constant constantly new competences coming in. A lot of it has been on the IT side, more sort of digital, you need to know digitalization, you need to have a bit more of what I said, the entrepreneurship. We're not as engineering heavy these days as we were before. So, I think the people side is becoming more and more important. And I think we're also very much a value-driven company. So, the values are very core. And I would even say that people that don't buy in on our core values, they will not remain for that long.

00:35:21 [Host] **Caroline Segerstéen Runervik**
You've been, and you are, so passionate about sustainability. So basically, do you see that we will find a solution?

00:35:30 [Guest] **Annika Ramsköld**
I would say there is no other way than that we need to find a solution because otherwise we will make ourselves extinct. And we also know that when everyone starts realizing the urgency, it will happen.

00:35:42 [Host] **Caroline Segerstéen Runervik**
So why have we not done that yet? Why? Because it's happening every day.

00:35:47 [Guest] **Annika Ramsköld**

It's so creeping onto us. I think when we had the pandemic, it was more sort of bang, here it comes. But this time it's sort of gradually coming to us. But I think with all the weather phenomena we see now, I think people start realizing that there is no other way. And I also think now when we see the more polarized world, also the social elements, how can we behave towards each other, I think there will be a backlash on this and realization that now we need to get our guts together. But also, we mustn't forget China is so clearly moving into all the new technologies and they are ramping up very quickly. They can do things much quicker than we are doing. They do it at a lower cost than we are doing. Earlier it was China that learned from us. Now I think we need to start learning from China to understand how we can do things more efficiently.

00:36:45 [Host] **Caroline Segerstéen Runervik**
And when it comes then to Europe, because here Europe also can of course be in driving force. Does the policymakers understand that in terms of regulation, we just have to slow it down and we have to simplify? I see some tendency for that, but do you see the same?

00:37:02 [Guest] **Annika Ramsköld**
I definitely see the same. And I think the EU has been talking about from regulation to impact. And this is very much where we are going. And I welcome the ambition to secure that we have focus on what makes impact and not on what we can report on. However, the push on regulation has had a value in the sense that it has been forcing companies that still have not understood you need to embrace sustainability in order to be competitive also in the future, not only the coming one, two years. So, we must ensure that EU does not sort of backpedal too much on that one but stay firm on the ambitions and then secure that we keep the important pieces of the regulation in there.

00:37:48 [Host] **Caroline Segerstéen Runervik**
So, coming then to an end, then utility being a key enabler for intelligent industry per se, where do you see then utility in combination with the intelligent industry will be in 10 years?

00:37:59 [Guest] **Annika Ramsköld**
Just looking at how we have evolved the past five years, really embracing the new technology, I definitely think we're using drones and predictive maintenance and a lot of things to make our business more efficient. There we can use the new technologies and then we should use our brains for really securing also that the S side, that the people side is not forgotten.

00:38:26 [Host] **Caroline Segerstéen Runervik**
Thank you, Annika, for actually showing how much you are a change agent yourself in driving the sustainability agenda, not only for us and also being a spokesperson, not only in Sweden, but also on a European level. Thank you for also showing the importance of network and really making sure that the ideas is flourished, but we also need an organization that is taking some bold steps ahead. And then finally, to make sure that we are building for the next 100 years together. Thank you, Annika.

00:38:57 [Guest] **Annika Ramsköld**
Thank you. And I want to let everyone know, be courageous and dare to take the leap of faith into new technologies.

00:39:04 [Host] **Caroline Segerstéen Runervik**
Absolutely. Couldn't say it better. Thank you.

00:39:07 [Guest] **Annika Ramsköld**
Thank you.

00:39:08 [Host] **Fredrik Gunnarsson**
Thank you.

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