

Silja Pieh - architect of a new Audi strategy

- Audi's Chief Strategy Officer relied heavily on internal expertise for sustainable corporate strategy: "Not a paper by external consultants"
- More than 500 employees involved: "Paradigm shift puts strategy on broad foundation"
- New process calls for continuous adjustments: "Speed of change in the fields of technology and mobility will continue to increase"

Ingolstadt, August 25, 2021 – The automotive industry is going through a massive transformation – and Audi is right in the middle of it. In the premium automaker's own transformation, Silja Pieh plays an important role. She leads Audi's Corporate Strategy Department. Together with her team, her job is to ensure that the company's "Vorsprung durch Technik" ("Progress through Technology") remains forward-looking and shapes the mobility of the future. For nine months, Pieh and the team guided the Board of Management through an exciting strategy process. They analyzed and aggregated more than 600 trends, examined the profit pools of tomorrow along the value chain, and identified new areas of business for Audi. The biggest sticking points in this regard were a firm date for Audi's transition to e-mobility, a broad-based boost to digitalization across the company, user scenarios for the autonomous vehicles of tomorrow, and Audi publicly expressing its unwavering commitment to sustainable business practices.

Pieh is an experienced strategist who boldly breaks with conventions – instead of turning to external consultants, she relied on internal expertise and swarm intelligence for the "Vorsprung 2030" strategy. To this end, she got a large team of Audi employees from all levels of the hierarchy and from all over the world directly involved. "Our employees know Audi extremely well; they are probably the first to know what needs to be improved. We just have to let them have their say and listen to them carefully. One company," she explains.

In recent months, Pieh and her team developed and implemented a new process designed to create a sustainable and forward-looking corporate strategy. In doing so, the Chief Strategy Officer ushered in a paradigm shift – making the process democratic, open, and transparent. Working with the "Audi 500+" team, she designed new analysis tools and then systematically evaluated trends that could become relevant to the company, as well as all the key markets. "We settled on a number of issues that we subsequently analyzed in more detail with experts, then we discussed the results in depth with the Board of Management," she explains.

At the same time, employees and the Board of Management spent weeks reflecting on what Audi should stand for in the future, without any bias toward a particular outcome. After all, Audi can only implement its strategy successfully as a team – and in doing so, safeguard its own future. The ability to take criticism, introspection, and decisiveness are three strengths that Pieh values highly.

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Employees were given the opportunity to submit concrete ideas and suggestions related to different trends during the "Strategy Challenge," and the best ideas were then presented to the Board of Management. Thorsten Schrader, Martin Vogl, and Ansgar Neudecker from Ingolstadt won the internal competition with their project proposal "Industrial Remanufacturing – Audi ReUp." This project, which involves a combination of upcycling, re-use, and sharing, is now being implemented. "We discovered that the workforce and the Board of Management are already deeply committed to the issue of sustainability, and we want to embrace this even more strongly in the future," emphasizes the strategist.

Once a member of the Audi family, always a member of the Audi family

Pieh knows her way around Audi and is extremely well connected. Excitement abounds when she returned to the brand with the four rings in August 2020. Not only on her part, but also among the team – she remained in touch with old acquaintances over the years. After graduating from university with a degree in business administration and economic geography, she began her career at Bosch, moving to Audi in 2012 after holding various positions at other companies. She worked in the Corporate Strategy Department until 2017, leading strategic innovation projects, including on autonomous driving, during that time. In 2017, she left Audi to join its newly founded subsidiary "Autonomous Intelligent Driving" (AID) in Munich as CFO to oversee this emerging field. After two years there, in 2019 she joined Volkswagen Commercial Vehicles as Vice President Strategy, Mobility & Transportation as a Service, where she was also responsible for the company's overall strategy and development of this area of business within the Volkswagen Group. In this role, she was tasked with helping the group achieve a breakthrough in autonomous driving in urban environments. But the offer to return to Audi in 2020 was too tempting. "I've always felt like a member of the Audi family, and I wanted to come back. I really liked the workplace atmosphere back then, and the virtues and strengths of the brand suit me. In addition, there's the exciting job of helping shape the company's new strategic focus, especially at this crucial stage," she says.

Audi wants to stand for greater sustainability in the future – and do what it takes to prove it. This is precisely the approach that Pieh embraces. "Obviously it's up to customers to decide what they want to drive. But we want to offer them the best possible product in the most sustainable way," she says. In other words, systematically and transparently implementing all of the necessary measures. "Audi has many core capabilities that our customers value and that we will once again focus on more strongly. The slogan 'Vorsprung durch Technik' is part of Audi's DNA and describes our motivation to constantly challenge the status quo and take a fresh approach to things," she explains.

Clear objectives for greater direction

Silja Pieh believes in speaking plainly. She supports the official statement Audi has now made about the end of the internal combustion engine because it provides clarity – for employees and customers alike. A clear objective provides direction, especially in volatile times. In addition, it gives the team that much more time to prepare for this transformation, to participate in advanced training and professional development programs.

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Similar to sailing, she sets the course and corrects the heading after strong gusts of wind – until the boat is moving in the right direction again. This is why each year at the annual "Strategy Summit," the team looks at which underlying strategic conditions have changed and makes adjustments. Indeed, Pieh is convinced that the pace of change will continue to increase in the fields of technology and mobility over the next few years - and that continuous adjustments are therefore necessary. "I generally look forward and not back. The future is exciting, and helping create it is even more exciting," she declares, and laughs. In the "Vorsprung 2030" strategy paper, her team and the Board of Management have defined six different areas for activity as well as guidelines for prioritizing the strategic areas of activity. In this context, the company intends to focus even more strongly on people. "We are going to operate more holistically in order to present individual mobility as an experience with its own frictionless ecosystem. After all, the role of the vehicle will change in the future," she emphasizes. "Autonomous driving will be the starting point of the second major transformation following our unequivocal endorsement of electric driving. The vehicle interior will become a second living room, office, or rest area when the car drives the passengers around on its own. Digital offerings will complement this new experience. This will have absolutely nothing in common with the first gasoline-powered carriage 135 years ago. We're launching a new era."

Integrating social responsibility more strongly into business activities

Audi doesn't yet have the final answers to the questions posed by employees in all cases, she openly admits. But her team is hard at work on them. This is an intensive process, and a necessary one. After all, Audi wants to continue making individual mobility possible. And at the same time, increasingly integrate the environment, society, and social responsibility into its activities – systematically and transparently: "It's about the big picture. We don't simply develop technology for its own sake; we want to create technologies that make sense and have a purpose." Technology must be consequential and effective in keeping the world moving, while at the same time being environmentally friendly, socially conscious, sustainable, and responsible. This is exactly what Pieh stands for, which is why her motto is "less talk, more action."

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In 2020, the Audi Group delivered to customers about 1.693 million automobiles of the Audi brand, 7,430 sports cars of the Lamborghini brand and 48,042 motorcycles of the Ducati brand. In the 2020 fiscal year, AUDI AG achieved total revenue of €50.0 billion and an operating profit before special items of €2.7 billion. At present, 87,000 people work for the company all over the world, 60,000 of them in Germany. With new models, innovative mobility offerings and other attractive services, Audi is becoming a provider of sustainable, individual premium mobility.