

Definition of material issues of the shared value dimension

Dimension	Issue	Definition
Shared value Where can we, through our business, pursue and scale solutions to meet significant systemic challenges for the benefit of society while creating opportunities for our business?	Climate action	Reducing GHG emissions, energy use and mitigating the effects of long-term changes in the Earth's climate and its physical impacts on business operations, communities and the natural environment. Advocacy and partnerships with others to reduce climate change impacts.
	Sustainable product design & lifecycle management	Fostering a circular economy by addressing customer and societal demands for more sustainable products and services. Ensuring environmental responsibility in the product use phase. Meeting evolving regulations through product designing and lifecycle management.
	Innovation & business model	Innovation management for developing sustainable products and solutions. Management of risks and opportunities associated with the incorporation of social, environmental, and political transitions into long-term business model development.
	Partner management & collaboration	Fostering collaborations with partners across the Siemens ecosystem for driving the development of sustainable services and solutions.
	Sustainable use of natural resources & material efficiency	Company's management and reduction of the use of natural resources in production and consumption (e.g., the use of freshwater), also referred to as dematerialization.
	Responsible economic performance	Company's ability and strategies to produce long-term economic growth by providing and investing in sustainable products and services.
	Future of work	Becoming an employer of choice. Proactively shaping structural changes. E.g., business-relevant trainings, fair and forward-looking remuneration, flexible working models, and further benefits for promoting a productive, enjoyable and sustainable work.

Definition of material issues of the responsibility dimension

Dimension	Issue	Definition
<p>Responsibility Where do we have a responsibility to mitigate significant potential negative impact on people, society or the environment? Where do sustainability issues pose a potential for financial or reputational risk to our business?</p>	<p>Social and environmental standards in the supply chain</p>	<p>Driving sustainability performance in the supply chain. Including minimum social and environmental standards for suppliers (e.g., protection of fundamental labor rights or environmental objectives and supplier management)</p>
	<p>Cyber security & data management</p>	<p>Cyber and data security as risk and business opportunity for the benefit of all. Management of risks related to collection, retention and use of sensitive, confidential and/or proprietary customer or user data.</p>
	<p>Employee health & safety</p>	<p>Company's ability to create and maintain a safe and healthy workplace that is free of injuries, fatalities and illness (both acute and chronic).</p>
	<p>Diversity, equity & inclusion</p>	<p>Company's ability to ensure that it's culture and hiring and promotion practices foster the building of a diverse and inclusive workforce.</p>
	<p>Customer safety & product quality</p>	<p>Management and minimization of issues unintended characteristics of products or services sold that may create health and safety risks to end-users.</p>
	<p>Corporate governance & sustainability leadership</p>	<p>Siemens management follows clear rules, practices and processes. Our leadership takes responsibility for encouraging sustainability across the Siemens ecosystem.</p>
	<p>ESG risk management</p>	<p>Management system for identification, prevention, minimization of potential ESG-risks.</p>
	<p>Compliance management</p>	<p>Management system for ensuring, that the company and its employees follow all laws, regulations, standards, and ethical practices that apply to the organization and industry.</p>