



**SIEMENS**



Siemens Ltd.

# Business Responsibility Report

Financial Year 2014

[www.siemens.co.in](http://www.siemens.co.in)

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## Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L28920MH1957PLC010839
2. Name of the Company: Siemens Limited
3. Registered Address: 130, Pandurang Budhkar Marg, Worli, Mumbai, Maharashtra 400018, India
4. Website: [www.siemens.co.in](http://www.siemens.co.in)
5. E-mail id: [corporatecommunication.in@siemens.com](mailto:corporatecommunication.in@siemens.com)
6. Financial Year Reported: 2014
7. Sector(s) the Company is engaged in (industrial activity code-wise)

Siemens Limited is leading market and technology positions with its business activities in the Energy, Healthcare, Industry, and Infrastructure & Cities Sectors.

Industrial Group	Description
266	Manufacture of irradiation, electromedical and electrotherapeutic equipment
271	Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
273	Manufacture of wiring and wiring devices
281	Manufacture of general purpose machinery
302	Manufacture of railway locomotives and rolling stock

8. List three key products/services that the Company manufactures/provides (as in balance sheet)

- 1) Switchgear Items
- 2) Switchboards, control boards and miscellaneous accessories
- 3) Healthcare equipments/reagents

For additional information on segmentwise products/services, please refer to "Notes to the Financial Statements – Note 29"

9. Total number of locations where business activity is undertaken by the Company

- i. **Number of International Locations (Provide details of major 5):** Siemens Aktiengesellschaft (SAG), which is based in Germany, is the Parent Company of Siemens Limited. The five major regions where Siemens Limited has done business with, are, Qatar, Germany, Bangladesh, Sri Lanka and United States of America.
- ii. **Number of National Locations** – Siemens Limited has 17 plant locations in India spread across Maharashtra, Goa, Gujarat, Tamil Nadu, Andhra Pradesh, West Bengal and Puducherry.

10. **Markets served by the Company - Local/State/National/International** – Siemens Limited has a pan-India presence and also supports Siemens in Bangladesh. We also serve markets in Sri Lanka, Nepal and Bhutan. Siemens Limited is also working in close collaboration with Siemens AG which is active in around 190 regions globally.

## Section B: Financial Details of the Company

1. Paid up Capital (INR Million): 712
2. Total Turnover (INR Million): 104,482
3. Total profit after taxes (INR Million): 6,031 (Includes exceptional items of INR 3,827' in PBT)

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 0.2%. The total Profit after tax in FY14 is INR 6,031' which includes an exceptional item(credit) of INR 3,827'. Without considering the impact of exceptional item, the CSR spend as a % of PAT would be ~0.5%

We have increased our CSR spend by 81%, from INR 6.4' in FY13 to INR 11.6' in FY14.

**Siemens is ranked Number 6 in The Economic Times Corporate Dossier's "India's Best Companies for CSR 2014."**

Economic Times, in league with Futurescape and IIM Udaipur, has drawn a list of 100 Indian companies that look at Corporate Social Responsibility (CSR) strategically. The companies were assessed on four parameters: strategic focus, shared value framework, stakeholder engagement, and sustainability.

Siemens Ltd.'s Corporate Citizenship philosophy is based on long-term and sustainable engagement, aligned to our competencies. Our Corporate Citizenship activities are deeply integrated into business strategies: Leverages core competencies; applies high management standards.

5. **List of activities in which expenditure in 4 above has been incurred:-**

Corporate Social Responsibility (CSR) is an integral part of Siemens Ltd. overall sustainability strategy. Some of the key CSR initiatives that we undertook during the year include:

- **Project Asha** – Integrated rural community development using Siemens technology and know-how to implement sustainable solutions which meet community development plans and can be scaled to other villages
- **Social Forestry** – Plantations to improve livelihoods opportunities, increase the green cover and reduce carbon emissions
- **Drought Mitigation** – Initiatives on mitigation in drought affected villages of Jalna district in Maharashtra
- **Siemens Volunteering Program** – Promoting education and livelihood
- **Sanjeevan Mobile Clinics** – Primary Healthcare Services to 10 villages in Madhepura District, Bihar and Rural Haryana through mobile clinics
- **Supporting Children in Conflict Environments** – Started a course on electrical winding to provide livelihood to children in conflict with law, children of prisoners, and children in need of care and protection.
- **Siemens Scholarship Program:** Educational support & holistic development program for engineering students from under privileged communities

Please refer our response on Principle 8 (Inclusive growth and equitable development) for more details

## **Section C: Other Details**

1. **Does the Company have any Subsidiary Company/ Companies?**

Siemens Limited does not have any Subsidiary Company/ Companies as of 30<sup>th</sup> September 2014

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Not Applicable

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR Initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

Siemens Ltd. sustainability framework is designed to address sustainability opportunities and risks within the organisation and across the value chain. Our Business Conduct Guidelines (BCG) act as a guiding tool for all internal stakeholders and seeks in promoting ethical, transparent, accountable and responsible behaviour.



Through our Code of Conduct for Suppliers and Code of Conduct for Channel Partners, we extend our value system and expectations on sustainability to our value chain which includes suppliers, vendors and channel partners. To create awareness and build their competence, we undertake various sustainability initiatives focused on minimising the environmental impact and promoting cleaner and safer value chain operations.

## Section D: BR Information

### 1. Details of Director/Directors responsible for BR

#### a) Details of the Director/Directors responsible for implementation of the BR policy/policies.

- DIN Number: 02261944
- Name : **Mr. Sunil Mathur**
- Designation : **Managing Director and Chief Executive Officer**

#### b) Details of the BR head

S.No.	Particulars	Details
1.	DIN Number (if applicable)	----
2.	Name	Beryl Lopez
3.	Designation	Sustainability Officer
4.	Telephone number	+ 91 22 3967 7000
5.	e-mail id	beryl.lopez@siemens.com

### 2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S. No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
1	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies are formulated by considering relevant stakeholder inputs.								
3	Does the policy conform to any national / international standards? If yes, specify?	The policies are in line with international standards and practices such as ISO 9000, ISO 14000, OHSAS 18000, UNGC Guidelines, UN Human Rights Declaration and European Human Rights Convention; ILO Principles, OECD Guidelines for Multinational Enterprises, UN Convention against Corruption; GRI Guidelines, IFRS as issued by the IASB.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?*	The policies are adopted by Siemens Limited in India with Board level undertaking on implementation of policies. The policies relating to Indian regulation and systems are signed and approved by the MD&CEO.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Siemens Ltd. has a well established internal governance structure to ensure the implementation of various policies, internal regulations and procedures. We have internally mapped all policies, internal regulations and procedures to business functions responsible for implementation. Our MD/CEO has the ultimate responsibility to oversee implementation of all policies. We review the implementation of policies through our internal audit and risk management process.								

6	Indicate the link for the policy to be viewed online?	<p><b>Siemens Ltd. Compliance policy is available at</b>  <a href="http://www.siemens.co.in/en/index/investor/compliance/helpdesk.htm">http://www.siemens.co.in/en/index/investor/compliance/helpdesk.htm</a></p> <p><b>Siemens Ltd. Privacy policy is available at</b>  <a href="http://www.siemens.co.in/en/footer/index/privacy_policy.htm">http://www.siemens.co.in/en/footer/index/privacy_policy.htm</a></p> <p><b>Siemens Ltd. Safety, Health and Environment policy is available at</b>  <a href="http://www.siemens.co.in/en/about_us/index/safety_health_environment_policy.htm">http://www.siemens.co.in/en/about_us/index/safety_health_environment_policy.htm</a></p> <p>All other policies are available on the Company's internal network.</p>
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All the policies communicated to our internal stakeholders are available on the internal network. Policies communicated to our external stakeholders are available on our website.
8	Does the company have in-house structure to implement the policy/policies?	Yes. We have an in-house structure with clearly defined roles and responsibilities that are periodically reviewed under the Internal Risk Management Framework. The framework to implement these policies is ratified by the Board.
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	<p>Yes. Our stakeholder grievance is covered by our Code of Conduct for Suppliers and Business Conduct Guidelines. In order to ensure integrity and transparency of business processes, we have system to identify any non-compliance and violations of the Siemens Business Conduct Guidelines.</p> <p>Our tool, "tell us", can be used for whistle blowing and other grievance redressal by employees, customers, suppliers and other stakeholders for submitting reports worldwide 24/7 either online or by telephone, and in any of the 150 languages. All the concerns reported on "tell us" are addressed through proper channels and if found to have merit, disciplinary action is taken.</p> <p>Employees have many other mechanisms for human rights like approaching senior management for their grievances or writing a letter. These concerns are then reviewed and handled by appropriate departments of the organisation. We also have an ombudsman in place where grievances can be raised.</p>
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes. All our policies and procedures are supported by internal risk controls. These risk controls are continually evaluated for their efficacy through internal audit mechanism and are also subject to external audit.

**2a. If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

- Not applicable as Siemens Ltd. has policies in place for all the 9 Principles

### 3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

Siemens Ltd. has a Sustainability Council which is represented by the CEO and CFO. We have a Sustainability work group which exists across the four sectors of our major operations of Energy, Healthcare, Industry, and Infrastructure & Cities. The Sustainability Council and Workgroup are supported by a Sustainability Officer. At the apex level, our Managing Director and Chief Executive Officer reviews and assesses the sustainability performance once in every 6 months. The Business Responsibility initiatives focusing on EHS and social responsibility are periodically reviewed by the Corporate Governance Committee of the Board.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

We have been publishing a Business Responsibility Report annually since two years. They can be viewed at the following URLs

[http://www.siemens.co.in/pool/investor\\_relations/annual\\_report/siemens-ltd--business-responsibility-report-fy2013.pdf](http://www.siemens.co.in/pool/investor_relations/annual_report/siemens-ltd--business-responsibility-report-fy2013.pdf)

[http://www.siemens.co.in/en/index/investor/annual\\_report.htm](http://www.siemens.co.in/en/index/investor/annual_report.htm)

## Section E: Principle-wise performance

### Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/Others?**

Siemens Ltd. acts with integrity in accordance with values of responsibility, excellence and innovation wherever we do business. Compliance and adherence to the law and our own internal regulations are integral to us. We have zero tolerance for corruption and violations of the principles of fair competition. The Siemens Compliance System is divided into three action levels: Prevent, Detect and Respond. The action levels encompass a comprehensive system of activities by which we intend to ensure that our business is completely in accordance with all applicable laws and regulations, as well as with our own internal principles and rules.

Our Business Conduct Guidelines (BCG) for employee behaviour focuses on ethical and responsible behaviour. Our Code of Conduct for Suppliers warrants compliance with laws prohibiting child labor, taking responsibility for the health and safety of their employees, and ensures that they act in accordance with applicable statutory and international standards regarding environmental protection. Similarly, all our channel partners are covered through Code of Conduct for Channel Partners.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

	Received in FY 2013-14	Percentage satisfactorily resolved by the management
Stakeholder complaints	16	56.25%

### Principle 2

Siemens Healthcare was awarded the <b>'Imaging Company of the Year' for 2014</b> at Frost & Sullivan's 6th Annual India Healthcare Excellence Awards held in Mumbai.	For the first time in India, scope of supply and services for the Gurgaon Metro Line included not only sub systems but also responsibility for the key components and their integration as well as the interfacing for the construction of a turnkey system.
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1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Listed below are our products and services which incorporate environment and safety risks/concerns

a) **Siemens Building Technologies (BT)** excels in solutions for safe and secure, efficient and environment-friendly buildings and infrastructure. The business portfolio includes:

- Consultation for energy efficiency, energy procurement and monitoring
- Contracting services for energy performance and sustainability management;
- Building automation systems for controlling heating, ventilation and air conditioning plants, lighting and shading;
- Security and danger management systems like state-of-the-art control and command centre technology, intrusion detection and video surveillance;
- Access control and identification systems and fire, smoke and gas detection, evacuation and extinguishing
- Energy Audits conducted by certified Energy Auditors.

b) **Energy Efficient Motors**

Siemens is the first manufacturer to have a complete range of IE2 & IE3 motors as per global standards. Siemens IE3 motors are one of the most energy efficient motors presently available in India and are manufactured according to the newly implemented Indian Standard 12615:2011 for energy efficient motors. The potential to save energy is enormous if IE3 motors are used in place of the standard efficiency IE1 motors. For example when a 75kW 4 Pole IE3 motor is used instead of IE1 motor, at 85% full load for 8000hrs the total saving from a single motor for a period of 1 year will be about 13,600kWh.

Thus using IE3 motors not only saves power but also in turn helps the environment by cutting down the CO2 emissions.

c) **Fault Passage Indicator**

This is an innovative product that is self-sustained and designed to have an extended battery life. The Extended Battery Life and enhanced power management allow more than 2000 hours of operation under fault conditions. The sensors do not have a separate power source and are noise immune.

Cementing the Future - Siemens' Industry Sector showcase of "Green Technologies for the Cement Industry at Green Cementech, Hyderabad"	<b>Siemens India's Ultrasound System with Wireless Transducers</b> is the first of its kind in the world. It was installed at K.G. Hospital in Coimbatore and is a boost in healthcare innovation
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<b>Siemens India won the Super-Efficient Equipment Appliance Deployment (SEAD) Global Efficiency Medal</b> for its 1LA2 series of Low Voltage IE3 induction motors an initiative of the Clean Energy Ministerial, the award will enhance buyers' ability to differentiate and choose among products on the basis of their energy efficiency.
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2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

**ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Our Environmental Portfolio (EP) Products are designed to help our customers conserve resources such as energy, water, material etc. The complete information on environmental features of our EP products are available on our website.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

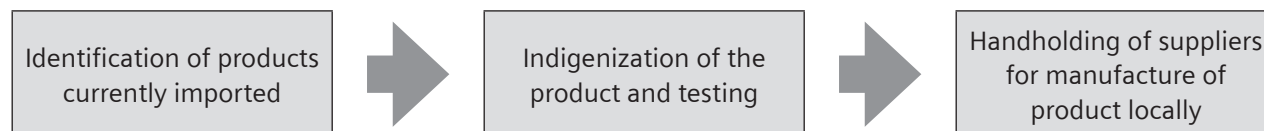
Sustainability agenda is extended to our suppliers through the Supplier Code of Conduct (SCC) and the Business Conduct Guidelines (BCG). It lays down the requirements on various aspects of sustainability such as legal compliance, bribery and corruption, human rights, health and safety and environment protection. 100% of our materials were sourced through suppliers and vendors who are compliant with SCC and BCG.

Our supplier selection, assessment and evaluation process includes elements of sustainability. This includes self-assessments by suppliers, risk assessments by Siemens Ltd. and external audits by third party.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

At many locations we operate in, Siemens Ltd. is the largest employer and endeavours to create jobs for local communities. The infrastructure and livelihood opportunities generated, creates long term value.

About 87% of our materials are sourced locally from within the boundary of India. Out of this, 21% percent is sourced from small and medium enterprises. A large number of MSME (Micro, Small and Medium Enterprises) rely on companies like ours for their business. They flourish if corporate houses like us, extend support and co-operation. We engage in business with close to around 2008x MSMEs. We recognize our responsibility towards these MSME and we work to build their capability in the marketplace through skill development transfer of technology and financial support. We have a strategic direction and mandate, that all material and parts for manufacturing must be sourced locally. For products which are currently not manufactured locally, we promote indigenization through the following steps:



**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

All our plants are Environment Management System ISO 14001 certified. Through a management system approach, we take steps to increase our waste efficiency. Waste at all plants is segregated into hazardous and non-hazardous waste. Non-hazardous waste is disposed as per the legal requirements. E waste is recycled through a CPCB Registered recycler. Other wastes where possible are recycled or reused.

Waste Type	Reuse Method
Waste Paper	Reused as packaging material
E Waste	Collected and given to registered recyclers at two locations. Other locations to follow
Old Laptops	600 old but reusable laptops were donated to NGOs instead of going to landfill



We also have the following systems in place, where applicable, for waste management and water conservation:

#### Industrial Effluent – Kalwa



#### Sewage – All manufacturing plants in India



#### Rain Water Harvesting and Water resources management at Goa and Aurangabad

The Medium Voltage factory in Goa has 3 recharging ponds and 9 recharging pits of total 3800 cu.m capacity which enables a recharge capacity of 12,330 cum/annum. The treated water from STP is used for gardening. In Aurangabad we have natural wells (1 each in Walunj and Shendra) in which the rain water is harvested and used for gardening. Also the treated water from STP is used for gardening in these factories.

#### Principle 3

**1. Please indicate the Total number of employees.**

Siemens Limited has 10933 employees as of 30<sup>th</sup> September 2014.

**2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.**

Siemens Limited has 797 temporary staff as of 30<sup>th</sup> September 2014 of which 44 are female and 753 are male

**3. Please indicate the Number of permanent women employees.**

We have 950 permanent women employees as of 30<sup>th</sup> September 2014.

**4. Please indicate the Number of permanent employees with disabilities**

At Siemens, we do not discriminate. We seek to provide equal opportunity to people with disabilities and support them to perform their work and develop their potential. We integrate them into everyday working processes and teams. We currently do not track them separately in our headcount.

**5. Do you have an employee association that is recognized by management?**

Yes

**6. What percentage of your permanent employees is members of this recognized employee association?**

We believe in collective bargaining as an important mechanism to engage with employee associations. Through continual dialogue with these associations, we strive to maintain cordial relationships with employees and work towards their welfare. We currently do not track them separately in our headcount.

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Siemens Ltd. has a zero tolerance approach towards child labour, forced labour, involuntary labour, discrimination or harassment of any kind. This is also clearly defined in Business Conduct Guidelines and Code of Conduct for Suppliers and Channels Partners.

Our sexual harassment committee comprises of 5 members with the chairperson being an NGO representative. It includes constitution of National level Steering and Complaints Committee and looks into the sexual harassment complaints with sensitivity and confidentiality.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	-	-
2.	Sexual harassment	1	-
3.	Discriminatory employment	-	-

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- **Permanent Employees**
- **Permanent Women Employees**
- **Casual/Temporary/Contractual Employees**
- **Employees with Disabilities**

Learning and Development (L&D) is an important part of our people practices to enhance the skills of our employees and enable them to progress in their careers. L&D needs of individual employees are identified through a goal setting process and supported by Performance Improvement Plans (PIP). The L&D framework at Siemens Ltd. is designed to address the business requirements as well as personal development aspirations of employees. Most of our permanent employees including women employees and employees with disabilities were covered through our L&D framework for skill trainings.

During the year, we delivered 50584 man-hours of training for our permanent male employees and 7280 man-hours of training for our permanent female employees. We also provided 1360 man-hours of training to our contract workforce.

Safety is of utmost priority at Siemens. Safety management at our project sites and at our client premises is a significant challenge owing to various complexities of client maturity, contractor capabilities, floating contractual workforce, language and cultural barriers etc. We have addressed these challenges by adopting four level EHS management structure with 'zero harm culture' that define our overall objective.

During the year, we delivered 4152 man-hours of safety training for our permanent male employees and 288 man-hours of safety training for our permanent female employees. We also provided 144 man-hours of safety training for our contract employees.

**Principle 4**

**1. Has the company mapped its internal and external stakeholders?**

We have mapped our internal and external stakeholders in a structured way and carry out engagements with our investors, employees, customers, suppliers, business partners, civil society organisations, etc.

Our stakeholder management aims to:

- Identify stakeholders and their interests
- Analyze the stakeholders and their possible impact
- Define activities and communication to manage major stakeholders
- Monitor and update regularly.

Stakeholder engagement is also a defined process under our Project Management guidelines to ensure we effectively manage stakeholder expectations and concerns at individual projects where we provide our solutions

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**2. Out of the above, has the company identified disadvantaged, vulnerable & marginalized stakeholders?**

We identify marginalized and disadvantaged groups through need assessment and engagement with local communities under our corporate citizenship framework. The marginalized and disadvantaged communities we work with include, tribal villages, vulnerable children who are in great need of care and protection like juveniles in conflict with law, (JCL) and children needing care and protection (CNCP). The initiatives are elaborated in Principle 8.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof.** The initiatives undertaken for disadvantaged, vulnerable and marginalized stakeholders are elaborated in Principle 8.

**Principle 5**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Siemens respects human rights and our Business Conduct Guidelines are in line with the U.N. Human Rights Declaration and European Human Rights Convention as well as ILO Principles. The company also has a policy on Sustainability in the Supply Chain which addresses human rights issues and how to deal with them across the supply chain.

The Siemens Code of Conduct also prescribes to principles of Human Rights which is applicable to all suppliers, vendors, channel partners and other business partners associated with the Company.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

We have not received any stakeholder complaints pertaining to this principle, during the financial year 2013-14.

**Principle 6**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

Siemens AG has laid down policies, principles and standards that all group companies including India must adhere to. As a global company, we aim to achieve business excellence in environment protection, health management and safety.

**2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

As a globally active company, it is our responsibility to address and tackle global long term challenges such as demographic change, climate change and diminishing resources in a socially, ecologically and economically responsible manner. Our strategy to tackle these issues is addressed in our Global Sustainability Report 2013.

<http://www.siemens.com/about/sustainability/en/sustainability/reporting/current-report.htm>

**3. Does the company identify and assess potential environmental risks? Y/N**

Environmental Risks are covered in Siemens' EHS Principles that are based on the ISO 14001, SCOHS and OHSAS 18001. Every unit or plan must implement the following MS elements:

- Identification and evaluation of EHS aspects and requirements
- EHS risks and opportunities
- Legal obligations and other requirements
- EHS emergency management

Once risks are identified, steps are taken to measure and mitigate these risks through the Management System approach.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

We currently do not have any Clean Development Mechanism (CDM) projects.

5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

We have systems which incorporate energy efficiency at all stages from product and service design, raw material and parts procurement (as elaborated in Principle 2) to product manufacture. We are moving towards Lead Certifications for our plants. Our Energy Automation Factory and Medium Voltage Factory, both, in Goa are LEED Certified. Below is the overview of initiatives taken at these factories and the benefits achieved:

Actions	Gains
Use of efficiency class 1 Motors for AHUs and pumps for ACs	Estimated annual energy saving: 21.45% over base case (~600 tons/annum CO2 reduction over base line)
Use of Variable frequency drives for secondary pumps	Estimated water saving of 40% over Leed Baseline
Use of low flow water fixtures and energy efficient T5 light fittings	Reuse of treated water (~1700 gallons/day)
Demand control ventilation to improve indoor air quality	> 90% waste generated diverted from landfills
BMS System for precise AC control and monitoring	More than 40% of total materials procured from within 800 kms radius
Low VOC paints, adhesives and sealants inside building to ensure improved air quality	15% of total material cost consists of recycled content
STP for treatment of waste water	
Artificial ground water recharge (covered in Principle 2)	

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

We are in compliance with the prescribed permissible limits as per CPCB/SPCB for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There were no show cause/ legal notices in the reporting year.

### Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Siemens Ltd. works closely with collective trade/industry associations in evolving policies that govern the functioning and regulations of industries. We have memberships in Technical Committees of BIS and on the Executive/Subject Councils.

Some of the key trade/industry associations where Siemens Ltd.is represented include:

1. Bombay Chamber of Commerce and Industry (BCCI)
  2. Bureau of Indian Standards (BIS)
  3. Bureau of Energy Efficiency (BEE)
  4. Confederation of Indian Industry (CII)
  5. Indian Electrical & Electronics Manufacturers' Association (IEEMA)
  6. Indo German Chamber of Commerce (IGCC)
  7. Federation of Indian Chambers of Commerce and Industry (FICCI)
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

Siemens AG is one of leading global companies which actively advocate adoption of sustainable technologies for better tomorrow. The Group through various associations and memberships as mentioned above continues to advocate sustainable development and greater corporate transparency in disclosure. At local level, we make efforts to further the Group advocacy agenda through participation in various trade and industry associations on specific business sustainability issues. Issues concerning industry are tackled through our participation in the National Industry Associations.

**Principle 8**

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

We consider it our economic, environmental and social responsibility to foster sustainable local development as well as add value to the local community in which we operate. We refer to our CSR work as corporate citizenship. It leverages on our core competencies while addressing stakeholder needs. The three principles that guide our corporate citizenship activities are:

- Integrated into business strategies,
- Generates sustainable impact
- Is locally owned

The strategy has three main pillars – Education and Science, Social and Environment and seven focus areas as represented below:

<b>Siemens Ltd. Corporate Citizenship Strategy</b>		
<b>Sustainable Communities</b>		
<b>Education and Science</b> <ul style="list-style-type: none"> <li>• Support Universities</li> <li>• Promote Technical and Science Education</li> </ul>	<b>Social</b> <ul style="list-style-type: none"> <li>• Enhance Living Conditions</li> <li>• Primary Healthcare Support and Health Education</li> <li>• Disaster Relief</li> </ul>	<b>Environment</b> <ul style="list-style-type: none"> <li>• Greenhouse gases</li> <li>• Reuse and Recycle</li> </ul>



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Our CSR Policy is consistent with our corporate citizenship strategy and meets the compliance requirements of the Companies Act, 2013. Some of our Corporate Citizenship initiatives and their impacts are listed below:

### Support to Universities

**Objective:** to promote and support technical education to produce “industry ready” engineers and technicians

- **Siemens Scholarship Program**

As part of its Corporate Citizenship initiative, Siemens Limited offers scholarships to meritorious engineering students from Government Colleges from economically disadvantaged families who aspire to become engineers. Additionally, training, projects and mentorship are provided by Siemens to acquaint these bright minds with the dynamics of the industry, thereby leading to their holistic development. These bright minds will be supported with a scholarship program throughout the four years of graduation. The scholarship consists of tuition fees (annual college fees), allowances for books, stationery items, other expenses and a holistic development program.

### Promoting Technical Education and Science

- **Supporting Children in Conflict Environment**

As part of employee volunteering, we initiated the setting up of electrical lab to run MSBVE (Maharashtra State Board for Vocational Education) recognized “electrical winding” course at David Sassoon Industrial School run by Children’s Aid Society. Children in this Institute are children in conflict with law, children of prisoners, and children in need of care and protection. The objective of setting up this lab is to facilitate the rehabilitation of children and further shaping their career in right direction financially as well as socially. 19 students are undergoing the course and will soon appear for exams.

### Enhancing living conditions

A film on the sustainable, integrated community development initiatives of Siemens Ltd., Corporate Citizenship was adjudged <b>Runner-up in the Category of Community Investment at the prestigious TV/E Global Sustainability Film awards 2013, London.</b>
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- **Project Asha**

This is a three year long integrated rural community development project. The project beneficiaries are from the tribal village Amle in Maharashtra.

### Rural Electrification

In 2012, we set up a 12.5 kW Solar Power Station for village electrification and pumping water for drinking and irrigation. Siemens drives were installed to power the submersible pumps. The initiative helped us to achieve 100% electrification and supply electricity for irrigation. In 2013 we upgraded the Siemens technology with new generation SINAMICS drives which increased pumping hours from 6 – 9 and efficiency by 20%. This resulted in bringing larger area under irrigation. As a result of this, the village has also started growing vegetables while earlier they were only growing paddy. Their meals are more nutritive and there is income generated from sale of these vegetables.

### Drinking Water and Health

In 2012 Siemens Ltd. facilitated the repair of the river bund to harvest rain water and installed a Simple Membrane community filter to purify well water and makes it potable.

While earlier, water was only available in the well for 6-9 months, now it is available throughout the year. The ground water table of the area has increased and water borne diseases have gone down. There has been zero infant/ child and maternal mortality. Prior to the initiative, the quota of medicine which came from the primary health care centre would be exhausted in 3 weeks. Now, the same quota is not consumed even after 3 months. The need for medicine has gone down and the village is healthier.

We initiated the GGG (Girls gaining ground) program that encourages adolescent girls to be health volunteers to the communities and it has now extended to three more villages.

### Governance

Awareness raising on rural entitlements and rights under the various acts and provisions like NRHM, MGNREGA, Food Security, Forest Rights Act. This has strengthened the social security of the village. They were successful in accessing the door step delivery of food grain. For the first time the gram sabha was held in this village.

### Primary Healthcare Support and Health Education

- **Sanjeevan Mobile Clinics**

Sanjeevan Mobile Clinics are functionally equipped mobile clinics that provide quality health care services to the doorstep of 10 villages in Madhepura District, Bihar and Rural Haryana. Prior to this the village dwellers had no access to quality healthcare services.

Through the Sanjeevan Mobile Clinics the following activities were carried out:

Treatment/ Healthcare Activity	No
Pathological Tests	534
Health Camps	183 increasing access for 17% additional population
Institutional Delivery with ANC/PNC	300
Community Awareness Program	1537
Cancer Awareness	31 Camps covering 6475 beneficiaries
Mammography	311

Besides this, there were awareness programs on health and hygiene at schools and community on preventing diseases and improving health. There was an increase in accessing of MCH services and immunization.

### Disaster Relief

- **Drought Mitigation in Marathwada**

This is a long term project which was initiated in 2013 in response to the severe drought conditions in Marathwada and extends to three villages in Jalna district. We strengthened the existing water harvesting structures and trenches. This has raised the water level in a 60 hectare area and 16 wells. Our partners are training the panchayats on governance, public distribution system and watershed program.

### Greenhouse Gases

- **Social Forestry – Suryamal Gram Panchayat**

The social forestry programme has covered about 181 farmers spread across four villages of Suryamal Gram-Panchayat, which is about 57% (181 farmers of 314 farmers) of the total number of farmers in entire Suryamal Gram Panchayat. A total of 3210 saplings were planted.

## 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Siemens Limited in-house community development team, partners with like-minded NGOs and government organizations to leverage synergies in delivering various community development initiatives. We encourage our employees to volunteer for cause of choice in pre-defined aspects that are aligned to our community development initiatives. Through our employee volunteering program, employees can annually avail seven working days for volunteering activities.

CSR Pillar	Community Development Initiative	Implementation partners
Education and Science	Siemens Scholarship Program	Growth Centre
	Supporting destitute children	Children's Aid Society Welfare Society for Destitute Children
	Upgrading Government ITIs	Siemens Employee Volunteers
		Directorate of Employment and Training
Social	Project Asha	AROEHAN (Field action project of Nirmala Niketan Institute College of Social Work, Mumbai)
	Sanjeevan mobile clinics	Smile Foundation, Delhi Medanta, the Medicity Hospital
	Drought Mitigation in Marathwada	Action Aid Association
Environment	Social Forestry	AROEHAN

### 3. Have you done any impact assessment of your initiative?

Most of our projects and initiatives run into a few years and the impacts of the activities will be measurable after project completion or later. Therefore we have currently done a general mapping of our baseline scenario.

### 4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the year, we spent INR 11,623,089 towards various community development projects as listed above.

### 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

We endeavour to have maximum community participation in our initiatives. All our initiatives are designed to empower the communities through knowledge transfer and trainings to sustain the project after completion.

## Principle 9

**"Siemens is always just a phone call away when it comes to resolving any issue. My team tells me how they have a strong partner who will listen and find solutions for us. The number one thing is being customer-centric – we live with our customers!"**

*- Ranjeet Pandithage, Chairman of Diesel and Motor Engineering Plc (DIMO), the longest-serving partner of Siemens in Sri Lanka*

**"Siemens was very active in implementing the project from the beginning. The company is solutions-oriented and views its tasks from a 360-degree perspective. That makes Siemens a strong, reliable and trustworthy partner."**

*- GV Sanjay Reddy, Vice Chairman of GVK Power & Infrastructure Limited (GVK), and MD of Bengaluru International Airport Limited (BIAL)*

Siemens India is operating amidst an extremely challenging environment that calls for sustainable action. In recognition of this, we have a Customer First culture at Siemens India and drive all efforts to synergize and put customers at the core of everything we do through our **"Customer First"** initiative. All employees, whether customer facing or not, are part of this initiative.

### 1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

We lay a lot of emphasis on customer relationship management. The four sectors of the Company, i.e. Energy, Healthcare, Industry and Infrastructures & Cities, are the main pillars which constantly strive hard to successfully develop and produce more and more innovative products and solutions. At Siemens, customer complaints are handled by the respective business units and corporate divisions.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)

Siemens adheres to all applicable laws and regulations on product labelling. We use Environmental Product Declarations (EPD) to transparently communicate environmental performance of our products and services. EPDs are developed using ecological data gathered from full-scale life cycle assessments or screening life cycle assessments of our products and solutions.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so

We have no cases filed by any of our stakeholders against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of the financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Globally Siemens measures customer satisfaction based on uniform and harmonized Net Promoter Score (NPS) methodology. During NPS, feedback is sought regarding performance of our processes, people, products. NPS has been one of our major corporate KPI since 2009. NPS is an internationally recognized tool based on the commonly applied managerial performance indicator. Our internal NPS target system is based on business-specific, regional and industry benchmarks and is used to set target values for the businesses.

Apart from this annual corporate survey, throughout the year transactional customer feedbacks are gathered at the end of key customer interactions, during project management as well as service delivery. Based on these feedbacks focused process improvements across the organization are undertaken.

**"Siemens enjoys an excellent reputation in India. As an international company, we value partners that can offer globally accepted solutions, and Siemens can provide this. Plus, Siemens can support us with knowledgeable teams whose members have both automation and process expertise. All in all, we have had an excellent experience with Siemens as a supplier, and on the operational level the service Siemens provides is always flawless, which is very important for the operating team. Consequently, we consider Siemens a preferred supplier."**

*- Shyamsundar Bang is Executive Director of manufacturing and supply chain operations at Jubilant Life Sciences*

The longevity of Adani Power's association with Siemens is substantial. They are our trusted partner. Over the years, **Siemens has often proposed unconventional solutions for our unique needs and these have proved beneficial to us.** For the kind of complex projects that we handle, complete trust and confidence on our suppliers is essential. **Siemens is our trusted ally. We will always be a part of Siemens and Siemens will always be a part of Adani Power**

*- Vneet S. Jaain, CEO and Executive Director, Adani Power*

**I have a high regard for the quality of the company's medical systems and its services. It's unbeatable. We're 100% certain that Siemens' products won't let us down."**

*- Dr. Naresh Trehan, Founder Chairman of Medanta*

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