Introduction

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that Siemens Mobility Limited has taken and is continuing to take, to ensure that modern slavery or human trafficking is not taking place within our business or supply chain. Modern slavery encompasses slavery, servitude, human trafficking and forced labour.

Sustainable value creation is the path we choose to achieve our goal of profit-driven, long-term growth. As a global business, Siemens Mobility with its innovative capability and investment strength, assumes joint responsibility for worldwide sustainable development. We create added value for the societies in which we operate. At the same time, our business activities, both directly and indirectly, impact the lives of many. Siemens Mobility is aware of its responsibility for ensuring the respect of human rights. For us, this responsibility is the fundamental basis of responsible business conduct. Building on our Business Conduct Guidelines, we have defined the respect of human rights in additional guidelines and principles.

Sustainable practices are firmly anchored in our corporate culture, based on our company values of being responsible, innovative, and excellent. We apply globally binding principles that require all employees and managers to behave in an ethical, law-abiding manner. We act responsibly to support economic, environmental, and social progress.

As part of the worldwide Siemens group of companies, Siemens Mobility Limited has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and dedicated to performing all business dealings with integrity and transparency, together with putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

Our business

By combining the real and the digital worlds, we empower our customers to transform their industries and markets, helping them to transform the everyday for billions of people. Siemens has been active in the United Kingdom for over 170 years. Siemens Mobility is one of several legal entities trading in the UK and employs over 4,500 employees, situated in various locations including sales offices, manufacturing plants and warehouses. We enable operators to shape current and future passenger and freight transportation with a comprehensive portfolio including vehicles, infrastructure, automation and electrification solutions, turnkey systems as well as related services.
Powerful, reliable, and environmentally friendly transportation systems are essential for a functioning society and economy, and rail traffic is an important part of this picture. Simply travelling quickly and efficiently to your destination is already taken for granted. Passengers expect more, and cities, operators and industry must respond to meet these demands. As a single source supplier and system integrator, Siemens Mobility bundles the necessary expertise to meet these passenger requirements with innovations, and to allow transportation system providers to optimally deploy infrastructure and vehicles.

**Our high-risk areas**

Compliance risk management is an ongoing focus in all aspects of business activity. Annually, global risks are assessed in a Headquarter workshop, with risk topics subsequently cascaded throughout the organisation to ensure proper management focus. Human Rights risk was incorporated as a focus topic in 2017 and is now firmly embedded in our due diligence process for relevant major projects. In addition, as an output from the Headquarter workshop in 2020 an ‘awareness package’ was produced to assist businesses in managing environmental, social (human rights including modern slavery) and governance (ESG) risks across the entire value chain. In 2021 a guide entitled ‘Human Rights in product and solutions businesses’ was produced to further raise awareness and promote discussion within relevant business operations through an integrity dialogue within the teams. In addition, Siemens Mobility Limited adopts the use of External Sustainability Audits (ESAs) for some suppliers, to further support the identification and management of ESG risk. The audits performed by internationally recognised audit firms verify the adherence to our requirements with the ‘Code of Conduct for Siemens Suppliers’ and assesses the sustainability performance of our supply chain. The audit reports deliver an in-depth assessment which enables Siemens & it’s suppliers the ability to identify and manage potential sustainability risks.

**Our policies**

We have various internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

1. **Code of business conduct:**

   All employees are required to comply with our Business Conduct Guidelines which commits each of them to respect the personal dignity, and personal rights of every individual, as well as to act with integrity and in accordance with the law.

   Our Business Conduct Guidelines require that our employees recognise and apply globally relevant anti-slavery principles specifically including the International Labour Organisation’s Tripartite Declaration of Principles, and its Declaration on Fundamental Principles and Rights at Work, with respect to the elimination of child labour, abolition of forced labour, prohibition of discrimination, and rights to freedom of association and collective bargaining.

   Each employee is required to sign a statement that they have read and understood the Business Conduct Guidelines as part of our recruitment process.

   Siemens also expects its suppliers and business partners to share Siemens’ values and comply with all applicable laws as laid out in the respective code of conduct.

   Following a fundamental revision of the Business Conduct Guidelines (BCG), (where the current version came into force from 1st January 2019), a dedicated section specifically on Human Rights further emphasizes the importance of this Activity Field within Compliance. A new web-based training course covering the Business Conduct Guidelines was circulated to all employees in early 2020 for mandatory completion. In June 2021, the Siemens DEGREE Framework was launched,
committing clear ambitious targets for core ESG topics. One internally driven activity under this framework is our Siemens Managing Board’s aspiration to achieve 100% completion of the Business Conduct Guidelines training by all employees every three years. As of 30th September 2021, Siemens Mobility Limited achieved a completion rate of 97% using the current BCG version.

2. Compliance policy:

This policy, in the form of a globally binding, all-encompassing compliance circular, sets out the organisation’s stance on Anti-Corruption, Anti-Trust, Anti-Money Laundering, Data Protection, Human Rights and Export Control.

The circular specifically highlights the need to comply with local law and thereby the requirements of the Modern Slavery Act. In particular, the circular requires Business Units and employees to act always in accordance with the United Nations Global Compact principles, including without limitation:

Principle 1: that businesses should support and respect the protection of internationally proclaimed Human Rights.

Principle 2: that businesses should make sure that they are not complicit in Human Rights abuses.

Principles 3 to 6: which define fundamental responsibilities for businesses regarding labour.

The following are incorporated in day-to-day business practices and operated throughout the financial year:

- relevant projects include a specific set of due diligence questions in relation to Human Rights.
- the subject of Human Rights is a mandatory topic in risk assessment deep dives.
- potential Human Rights violations are subject to investigation as part of the formal compliance case handling process.
- training modules incorporate key aspects of Human Rights compliance.

3. Whistle-blower Policy:

Siemens has a Compliance whistle-blower hotline for reporting compliance violations in a secure manner, 24 hours a day, 7 days a week, in 3 languages, online or via telephone. Reports can also be made anonymously. The hotline can be used by employees and management as well as customers, suppliers, and other stakeholders. It is managed by a third-party supplier and all data supplied is maintained on secure servers in Germany. All reported content is handled exclusively by Siemens.

Siemens internal whistle-blowers are protected by special regulations that protect whistle-blowers who make reports in good faith and to the best of their knowledge. In addition, the Siemens Ombudsman is available for the reporting of compliance violations.

4. Recruitment Policy:

The company operates a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees, to safeguard against human trafficking or individuals being forced to work against their will. In addition, policies provide freedom for workers to terminate employment, freedom of movement and freedom of association. Furthermore, threats of violence, harassment and intimidation are specifically forbidden as is discrimination.
Our suppliers

According to the UN Global Compact, the “supply chain can make a significant impact in promoting human rights, fair labour practices, environmental progress and anti-corruption policies”.

In the UK, Siemens Mobility Limited has approximately 2,800 suppliers across 30 countries. Siemens globally has a substantial and complex supply chain with around 90,000 suppliers across 150 countries. With such a large and geographically dispersed supplier network, Siemens ensures a higher detection priority is given to those suppliers deemed as high risk and has implemented a system of interconnected processes and tools to stay on top of this complexity under the governance of our Global Services Supply Chain Management (SCM) function. Transparency and awareness of supply chain risks is ensured via a three-step process:

- Definition of sustainability risks and categories.
- Identification of the relevant suppliers.
- Development and implementation of necessary procurement processes to cover these risks for example by conducting on-site audits.

We support all our suppliers through our “Sustainability in the Supply Chain” and “Code of Conduct for Siemens Suppliers and Third-Party Intermediaries” brochures, and the basis of all our supplier relationships is the commitment of our suppliers to observe the principles of the code. In addition, we explicitly encourage them to extend these values further into their own supply chain and this is also a commitment within our Sustainability Charter, to create a network of interactions and business relations that are built on trust. All signatories of our Sustainability Charter agree to support Siemens Mobility in working towards the three pillars of environmental, social, and economic sustainability. As well as reflecting our Business Conduct Guidelines, our supplier code is based on the UN Global Compact and principles of the International Labour Organisation.

The code specifically prohibits the use of forced labour and child labour by our suppliers, it requires our suppliers to respect the employment rights of their workers and requires our suppliers to use reasonable efforts to promote compliance with the code amongst their own.

Suppliers commit to the code by signing the Corporate Responsibility contract clause as part of the onboarding & qualification process, and for all new and extended procurement contracts, via the Corporate Responsibility declaration or by acknowledging the Conditions of Purchase.

Prior to selection, all suppliers undergo various due diligence checks. Our Vendor Master Data Tool automatically activates a Corporate Responsibility Self-Assessment (CRSA) should the tool identify certain risk criteria. The assessment questionnaire enables suppliers to judge whether they meet the requirements of our Code of Conduct. This process raises awareness of these requirements, identifies potential risks in connection with sustainability at an early stage, and ensures that appropriate steps are taken.

Following selection, suppliers are continually monitored, and risk assessed, particularly those operating in higher risk countries. Suppliers for whom certain potential sustainability risks have been identified or where there are suspicions of non-compliance with the code of conduct are subjected to an in-depth assessment from an External Sustainability Audit (ESA) by audit experts on site. To ensure independent reporting, this assessment is carried out by external service providers.
Consequences of non-adherence
If our sustainability self-assessments or audits reveal infringements of our requirements, they must be remedied by the suppliers in question within a reasonable period. Besides follow-up audits carried out by our external audit partners, the responsible procurement units and the suppliers involved directly agree on the corrective actions defined during our audits. We reserve the right to end the supplier relationship in the event of serious infringements, such as evidence of slavery, servitude, human trafficking and forced labour.

Employee Training
Siemens has two online training modules entitled “Sustainability in the Supply Chain” and “Supplier Qualification: General Approach”. These trainings highlight the importance of the Code of Conduct for Siemens Suppliers together with Third-Party Intermediaries and are mandatory for all employees with purchasing responsibility. Training requirements are automatically activated with any new updates made to the training.

In addition, during the year Siemens has been working with an external provider to develop a web-based training course on Modern Slavery, which will be rolled out in fiscal 2022 to UK employees. To supplement this training, the Modern Slavery topic will be communicated in an all-employee email cascade and as a headline feature in one of the monthly management bulletins. Where employees do not have access to the online training a presentation guide has been produced, which will be made available early in the new year to enable managers and supervisors to raise and discuss the topic in team meetings.

Know-How Transfer and Building Competence
Our suppliers’ commitment to comply with our sustainability principles is most effective when it is based on their own convictions. We are therefore increasingly committed to building their competence and intensifying knowledge transfers related to sustainability. As a supplement to existing programs, Siemens has developed online sustainability training, specifically for supplier’s staff cooperating with Siemens, in supporting Siemens with deliveries/services.

The sustainability roadmap, developed by Siemens, included a recommendation to implement a Corporate Social Responsibility (CSR) related platform to actively manage and assess suppliers on a regular basis. Siemens is currently developing a global platform to track all ESG metrics. Siemens Mobility Limited will lead by being part of a pilot in FY22. One of the available modules of the implemented Ecovadis platform allows the further development of a Siemens Supplier heat map to assist with the mapping of potentially high-risk suppliers from both a geographical and industry perspective. Siemens Mobility partners the Supply Chain Sustainability School (SCSS), and this partnership enables our suppliers to take due diligence checks, which form part of the e-learning library on the SCSS website.

With a view to continuous improvement Siemens previously engaged with the external market to better understand best practices. Further to the deployment of the Ecovardis platform, and further planned roll outs of the platform in the UK within the coming year, Siemens Mobility have performed 36 assessments on Tier 1 suppliers, together with 6 assessments on indirect suppliers.

Supply Chain Management (SCM) is represented on the Siemens UK Sustainability Board, with a view to ensuring corporate initiatives and requirements are introduced into the supply base. Siemens SCM has developed a specific section in the Siemens Equality, Diversity, and Inclusion (ED&I) statement, to further support the strategy on the topic and are now in the process of assessing how to develop our approach to Tier 1 Suppliers. Our continued collaboration with the
UK Social Enterprise network demonstrates our commitment. As an example, Siemens is now a corporate partner to the Social Enterprise UK Buy Social Corporate Challenge.

During the year our work with Social Enterprises (SE) has resulted in positively impacting the lives of more than 1,200 disadvantaged people including children (to date Siemens Mobility Limited have engaged with 56 SEs for businesses to utilise, at a turnover of £829,000). There is a clear strategy to further roll out Social Enterprises in the UK, supported by Siemens being 1 of 5 partners who will help Social Enterprise UK develop their social value approach inputting to the Social Value Act 2032 and we encourage our suppliers, to do the same.

With over 100 organisations accredited by the Living Wage Foundation as living wage employers within the UK Engineering Sector, Siemens Mobility Limited joined the Living Wage Foundation after receiving the ‘Real Living Wage’ accreditation this year.

Other information

Ensuring commitment to Human Rights at Siemens:

Sustainability in the Supply Chain:

Our commitment

Siemens Mobility will not tolerate any violations of applicable law – and if it does happen, we will take strong action. We will continue to apply a zero-tolerance approach to forced labour, slavery, and human trafficking in any form, in our business and supply chain.

Approval for this statement

This statement was approved by the Board of Directors with respect to the Financial Year ending on 30th September 2021.

William Wilson (Director)

Date 1st March 2022