SIEMENS

Corporate Social Responsibility Policy of Siemens Limited (SL)

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Table of Content

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1. Preamble/ Philosophy

Siemens has always endeavored to be an integral part of the India's society for more than 5 decades – as an employer, customer, investor, vendor and corporate citizen. As a committed corporate citizen, Siemens considers it as its responsibility to foster sustainable local development as well as to augment the growth by adding value to the local economy in which it operates. At Siemens, we refer to Corporate Social Responsibility as Corporate Citizenship. Corporate Citizenship is our contribution to build sustainable communities on the Company Values of being Responsible, Excellent and Innovative.

2. Corporate Citizenship Strategy

At Siemens, we work towards sustainably improve the living conditions for as many people as possible, worldwide. The Company works towards this goal through a multi-pronged strategy driven by the top management with business initiatives that address the challenges of our times such as Demographic change, Urbanization, Climate Change, Globalization and Digitalization. Our mission is to make real what matters in the way we electrify, automate and digitalize the world around us. Ingenuity drives us and what we create is for the society. Our company-wide Corporate Citizenship framework forms a part of the Sustainability & Citizenship priority. The Company derives its sustainability initiatives from these challenges. The Corporate Citizenship strategy for India focuses on: Education & Science, Social and Environment and is in line with the Company's goal to address the dimensions of Sustainability. The strategy aims to address the challenges and needs that communities face by leveraging the Company's competencies and solutions. It is aligned to the National development agenda, UN Sustainable Development Goals and UN Global Compact principles. Please refer to the Annexure A.

To identify Siemens India's focus areas with respect to Corporate Citizenship, an extensive, multi location stakeholder survey was conducted in 2011. The stakeholders engaged during the survey consisted of NGOs, Government Departments, Academic and Training Institutes, Media, Vendors and Employees. Basis the inputs from the survey results and its analysis, areas of importance for Siemens and for the Society at large were identified.

The focus topics for Corporate Citizenship are:

I.   Education & Science:

Education is the 4th goal of the UN Sustainable Development Goals. Investing in young people is essential when it comes to creating a viable future for communities, and Siemens has a long tradition of supporting education. Our goal is to maintain a continuous dialogue with upcoming generations and to identify and foster talent from an early stage with a special focus on disadvantaged young people. We also put our impetus to promote continued training and life-long learning for people in careers.

A. Support to Universities and Promotion of Technical and Science education.

Skills and knowledge are the driving forces of economic growth and development for any country. Currently, a huge gap exists between the need of the industry for an employable work force and the capacity of the skill development programs. Siemens employs its competencies to promote science and technical education so as to produce 'Industry ready' engineers and technicians in India. The key initiatives that have rolled out to address the focus areas are:

- **i. Siemens Scholarship Program**

The program supports deserving meritorious engineering students from economically-backward families to pursue their education and launch a sustainable career in the engineering sphere. 50% of the scholarships are reserved for meritorious female students from economically disadvantaged family backgrounds.

Reference to Companies Act 2013 Schedule VII (ii) of promoting education and enhancing employment and (iii) of promoting gender equality and empowering ~~women~~

- **ii. Dual VET at Government ITIs**

Siemens supports implemention of globally proven German Dual VET (Vocational Education and Training) model of skilling in Government Industrial Training Institutes (ITIs). Dual VET, a futuristic model of training to make technicians of these Institutes industry-ready. The initiative facilitates industry exposure of future technicians at local industry especially MSMEs thereby building a sustainable pipeline.

Reference to Companies Act 2013 Schedule VII (ii) of promoting education and employment enhancing vocation skills.

iii. Scholarship for Management Students

The endeavour supports deserving meritorious graduates especially engineers from economically backward families to pursue management education and provide industry experience so as to make them 'industry ready'.

Reference to Companies Act 2013 Schedule VII (ii) of promoting education and enhancing employment and (iii) of promoting gender equality and empowering women

iv. STEM in schools

Science Technology Engineering and Mathematics (STEM) in Schools is an endeavor of Siemens to promote curiosity based learning using STEM pedagogy at government school across the country.   Titled as Project Jigyaasa, the program has the following key objectives:

- Develop STEM based activities inside classroom
- Generating scientific temper and curiosity for STEM topics
- Contain dropout and improve mean years of schooling
- Encourage girls to take up STEM careers

Reference to Companies Act 2013 Schedule VII (ii) of promoting education and employment enhancing vocation skills and (iii) of promoting gender equality and empowering women

II. Social

Initiatives under this focus area aims to combat urgent social problems and create stable market conditions, particularly in those places and regions where Siemens operates through utilizing Siemens' core competencies. Through our projects we support the development and strengthening of social structures in order to bring about a systematic and lasting improvement in people's living conditions as part of a long-term strategy.

A. Enhancing living conditions through provision of water, healthcare, energy, livelihood, sanitation, etc

A majority of India's rural population continues to live with inadequate physical and social infrastructure and poor access to basic amenities. Siemens work towards designing and deploying scalable, replicable and sustainable models using our core competencies that would deliver social impact.

i. Project Asha

Asha means "hope" in Hindi. Asha focuses on enhancing living conditions through integrated rural development using sustainable and inclusive technology which can be replicated. Key focus of the program being to strengthen Governance, provide Access to Energy, Access to Education, Health and Watershed development.

Reference to Companies Act 2013 Schedule VII (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water,(iii) Promoting gender equality and empowering women (iv) Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air and water and (x) Rural development projects.

B. Primary Healthcare and Health Education

Siemens focuses on creating a model for accessible and affordable quality healthcare to the underserved population.

i. "Sanjeevan" the mobile healthcare clinic

The project addresses primary healthcare to underserved communities by rendering primary healthcare services, improve health-seeking behavior, facilitating linkages and referral services to public health delivery system. The program covers maternal & child health, addressing seasonal diseases, promotion of health and hygiene, strengthening community health workers etc.

Reference to Companies Act 2013 Schedule VII (i) Promoting preventive health care and sanitation and (iii) Promoting gender equality and empowering women

C. Disaster Relief

Siemens' disaster relief activities span three areas: emergency aid on safe drinking water and healthcare following a disaster, assistance with rehabilitation and community-based disaster preparedness (CBDP).

III. Environment:

Responsibility towards the Environment is extremely crucial as it helps preserve the planet for tomorrow's generations and promotes a sustainable future. Protection of the environment and the preservation of natural resources are two established principles in Siemens' Business Conduct Guidelines; both have been also accorded high priority in our business through our Environmental Portfolio.

As Siemens, we are working to make an effective contribution toward protecting the environment, particularly through our core competencies, and raise environmental awareness among younger generations at an early age.

A. Reduction of Green House Gases

The Projects supports reduction of the GHG emissions by conducting Energy Efficiency Assessment and implementing the Energy Efficiency Program at public institutions rendering general welfare. This is to support the nation in achieving the targets on climate change.

Reference to Companies Act 2013 Schedule VII (iv) Ensuring environmental sustainability, ecological balance, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.

4 Corporate Social Responsibility Committee

As per the requirement under the Companies Act, 2013 and rules framed thereunder, the Board of Directors at their meeting held on April 25, 2014 constituted CSR Committee consisting of the following directors:-

S.no	Name	Role in the Committee
1	Mr. Deepak Parekh	Chairman
2	Mr. Sunil Mathur	Member
3	Dr. Daniel Spindler	Member
4	Ms. Mariel von Schumann	Member

The mandate of the CSR Committee is essentially to:
   a. Formulate and recommend to the Board of Directors, the CSR Policy and the CSR activities to be undertaken
   b. recommend CSR projects, which are in line with the activities specified in Schedule VII, to be undertaken by the Company
   c. recommend the amount of expenditure to be incurred on CSR projects

   d. Monitoring of CSR policy from time to time

The CSR Committee shall, on an annual basis, furnish a statement that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of Siemens Limited ("the Company").

3. Corporate Citizenship Department of Siemens Limited

At Siemens, the Corporate Citizenship activities of Siemens Limited and all Siemens Group companies / subsidiaries in India are planned, monitored and evaluated by the Corporate Citizenship Department. It prepares reports at regular intervals to be presented to the CSR Committee of the Company and applicable Group companies / subsidiaries in India.

4. Project cycle of Corporate Citizenship Project

4.1 Corporate Citizenship projects / CSR activities

The Company shall endeavor to spend on the CSR activities as prescribed under the Companies Act, 2013 and rules framed thereunder, as may be amended from time to time ("the Act").

The CSR projects and programs to be undertaken by the Company shall include activities falling within the preview of schedule VII of the Act, as may be amended from time to time. These programs will be executed by Siemens and where appropriate in partnership with local government, NGO partners, Educational Institutions, service providers and others. The list and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

4.2 Project Planning and Implementation

All projects of Corporate Citizenship will be conducted in line with the following framework:

4.2.1 Baseline study / Needs assessment:

A needs assessment or baseline study along with the Company's competencies and solutions will be conducted for initiating any project/program.

4.2.2 Selection of the implementing partner:

For the purpose of achieving its CSR objectives, the Company may partner with organizations like NGOs, Academic and Training Institutions, Corporates, the Government and other stakeholders for project implementation and facilitation.

4.2.3 Mandatory Requirements while selecting an implementing partner:

The selection of implementing partner and the due diligence parameters shall be conducted as per the internal policies of the Company as also as per the applicable regulatory requirements from time to time.

4.2.4 Project definition:

Based on the findings of the baseline / needs assessment, the project is developed defining the goals, objectives, project interventions, time lines, resources, indicators and roles and responsibilities of the community and the implementing partner(s). The Corporate Citizenship team will leverage, analyze and plan Siemens' competencies and solutions to add value and address the project requirement on ground.

4.2.5 Key Performance Indicators (KPIs)

All projects will have Key Performance Indicators (KPIs) to measure progress toward those goals and objectives set at the time of project definition. Based on the nature of the project, the KPIs will be defined and measured across various stages such as Inputs, Outputs, Outcome and Impact. Focus shall be to ensure self-sustainability of the initiative even after Siemens exits the specific project.

4.2.6 Beneficiaries

The project will define the beneficiary group as per the goal and the needs assessment / baseline study.

4.2.7 Project Funding

The Company may co-partner with other Siemens Group companies, subsidiaries in India and other Corporates for funding of Corporate Citizenship projects. Reporting of the contribution(s) by the respective companies will be prepared separately.

In cases where the project generates surplus funds, the same shall be carried forward by the implementing partner as part of the opening balance of the project for the subsequent / following year. In a situation where there is a surplus fund available at the end of the final year of the project, the same amount will remain as a corpus with the beneficiaries for the purpose of sustainability.

The surplus, if any, arising out of the CSR Projects or programs or activities shall not form part of the business profit of the Company.

5. Monitoring and Evaluation

The Corporate Citizenship Department will perform a periodic assessment of the relevance, performance, efficiency and impact of the projects / programs. The Company/Committee shall from time to time determine criteria of evaluation of performance of implementing partner.

5.1.1 Implementing partner reporting

The implementing partner shall report on the program(s) and the expenditure on a regular basis in addition to a yearly report which shall include programs undertaken along with the expenditure incurred on it, future plan of action for the subsequent financial year and balance carried forward, if any. In cases where there is co–funding in the project or multiple partners, the implementing partner will report to all the stakeholders.

6. Corporate Social Responsibility Committee / Board reporting

6.1 Periodic Report - Program and Finance

The Corporate Citizenship Department shall from such time to time as may be determined by the CSR Committee, prepare and present to it, for its review, Program and Finance Report of all projects as mentioned in the Corporate Citizenship Policy. The Committee may suggest changes in the project to meet the project objectives.

6.2 Annual Report - Program and Finance

The Corporate Citizenship Department shall prepare a detailed report of all projects and necessary reporting / disclosure requirements would be adhered to.

7. Annexure - Mapping of CSR projects against the Sustainable Development Goals

	Corporate Citizenship Projects										
Sustainable Development Goals		Project Asha	Rural Electrification	Siemens Scholarship Program	Dual VET	STEM in schools	Machine Tool Operator Training	Dual Education for Management Students	Energy Efficiency Program at Govt Hospitals	Sanjeevan Mobile Clinic	Disaster Relief
Goal 1	End poverty in all its forms everywhere	✔		✔	✔	✔	✔				
Goal 2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	✔								✔	✔
Goal 3	Ensure healthy lives and promote well-being for all at all ages	✔							✔	✔	
Goal 4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	✔		✔	✔	✔	✔	✔			
Goal 5	Achieve gender equality and empower all women and girls	✔		✔		✔				✔	✔
Goal 6	Ensure availability and sustainable management of water and sanitation for all	✔							✔		✔
Goal 7	Ensure access to affordable, reliable, sustainable and modern energy for all	✔	✔						✔		
Goal 8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	✔		✔	✔	✔	✔	✔			
Goal 9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	✔	✔	✔	✔				✔		
Goal 10	Reduce inequality within and among countries	✔		✔	✔	✔	✔			✔	✔
Goal 11	Make cities and human settlements inclusive, safe, resilient and sustainable				✔				✔		
Goal 12	Ensure sustainable consumption and production patterns								✔		
Goal 13	Take urgent action to combat climate change and its impacts	✔	✔			✔			✔		
Goal 15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	✔									
Goal 16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	✔	✔	✔	✔	✔				✔	
Goal 17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔