

**SIEMENS**



**Business Responsibility  
Report 2020**

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# Business Responsibility Report FY-2019-2020

## 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:** Birla Aurora, Level 21, Plot No.1080, Dr. Annie Besant Road, Worli, Mumbai-400030
4. **Website:** <https://www.siemens.co.in/>
5. **E-mail id:** communication.in@siemens.com
6. **Financial Year Reported:** 1<sup>st</sup> October 2019 – 30<sup>th</sup> September 2020
7. **Sector(s) the Company is engaged in (industrial activity code-wise)**

Power generation, transmission and distribution, intelligent infrastructure for buildings, distributed energy systems, automation and digitalization for discrete and process manufacturing industries, intelligent mobility solutions for rail and road transport.

(Definition from the internet: <https://new.siemens.com/in/en.html>)

Industrial Group	Description
271	Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
281	Manufacture of general purpose machinery
279	Manufacturing of electrical signaling, safety or traffic control equipment
261	Manufacture of electronic components

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

- Switchgear Items
- Switchboards, control boards and miscellaneous accessories
- Transformers, Turbine and Motors

For additional information on products and solutions, please refer to the Annual financial statements and Management Discussion and Analysis Report.

8. **Total number of locations where business activity is undertaken by the Company**
  - a. **Number of International Locations:** Siemens Limited has 2 international locations. Sri Lanka, Bangladesh,
  - b. **Number of National Locations:** Siemens Limited has 45 locations including factories across India.  
**Markets served by the Company - Local/State/National/International:** Siemens Limited has a pan-India presence and supports Siemens business in Bangladesh, Nepal, Bhutan and Sri Lanka.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR Million):** 712
2. **Total Turnover (INR Million):** 105,407
3. **Total profit after taxes (INR Million):** 7,565
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 2.0% (of average net profit for previous three years)

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

The list of activities under the three thematic areas are as follows:

- a. Education and Science
  - i. Siemens Scholarship Program
  - ii. Dual VET at Government ITIs
  - iii. STEM in schools
  - iv. University Collaboration
- b. Social
  - i. Project Asha
  - ii. COVID-19 response
  - iii. Disaster Relief
- c. Environment
  - i. Improving water efficiency

For details refer Annexure VI of Annual Report FY 19-20 (CSR Report)

## SECTION C: OTHER DETAILS

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

SRAPL – Siemens Rail Automation Pvt. Ltd. Is a 100% subsidiary as of 30<sup>th</sup> September 2020.

### 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)

Yes, Siemens Rail Automation Pvt. Ltd. a wholly owned Subsidiary Company participates in the BR initiatives of the parent Company.

### 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]

It is mandatory for all the channel partners, suppliers, vendors, NGOs and contractors to adopt the Code of Conduct for Siemens Suppliers which contains the basic principles and rules for business conduct.

## 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: 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	Lakshmi Chatterjee
3.	Designation	Head of Strategy & Sustainability
4.	Telephone number	+91 22 6251 7000
5.	E-mail id	lakshmi.chatterjee@siemens.com

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

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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 14001, BS OHSAS 18001, UNGC Guidelines, UN Human Rights Declaration and European Human Rights Convention; ILO Principles, OECD Guidelines for Multinational Enterprises, UN Convention against Corruption; IFRS as issued by the IASB.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Significant policies are formulated at Siemens Group level in Germany. The policies are adopted by Siemens Limited in India with Board level undertaking to the Group on implementation of key policies in India. The policies pertaining to local legislations and systems are approved and signed by relevant senior management personnel.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Company 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?	<b>Siemens Business Conduct Guideline is available at:</b> <a href="https://new.siemens.com/in/en/company/investor-relations/business-ethics.html">https://new.siemens.com/in/en/company/investor-relations/business-ethics.html</a> <b>Siemens Compliance policy is available at:</b> <a href="https://new.siemens.com/in/en/company/investor-relations/business-ethics.html">https://new.siemens.com/in/en/company/investor-relations/business-ethics.html</a> <b>Siemens Safety, Health and Environment policy is available at:</b> <a href="https://new.siemens.com/in/en/company/sustainability.html">https://new.siemens.com/in/en/company/sustainability.html</a> <b>Siemens CSR policy is available at:</b> <a href="https://new.siemens.com/in/en/company/sustainability/corporate-citizenship.html">https://new.siemens.com/in/en/company/sustainability/corporate-citizenship.html</a> All other policies are available on the Company's internal network.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All the policies communicated to internal stakeholders are available on the internal network. Policies communicated to external stakeholders are available on the Siemens website.								
8.	Does the Company have in-house structure to implement the policy/policies?	Yes. There is an in-house structure with clearly defined roles and responsibilities that are periodically reviewed under the Internal Risk Management Framework.								
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/policies?	Yes. The Company's stakeholder grievance is covered by the Code of Conduct for Suppliers and Business Conduct Guidelines. In order to ensure integrity and transparency of business processes, there is a system in place to identify any non-compliance and violations of the Siemens Business Conduct Guidelines. The tool, "tell us", can be used for whistle blowing and redressal of other grievances by employees, customers, suppliers and other stakeholders 24/7 worldwide 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. There is also an ombudsman in place where grievances can be raised. Employees and third parties can confidentially and anonymously confide in these impartial professionals should they observe improper business practices in the Company. Siemens has a Business Enquiry Helpline number (1800 209 1800) to register any complaints. Siemens also has a <a href="#">Contact Us</a> page through which customers and other stakeholders can register queries on investor relations, press and media, general or other enquiries.								
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes. The Company's 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 audits.								

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

Not applicable, as Siemens Limited 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 assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The BR performance is reviewed quarterly by the CEO.

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

Siemens Limited has been publishing a Business Responsibility Report annually since seven years. The reports can be viewed at following URL

<https://new.siemens.com/in/en/company/investor-relations/annual-report.html>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

**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 Limited holds the highest standards of integrity and behavior, ensuring compliance and adherence to the law and internal regulations through the Siemens Compliance System. Compliance is firmly embedded throughout the company – not only through internal regulations, related processes and controls, but also through requirement for all Siemens managers to actively take responsibility, ongoing communication and training measures that help to strengthen the culture of integrity in Siemens. “Always act as if it were your own company” - This maxim of an active ownership culture applies to every individual – from Managing Board members to trainees. Every employee takes responsibility for Siemens’ success and for ensuring that this success is achieved in an exemplary manner – in accordance with our corporate values. This is the overarching element of the Siemens Compliance System with its three action levels: Prevent, Detect and Respond. Siemens Ltd. has zero tolerance for corruption and violations of the principles of fair competition. Siemens Ltd. has adopted the Business Conduct Guidelines (BCG), which details the minimum acceptable ethical and responsible business practices for employees, channel partners, suppliers, vendors, NGOs and contractors. The Company is committed to transparency and best practices are also extended to suppliers through the Code of Conduct for suppliers, channel partners and other external stakeholders. This code warrants compliance with laws prohibiting child labor, taking responsibility for the health and safety of their employees and ensuring that suppliers act in accordance with applicable statutory and international standards regarding environmental protection and human rights. The effectiveness of compliance at Siemens Ltd. rests on the company-wide governance performed by Compliance organization, supported by clear reporting lines.

**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 2019-20	Percentage satisfactorily resolved by the management
Stakeholder complaints related to ethics, bribery and corruption	17	82%

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## PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

### 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 products and services which incorporate environment and safety risks/concerns

- i. Process Bus technology
- ii. Modernization and upgrades of existing power plants as a lever for Decarbonization
- iii. Electrical solutions for High Horse Power E-LoCo

### 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?

Process Bus technology enables the replacement of parallel wiring with copper cables between the control room and switchyard with fiber optic connections for data exchange based on Ethernet.

Current and voltage are acquired either by using already installed conventional sensors or next generation sensors based on low-power measuring principles - LPITs (Low Power Instrument Transformers).

Implementation of Process Bus based substation automation systems will offer significant value to customer in the form of - reduced substation footprints (~ 30% space savings), reduced copper cabling (~ 80% savings) , increased O&M Safety, promoting high flexibility & interoperability for the grid operators & future fit technology adoption towards achieving digitalization with focus on IT/OT Integration.

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

##### i. Modernization and upgrades of existing power plants as a lever for Decarbonization

In today's performance-based market, where plants are managed as profit centers, it is necessary to strategically improve efficiency, optimize capacity, minimize costs while maintaining high reliability & availability to be competitive, more so when it comes to aging plants. Siemens has developed an array of Performance Enhancement solutions that help our customers make the ageing power generating assets more profitable and reliable even when it's another-OEM plant.

For example, for one of our customers, such enhancement project included replacement of 6 sets of complete steam turbine flow path and its accessories.

1. Modifications and Upgradations of these six aged coal-based power plants have helped increase the power output by 12.5% (i.e. from 80 MW output earlier to 90MW output per machine) with improvement in heat rate while using the same amount of coal.
2. This has resulted in the reduction of the coal consumption/MW and in turn the reduction in CO<sub>2</sub> emissions. The expected annual CO<sub>2</sub> savings is ~One Million Tonnes (Combined for 6x Units).
3. The plant availability and reliability has improved for the customer.

##### ii. Electrical solutions for High Horse Power E-LoCo

The products for High Horse Power E-LoCo are green and cost effective solution co-created by Siemens with Indian Railways (IR). The Solution developed helps Indian Railways to haul bulk loads at high gradients, increase the average speed of the trains, increase network capacities and therefore will help Indian Railways to achieve its target of at least 50% of freight traffic by 2030 (currently 33%) and eventually reduce pollution (Air and Noise) by offsetting the freight carried by Road Transport.

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The key features of the solution are:

- Integrated Traction Converter gives uninterrupted power at neutral sections
- Ether Oil Cooled Steel Tank Transformer
- State of the art high power traction motor with weight reduction of 150 kg per motor
- Track-friendly drive concept

The environmental and economic benefit for the Indian Railways are as follows:

- Use of environmentally friendly materials
- Regenerative braking system saves up to 15% energy depending on the line topology
- Assisting Indian Railways to achieve their 'Net-Zero' target
- Reduced maintenance costs
- Reduced costs of repair and reduced downtimes in the event of damage

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

Siemens Ltd, through efforts such as strict Code of Conduct, External Sustainability Audits (ESA) for select suppliers and an efficient Vendor Monitoring system, ensures sustainability throughout the value chain.

Sustainability agenda is extended to suppliers through the Supplier Code of Conduct (SCC) to which all suppliers have to commit to and the Business Conduct Guidelines (BCG). It lays down the requirements on various aspects of sustainability such as legal compliance, anti-bribery and anti-corruption, human rights, health and safety and environment protection.

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?**

80% of material from third party suppliers is sourced locally within India. Out of this 34% is sourced from small and medium enterprises. Several MSMEs (Micro, Small and Medium Enterprises) rely on companies like Siemens for their business. Siemens continuously looks for opportunities to source its material locally. It has a registered base of about 2,131 MSMEs. For products which are currently not manufactured locally, it promotes indigenization through the following steps:

- Identification of products currently imported
- Indigenization of the product and testing
- Handholding of suppliers for manufacturing product locally

**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.**

The Company is committed to increasing waste efficiency through the ISO 14001 certification for all plants. Waste is segregated into hazardous and non-hazardous waste and managed through a robust waste management system.

- I. Hazardous waste is sent to registered recyclers or to CPCB Authorized TSDF (transportation, storage and disposal facilities) for disposal. E-waste and plastics waste are sent to registered recyclers.
- II. Non-hazardous waste such as paper is reused as packaging material. Damaged laptops are disposed as e-waste through government approved registered recyclers.
- III. Industrial effluents are treated in the effluent treatment plant and sewage is treated in the sewage treatment plant. The treated water is used for maintaining green belt.
- IV. We are authorized by Central Pollution Control Board (CPCB) to dispose and recycle e-waste under Extended Producer Responsibility (EPR) which also complies with the E-Waste Disposal Rules of 2016. This financial year we have disposed e-waste of 7.4 metric tonnes ( MT).
- V. We are also authorized by CPCB as "Brand Owner" for recycling of plastic waste under Extended Producer Responsibility which complies with Plastic Waste Management Rules, 2016. We have recycled 194 metric tonnes (MT) of plastic this fiscal.

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## PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

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

Siemens Limited has 9,289 employees as of 30<sup>th</sup> September 2020

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

Siemens Limited has 289 on direct contract as of 30<sup>th</sup> September 2020. This does not include third party work force.

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

Siemens Limited has 921 permanent women employees as of 30<sup>th</sup> September 2020.

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

Siemens Limited has 16 permanent employees with disabilities as of 30<sup>th</sup> September 2020.

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

Yes

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

Company currently does not track them separately.

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

None

Sr No	Category	No of complaints filed during the financial year	No of complaints pending (as on 30 September 2020)
1.	Child labor / forced labor / involuntary labor	0	0
2.	Sexual harassment	1 sexual harassment complaint filed and closed	0
3.	Discriminatory employment	0	0

**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

Sr No	Category	Trainings for skill up gradation (in hours)	Trainings for safety in our safety training center SITRUST (in hours)
1.	Permanent Employees	60,014	28,923
2.	Permanent Women Employees	3,029	160
3.	Casual/Temporary/Contractual Employees	84	19,477
4.	Employee with disabilities	-	-



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## **PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.**

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

Siemens Limited has mapped the internal and external stakeholders in a structured way and carries out engagements with our investors, employees, customers, suppliers, business partners, civil society organizations, etc. Siemens identifies the interests of our internal stakeholders like permanent employees through engagement surveys and periodic worker settlement reviews. The external shareholders are mapped through defined activities such as customer events, channel partner meet, SMEs trainings etc. The Company reaches out to the stakeholders on regular basis through analyst meets, AGM and press releases. Siemens participates in the events organized by trade associations and contributes by providing inputs when requested.

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

Siemens Limited believes in supporting the growth and development of economically weaker sections of society. Siemens identifies marginalized and disadvantaged groups through need assessment and engagement with local communities under the corporate citizenship framework. The marginalized and disadvantaged communities, Siemens works with include, tribal and rural communities, less privileged children, urban and rural youth, engineering students from low-socio economic background, women, workers in the unorganized sector, communities who are underserved and lack access to infrastructure.

### **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 Annexure VI of Annual Report FY 19-20 (CSR Report).

## **PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

### **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 Limited 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?**

The Company received 3 investor complaints during the year of which 2 were resolved by the management at end of financial year.

## **PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

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

Siemens Limited is committed to strive towards achieving a culture of Zero Harm based on EHS (Environment, Health and Safety) Management system. The EHS Policy specifies that the EHS requirements are to be extended to the Suppliers and Contractors. Siemens expects them to act in accordance with the applicable statutory and international standards regarding environmental protection in order to minimize adverse environmental impacts and make continual improvements in environmental protection. The suppliers and contractors are communicated about these EHS requirements right from the bid-phase and the businesses continuously engage with them vide workshops, trainings etc. The subsidiary has its own policies which are in sync with company's Environmental policies.

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**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.**

Yes, Siemens Limited has environmental initiatives in the areas of reduction in greenhouse gases and Energy Efficiency program. The initiatives are implemented along our entire value chain – in the supply chain, in our own operations, and through the goods and services we provide to our customers. Herewith we mainly contribute to SDG 7 “Affordable and Clean Energy”, SDG 12 “Responsible Consumption and Production” as well as SDG 13 “Climate Action”. There are several ways to reach this goal, such as:

- a. Use energy as efficiently as possible
- b. Increase the share of renewable energy
- c. Accelerate the switch of the remaining conventional electricity generation to low-carbon fuels
- d. Redesign electricity markets to ensure sufficient investments into a sustainable, secure and efficient energy system
- e. Accelerate the uptake of highly flexible technologies to integrate renewable energies and ensure system stability
- f. Accelerate the decarbonization of other sectors with sector integration.

Siemens considers the increase of its own energy efficiency, and thus also of its carbon efficiency, to be a win-win situation, as reduction in energy consumption not only protects the environment but also cuts costs. The hyperlink to the initiatives undertaken is provided below:

<https://www.siemens.com/global/en/home/company/about/businesses/real-estate/green-greener-kalwa.html>

Implementation plan of CO<sub>2</sub>-neutral Siemens program has been rolled out globally with ultimate goal to become CO<sub>2</sub>-neutral by 2030.

Some notable steps taken this year in continuation to previous year are:

- Solar rooftop project which resulted in saving 2,483 tonnes of CO<sub>2</sub> emissions.
- Undertaken energy efficient programs at our various factories and plants which resulted in savings of 1,284 MWh of electricity or 1,053 tonnes of CO<sub>2</sub>.
- We have also procured 2200 MWh of green power thereby reducing 1,804 tonnes of CO<sub>2</sub>

Siemens Limited believes it is their responsibility to address global long-term challenges and ensures the business is run in a socially, ecologically and economically responsible manner. The Company works to develop new products and services which addresses global environmental issues like climate change and are captured in Principle 2.

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

Environmental Risks are integrated in the Company’s Enterprise Risk Management (ERM) processes and the detail process is covered in EHS Manuals that are based on ISO 14001 Environment Management System Standard. All our manufacturing units are certified as per ISO 14001 standard.

As a part of the environment management system, the environmental risks are addressed in the following elements:

- Identification and evaluation of environmental aspects and its impacts
- Identification of risk of Legal non-compliance
- Identification of risks due to Environmental emergencies

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?**

Siemens Limited currently does not have any project related to Clean Development Mechanism.

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**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.**

Siemens Limited commitment towards clean technology and energy efficiency is not limited to the design of new products but extends to the manufacturing plants as well.

a) Besides the initiatives that continued from last year we have undertaken 28 energy efficiency initiatives across all our manufacturing and office locations. These have culminated in a total savings of 1,285 Mega Watt hours (MWh) of electricity hence reduction of 1,053 tonnes of CO<sub>2</sub> in FY20. The various initiatives can be summarized as under:

Sr. No.	Initiatives	Locations	Savings
1	<ul style="list-style-type: none"> <li>Upgrading from various conventional office lighting and shop floor lighting into LED lighting</li> </ul>	All	98 MWh
2	<ul style="list-style-type: none"> <li>Electronically Commutated (EC) Fans have been retrofitted in Air Handling Units (AHU)</li> <li>Separate air conditioner (AC) unit has been installed</li> <li>Lighting system upgrade.</li> </ul>	Goa	624 MWh
3	<ul style="list-style-type: none"> <li>Reduction of pressurized air loss with the help of prevention of air leakages</li> <li>Energy efficient compressor system</li> <li>Removing hot air to out-side the Heating Ventilation and Air Conditioning (HVAC),</li> <li>Using alternate EOT crane for reducing oil quenching time loss in carburizing furnace, use of scheduler in Nital etching process to switch heater on just 8 hours before the process requirement thereby optimizing on time and introduction of separate PID in heating control of Furnace 5 for faster ramp-up heating.</li> </ul>	Kharagpur	283 MWh
4	<ul style="list-style-type: none"> <li>High Volume Low Speed (HVLS) fans were installed</li> <li>Few high energy consuming unwanted fans from shop floor have been removed</li> <li>Installing the Insta Contactor and timers enabled wastage reduction by use of Hi-bay lamps.</li> </ul>	Navi Mumbai	89 MWh
5	<ul style="list-style-type: none"> <li>Installing timers for running and controlling the AC temperature</li> <li>installing motion sensors for lighting and Split air conditioners (ACs) in office areas, conference room and common areas</li> <li>Due to the reduced load requirement, only one transformer was used instead of two transformers</li> <li>Stopping compressed air during holidays</li> <li>Power saving in compression moulding machine by installation of timer to stop the motor</li> <li>Functioning the Air Handling Unit on blower mode only.</li> </ul>	Aurangabad	186 MWh

b) Some major water conservation initiatives across locations which are being continued from previous years. The new initiatives for this year have been listed below.

- In Aurangabad factories, solenoid valves installed for 13 Reverse Osmosis (RO) systems for restricting overflow. Also 59 smart water saver taps have been installed in canteen, offices and shop floor.
- In Aurangabad factory, waste water is processed in Sewage Treatment Plant (STP) and used for gardening in the location.
- At Kharagpur factory, filtration and reuse of process water at nital etching is done.

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- c) Waste management initiatives across our various manufacturing and office locations are our continuous effort to reduce and reuse to improve waste management processes. A few of the new initiatives for the year are mentioned below.
1. In Nashik factory, reduction in plastic consumption by providing special trolley to store the components directly and avoiding plastic bags. 50 bags are being saved per order.
  2. Waste avoidance by utilization of excess transformer (nynas) oil for impregnation process in Transformer factory in Kalwa.
  3. In the Mechanical Drives factory at Chennai, there has been savings in hazardous oil by draining residual oil in gear boxes.
  4. In Mechanical Drives factory at Kharagpur, hazardous waste has been reduced by extracting oil from Flank grinding sludge and reusing.
  5. In Kharagpur factory, reduction of Hazardous waste by in house treatment of coolant water at Effluent Treatment Plant (ETP).
- d) In the effort to shift to renewable energy sources, the company has undertaken the following measures.
1. We have installed roof top solar photovoltaic power generation plants in our Kalwa and Aurangabad factories. This has generated 3028 Mega Watt hours of renewable energy resulting in a saving of 2483 tons of CO<sub>2</sub> emissions.
  2. We have procured Green Power from external provider for consumption in our Bangalore office of 2,200 MWh and saving 1,804 tons of CO<sub>2</sub> emissions.

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

Siemens Limited follows the applicable environmental laws and regulation. The Company's emissions, effluents and waste are within Central and State Pollution Control Boards permissible limits.

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

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

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

**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:**

In efforts to influence sustainability actions and enable technology through sharing of best practices, Siemens is a member of various Technical Committees of Bureau of Indian Standards and on the Executive/Subject Councils. Some of the key trade/industry associations where Siemens 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)
8. Indian Merchant Chambers (IMC)
9. IMTMA (Indian Machine Tool Manufacturers Association)
10. Capital Goods Sector Skill Council of India

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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)**

Through membership with trade and industry associations, the Company has advocated on standardization in technical regulation, e-mobility and infrastructure (chargers), renewable energy, energy storage, distributed energy systems, smart grids and digitalization, business ethics and skill development. The company continuously makes efforts to further contribute on specific sustainable business issues.

## PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

At Siemens Limited we wish to sustainably enhance living conditions for as many people as possible. The Company works towards that goal with business activities that address the challenges of our time such as Demographic change, Urbanization, Climate Change, Globalization and Digitalization. Our company-wide Corporate Citizenship framework forms a part of the Sustainability and Citizenship priority area. The Company considers it as its economic, environmental and social responsibility to foster sustainable local development as well as add value to the local economy in which it operates. The Company derives its sustainability initiatives from these challenges. These initiatives, generally known as Corporate Social Responsibility (CSR), are referred to as Corporate Citizenship in Siemens.

The Corporate Citizenship strategy is in line with the Company's goal to address the three dimensions of Sustainability i.e. Economic, Environment and Social. Hence, the strategy focuses on: Education and Science, Social, and Environment. The strategy aims to address the challenges and needs that communities face by leveraging the Company's competencies and solutions. It is oriented towards the Country's development agenda, UN Sustainable Development Goals and UN Global Compact principles. The details are available in the Annexure VI of Annual Report 2019-20 (CSR Report).

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

Siemens Limited has its own in-house Corporate Citizenship team which plans, monitors review and governs the Corporate Social Responsibility initiatives of Siemens India. The Company partners with like-minded implementing NGO and government organizations to work towards the Company's CSR community development initiatives. Employees can annually avail seven working days for volunteering activities for a cause of choice towards community development projects.

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

The Company's CSR community development initiatives are long term impact-oriented projects as per the focus areas. A needs assessment or baseline study of the project is undertaken with the community participation. Siemens Limited follows the IOOI method (input, output, outcome and impact) for monitoring and evaluation through a logical framework (LogFrame) developed together with the implementing partners. Review is conducted for all projects and the progress of the projects is being measured using the baseline. The projects output, outcome and impact are monitored and measured on a regular interval along with the implementing partners. The impact of each project is mentioned in the Annexure VI of Annual Report 2019-20 (CSR Report).

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, the Company spent INR 279'0 million towards various community development projects. The details of the projects undertaken are given in the Annexure VI of Annual Report FY 19-20 (CSR Report).

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.**

All Corporate Social Responsibility projects work towards development of sustainable communities. Hence, all the initiatives are planned, monitored and evaluated in partnership with the stakeholders throughout the project life cycle. The project is identified and developed as a facilitator to empower the communities through knowledge transfer and capacity building programs to sustain the initiatives after completion. Project focuses on forming and strengthening communities based organizations (CBOs) which acts as catalyst towards community development. It also works on holistic development program to increase curiosity and inquiry-based learning of students, make them industry ready and increase employability. Projects are working towards empowering communities, strengthening the value chain and the skilling ecosystem.

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## PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

There were no consumer cases in district consumer forum.

**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 Ltd. adheres to all applicable laws and regulations on product labeling. Environmental Product Declarations (EPD) is used to transparently communicate environmental performance of the products and services. EPDs are developed using ecological data gathered from full-scale screening Life Cycle Assessment (LCA) of the Company's products and solutions.

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

There is no case filed by any stakeholder against the Company regarding unfair trade practices and irresponsible advertising during the last five years and pending as on end of financial year. However, there is an anti-competitive case filed against another Siemens entity to which the Company has also been made a party. The Company has sought directions from the Competition Commission of India to remove itself as party, since according to the Company it is not a proper party.

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

Siemens used to carry out surveys every year. However, the survey was cancelled this year due to the COVID-19 pandemic. The survey is planned to resume in FY21.