



MARCH 2023

# Siemens Mobility Modern Slavery Statement

**SIEMENS**

# Contents

Reporting Entity	3
Structure, Operations and Supply Chains	4
Risks of Modern Slavery Practices in the Operations and Supply Chains	7
Actions Taken to Address These Risks, Including Due Diligence and Remediation Processes	8
Governance Framework	8
Actions Taken to Continually Assess and Address Risks	9
Actions How Siemens Mobility Assesses the Effectiveness of Actions Being Taken to Assess and Address Modern Slavery Risks	13

# Reporting Entity

Siemens Mobility Pty. Ltd. (625 304 556) (*Siemens Mobility*) is a large proprietary company incorporated in Australia with its registered office at Level 6, 380 Docklands Drive, Docklands Victoria 3008, Australia. Siemens Mobility is part of the Siemens Mobility group of companies ultimately owned by Siemens AG (*Siemens*), listed on the Frankfurt stock exchange (*Siemens Group*). The Siemens Group recognises establishing sustainability in the supply chain as a key company policy and responsibility to jointly work for a better life for all who take part in our interconnected world with no place for forced labour, slavery and human trafficking in any form.

Sustainable practices are firmly anchored in Siemens Mobility's corporate culture, based on a culture of care, excellence, and trust. Our vision is to be global entrepreneurs, trusted by our partners to pioneer transportation, moving people sustainably and seamlessly from the first mile to the last. Siemens Mobility applies globally binding principles that require all staff to behave in an ethical, law-abiding manner. Siemens Mobility also acts responsibly to support economic, environmental and social progress and has the same expectations of its customers and supply chain.

The Modern Slavery Act 2018 (Cth) (*Act*) requires certain entities to report on the risks of modern slavery in their operations and supply chains and to report the actions they are taking to address those risks. The Siemens Group supports the objectives of this legislation and is committed to doing business in a manner that meets fundamental responsibilities in the areas of human rights, labour, environment, and anti-corruption as a participant of the UN Global Compact. This includes working towards removing the risks of modern slavery by eliminating all forms of forced and compulsory labour and the abolition of child labour.

To prepare this Modern Slavery Statement in accordance with the Act Siemens Mobility undertook an assessment of its operations and supply chains and established a cross company working group to review and contribute to the strategic direction. This statement describes Siemens Mobility's structure, operations and supply chain. It outlines the process Siemens Mobility undertook to better understand its supply chain, the potential risks, as well as the actions it has taken and is taking in support of the objectives of the Act.



# Structure, Operations and Supply Chains

Siemens AG is the ultimate owner of Siemens Mobility. Siemens Mobility is headquartered in Melbourne, Australia and mainly carries on business in Australia, however it is also registered as an overseas company in New Zealand (6914875). Siemens Mobility employs in excess of 500 people directly across Australia and New Zealand. The operations of Siemens Mobility are predominantly office, manufacturing, service centre and project-site based.

Siemens Mobility GMBH, Siemens Mobility and the other Siemens Mobility entities (*Siemens Mobility Group*) aim to be the technology partners of choice for mobility operators. With the Siemens Mobility Group's long-standing transport expertise and software know-how, it is constantly developing new, intelligent mobility solutions that increase availability of infrastructure, optimise throughput and improve passenger experience.



Siemens entities in Australia and New Zealand directly employ over 2,000 people and research has shown that **Siemens enables approximately 29,000 jobs in the region.**

## The Supply Chain that supports Siemens Mobility's Operations

Siemens Mobility sells the Siemens Group portfolio of products, solutions and services, in the core areas of rolling stock, rail automation and electrification, a comprehensive software portfolio, turnkey systems as well as related services.

Siemens Mobility possesses a large and diverse vendor base which procures a range of goods and services both domestically and internationally. Locally, Siemens Mobility engages directly with approximately 25 Siemens affiliated and 736 third-party suppliers from 25 different countries, however, 99% of Siemens Mobility spend is with suppliers operating within the 7 countries below:

- a) Australia (60%);
- b) New Zealand (13%);
- c) Germany (13%);
- d) United Kingdom (5%);
- e) Spain (5%);
- f) United States (2%);
- g) Austria (1%); and
- h) Various countries with smaller amounts (1%).

Siemens Mobility's operations in Australia and New Zealand include established local manufacturing sites and approximately 73% of the company's spend is sourced locally. Siemens Mobility is the only trackside railway company with Australian made recognition.

Depending on the nature of the supply of products and services, Siemens Mobility may have different contractual relationships with suppliers. These may vary from single transactions to multi-year relationships. Contractual arrangements differ depending on the circumstances and include purchase orders, frame agreements (local and global) and sub-contracts. Where there are long term supplier relationships, regular supplier reviews are undertaken in addition to reviews undertaken on initial engagement.

#### Broad view on sustainability – DEGREE framework

Sustainability is an integral part of our business and Siemens has been providing innovative technologies with the aspiration to improve the lives of people all over the world – it is part of our DNA. We are taking our ESG (*Environment, Society and Governance*) commitment to the next level with our DEGREE framework. It constitutes a 360-degree approach for all stakeholders – our customers, our suppliers, our investors, our people, the societies we serve, and our planet. In addressing the three aspects of ESG, we are building a better future that helps us stay within the planetary boundaries, that helps us foster a culture of trust, empowerment, and growth, supports inclusive economic opportunities, and ensures that our people and businesses remain resilient and relevant for whatever the future holds.

The DEGREE framework, introduced in financial year 2021, consists of different components to address the multifaceted issue of human rights in the areas of G (Governance), E (Ethics), and E (Equity). Our human rights principles are firmly grounded in the United Nations 2030 Agenda for Sustainable Development. Our pledge to safeguard human rights is anchored in our Siemens Business Conduct Guidelines (*BCGs*). The BCGs are binding on all employees and business partners worldwide. They set out the fundamental principles and rules that apply to our actions within our company and in relation to our customers, external partners, and the public. Siemens vision is to create liveable communities, opportunities, equal chances for people as well as future-proof, healthy, safe and inclusive work environments.

#### Caring for our people

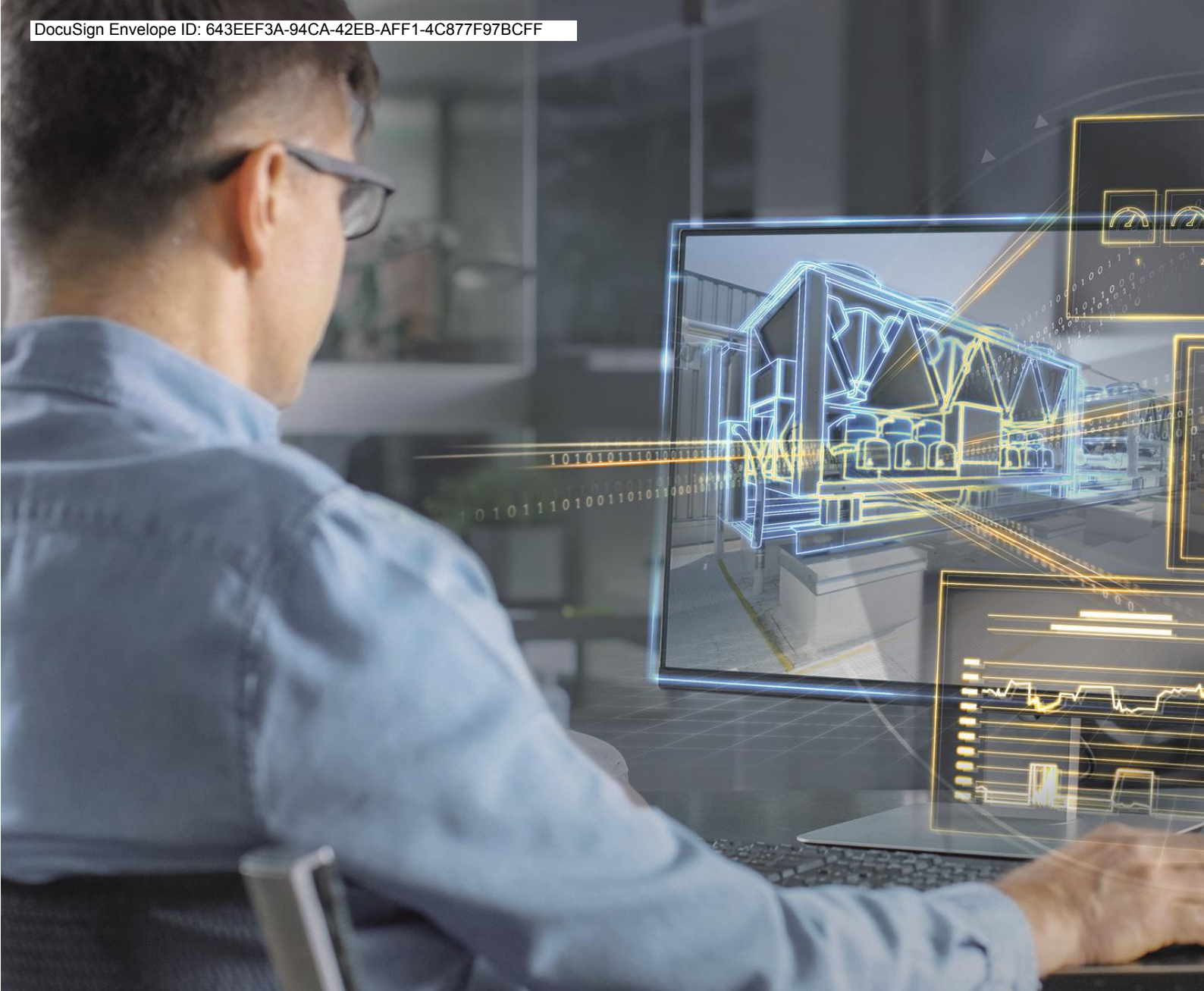
At Siemens, equitable treatment and respect form the core of our value system. We foster diversity, inclusion, personal dignity, privacy and community development to create a sense of belonging to our people in a safe environment where our people can contribute their best.

We focus on matching the right candidates with job vacancies based on competency and experience, and then continuously upskilling and reskilling our people by supporting their willingness to experiment and learn, and to help them develop a personal growth mindset. We offer all our employees a flexible work policy and each employee has access to Siemens' employee share plans, to participate in Siemens' success also as a shareholder.

When determining the remuneration of our employees, we analyse external market data in Australia, relevant to the specific role and the required qualifications, knowledge, and skills.

We provide our employees (and their immediate family) access to counselling, coaching and support from qualified health professionals. This free and confidential service is available 24/7, with online tools and referral services included.

We do not tolerate discrimination, sexual or any other form of harassment, or inappropriate behaviour toward individuals or groups.



As part of the worldwide Siemens Group, sustainable practices are firmly anchored in our corporate culture, based on our company values – **responsible, excellent, and innovative.**

# Risks of Modern Slavery Practices in the Operations and Supply Chains

Operational risks of modern slavery practices identified by Siemens Mobility include services performed by low skilled workforces, such as cleaning and manual labour, where minimum wages may not be paid or excessive or unreasonable hours are expected of a supplier's employees. As a technology company with a largely professional workforce, Siemens Mobility considers the risk of modern slavery in the workforce of its direct business operations to be low, however, Siemens Mobility recognises that it may be exposed to such risk, either directly or indirectly, particularly through its supply chain.

To identify both geopolitical and sustainability risks across the supply chain, Siemens AG sources insights from Sustain Consulting GmbH (*Systain*). Systain is a leading sustainability consultancy for companies across Germany, especially with regard to sustainability in the supply chain. Systain produces sustainability risk ratings based on the suppliers' country and covers legal compliance, human rights and labour practices, environmental protection, fair operating practices, responsible minerals sourcing and supply chain.

**Through utilising the Systain data, Siemens Mobility was able to identify that approximately;**

**98.7%** of what it spends is with suppliers based in low-risk countries,

**0.1%** based in medium risk and

**1.2%** based in high-risk countries.

Of the 1.2% spend in high-risk countries 0.3% was with Siemens Group companies and 0.3% was with a single major multinational supplier. Each of those entities have implemented stringent supply chain controls. Siemens Mobility had no spend with suppliers operating in extreme risk countries in the last year.

In addition to analysing geographical spend, Siemens Mobility also reviews spend categories to identify high risk categories of spend. Siemens Mobility conducted a thorough supplier review of its entire supplier base and of those third-party party suppliers categorised as medium to high risk and has identified that the highest potential risk of modern slavery practices is with suppliers offering the following goods and services:

- a) Signalling module;
- b) Copper Wire, enameled items;
- c) Power supplies for railway applications; and
- d) Electrical installation materials.

# Actions Taken to Address These Risks, Including Due Diligence and Remediation Processes

## Governance Framework

To ensure that Siemens Mobility remains committed to its values and to delivering excellence in corporate governance, transparency, and accountability, Siemens Mobility has a governance framework in place which is based on the global Siemens Group framework and underpins the way it engages with suppliers.

The Siemens Mobility Group including Siemens Mobility has largely adopted the policies and procedures of the Siemens Group as they relate to compliance and sustainability including anti-modern slavery practices. This includes the Siemens Mobility Compliance Policy which is a globally binding all-encompassing compliance circular which sets out the Siemens Group's stance on anti-corruption, anti-trust, anti-money laundering, data protection, human rights and export control. These policies and procedures have been reviewed to assess their effectiveness and better strengthen the way in which Siemens Mobility engages with suppliers to address modern slavery risks within its supply chain.

Siemens Mobility's integrated management system houses its policies and procedures, including those related to procurement, supplier management and the Siemens Group Code of Conduct for Suppliers and 3rd Party Intermediaries (*Siemens Group Code of Conduct*).

To do business with Siemens Mobility all suppliers must confirm their acceptance of, and comply with, the Siemens Group Code of Conduct. The Siemens Group Code of Conduct is based on the principles of the UN Global Compact relating to human rights, labour standards, environmental protection, and anticorruption initiatives. These principles are derived from the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization and the principles of the Rio Declaration on Environment and Development.

With regards to human rights, the Siemens Group Code of Conduct emphasises respect for the basic human rights of employees, including fair remuneration, freedom of assembly, health and safety standards and prohibition of discrimination, forced labour and child labour.



# Actions Taken to Continually Assess and Address Risks

Continuous improvement of supply chain processes

We recognise that risk can be a rapidly and evolving topic. As part of our modern slavery actions, we identified areas for improvement to strengthen the way in which we engage with suppliers to address modern slavery risks. We have embedded a process to actively monitor our supply chain on a periodic basis, ensuring we can effectively focus on emerging and current risks.

As part of the continuous improvement and monitoring in our supply chain processes and practices, a Supplier Risk Management Strategy was implemented back in 2021. Our Supplier Risk Management Strategy can be broken down into process steps, which are supplier registration, supplier qualification and supplier reviews. We then have implemented two complimentary monitoring activities.

## Supplier Registration

### **1** Siemens Group Code of Conduct for Suppliers and Third Party Intermediaries (Code of Conduct)

The Siemens Group Code of Conduct is based on the principles of the UN Global Compact relating to human rights, labour standards, environmental protection, and anticorruption initiatives. These principles are derived from the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization and the principles of the Rio Declaration on Environment and Development. To do business with Siemens Mobility, all suppliers must accept and comply with our Code of Conduct.

### **2** Our standard purchasing terms

Siemens Mobility has updated its standard purchasing terms for suppliers to include a modern slavery clause setting out obligations regarding compliance with modern slavery related laws and how Siemens Mobility's suppliers are required to support it in managing and monitoring of modern slavery risks in the supply chain. To do business with Siemens Mobility all suppliers must accept these obligations in addition to being bound by the Siemens Code of Conduct.

## Supplier Qualification

### **3** The supplier self-assessment process

Siemens Mobility has adopted the use of the CRSA (Corporate Responsibility Self-Assessment) questionnaire module as part of its existing Ready-for-Business (R4B) supplier qualification process within the online Siemens Procurement tool SCM STAR. The CRSA questionnaire is Siemens global standard for evaluating a suppliers' ability to comply to the requirements outlined within the Siemens Group Code of Conduct and assess the supplier against key criteria including modern slavery and human rights. The CRSA is updated as necessary to reflect new standards and regulations.

All potential new suppliers with a spend of greater than €50,000 p.a. who operate in a high risk country based on the OECD (Organization for Economic Cooperation and Development) risk categorisation map must undergo a qualification process using the CRSA questionnaire, while existing suppliers in this category are re-evaluated every three years. Depending on the category of goods/services supplied, the supplier may also be required to fill in further questionnaires such as the Substance Commitment and Contractor Safety questionnaire.

Suppliers who fail to meet all the qualification requirements are automatically blocked and trade ceased, until all requirements are satisfied.

## Ongoing monitoring of our Suppliers

### **4** The ongoing monitoring and risk assessment of the entire supply chain of Siemens Mobility

Periodically we conduct a review of the entire supplier base (using the Sustain insights). This enables us to focus on emerging and current risks, and proactively work with our supply chain and/or take necessary actions.

**We take a continuous improvement approach to our supply chain**

#### Desktop Audits of our Medium to High-risk Suppliers

Introduced in FY 2022 as part of our focus on continuous improvement and monitoring, the Compliance department assessed 25% of medium to high-risk suppliers.

## Desktop Audits: Medium to High risk suppliers

### 5 Desk top audit of our Medium to High-risk suppliers

Using a risk-based approach, the Compliance department undertakes a desktop audit of (at least) 25% of Siemens Mobility supply chain.

This independent review utilises global risk data to provide an additional layer of assurance.

#### Other Internal Audits

Environmental Health and Safety, Supplier Quality Management and Quality teams at Siemens Mobility, perform site-based audits and desktop audits. Criteria for selection of suppliers to audit includes value of annual spend and review of any historical findings in previous audits that have been identified that warrant additional attention. Audits conclude in feedback sessions with our suppliers to ensure that any non-conformances identified are addressed and that follow up actions are documented for future audits. Repeated and/or significant non-conformances may result in contract termination and/or being blocked in Siemens Mobility's ordering system.

#### External Sustainability Audits (ESA)

ESA's are undertaken in specified circumstances to verify adherence to the requirements of the Siemens Code of Conduct and assess the sustainability performance of the supply chain. Siemens Mobility has appointed internationally recognised auditing companies which conduct on-site ESA's of a specified supplier's compliance. The outcome of the audit is an in-depth assessment and report that enables Siemens Mobility and its suppliers to identify and manage potential sustainability risks.

Suppliers are selected for ESA's following a risk-based approach that identifies the parts of the Siemens Mobility supplier base that present potential sustainability risks. ESA's can also be triggered if a potential sustainability risk or failure to comply with the Siemens Code of Conduct has been indicated as a result of a CRSA.



Siemens enables our partners and customers to improve people's lives today and transform the everyday to create a **better tomorrow**

### Openness and compliance

Siemens Mobility is also addressing the risk of modern slavery through its onboarding process and ongoing education of its contractors in all relevant governance topics including environment, health and safety, business conduct, bullying and harassment.

If a risk is identified in the supply chain, we implement appropriate preventive measures and monitor their implementation on a risk basis. We ensure that the defined measures are also implemented. If we become aware of possible imminent or actual violations of the prohibition of the Act and/or our Siemens Code of Conduct, we will take corrective action to prevent, end or minimise such violations. In this regard we will ensure that any information we receive or become aware of regarding possible violations of the provisions is investigated. We reserve the right to terminate a business relationship in accordance with violations of the law and/or Siemens Code of Conduct.

### Reporting

Siemens Mobility encourages a culture of openness where any one can raise concerns about our business without any fear of retribution. Reliable reporting channels for internal and external stakeholders and the protection of internal whistle-blowers from sanctions is vital to enable possible misconduct to be reported, thoroughly investigated and clarified. The Siemens Mobility Group has a compliance whistle-blower hotline ‘Tell Us’ for reporting compliance violations in a secure manner, 24 hours a day, 7 days a week, in 13 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. This hotline is managed by a third-party supplier and all data supplied is maintained on secure servers in Germany. Siemens Mobility has a Compliance Officer who is part of team responsible for managing any reports of misconduct.

# Actions How Siemens Mobility Assesses the Effectiveness of Actions Being Taken to Assess and Address Modern Slavery Risks

A Modern Slavery Working Group made up of senior key cross functional stakeholders including People & Organisation , Supply Chain Management, Compliance and Legal has been established at Siemens Mobility to assess and identify modern slavery risks, establish mitigation measures, and ensure continuous improvement. This working group will continue to collaborate and review processes and procedures to promote the topic of modern slavery. It will also monitor the implementation of Siemens Mobility's future activities to assess and address modern slavery risks which will include:

- a) clear expectations for our suppliers;
- b) undertaking periodic reviews of the Siemens Mobility supplier base using Sustain data to identify where greatest potential exposure for modern slavery is within our supply chain;
- c) using the Sustain data to focus on the supply chain where suppliers operate in identified high risk countries or provide goods and services identified in a high risk category (including those listed in section 3 above) with a particular focus on those suppliers' policies and processes around modern slavery governance and how these suppliers monitor their own supply chains;
- d) providing training to employees where relevant to create awareness and understanding of modern slavery risks;
- e) Governance framework including Modern Slavery Policy, DEGREE sustainability framework, Supplier Code of Conduct, Siemens BCG
- f) ongoing continuous improvement in the Siemens Mobility supply chain and risk assessment processes; and
- g) desktop audits of identified high and medium risk suppliers.

In addition, representatives from the centralised procurement teams across the Siemens Group operating within Australia have set up an ongoing working group whereby ideas and experiences can be shared to better support the Siemens brands to achieve best practise when it comes to assessing and mitigating modern slavery risks across our supply chains.

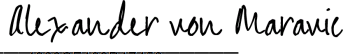
Siemens Risk and Internal Control Framework will further ensure the on-going review of the effectiveness of Siemens Mobility's controls, with its external auditors reviewing the work undertaken, by our senior management/executive leadership team.

This Modern Slavery Statement is made in accordance with the requirements of the Modern Slavery Act 2018 (Cth) and covers the financial year ended 30 September 2022.

*This Statement was Approved by the Siemens Mobility Board of Directors*

**Siemens Mobility Pty Ltd (ACN 636 537 409)**

DocuSigned by:  
  
9A1CA38EC3304C0...  
Raphaëlle Guerineau  
Managing Director and CEO

DocuSigned by:  
  
4980CE199D17458...  
Alexander Von Maravic  
Director and CFO

Date: 24-Mar-23

24-Mar-23

Published by Siemens Mobility Pty Ltd.

Level 6, 380 Docklands Drive,  
Docklands, Victoria, 3008

For more information please contact

[mobility.au@siemens.com](mailto:mobility.au@siemens.com)

© Siemens 2023

Some images © Getty Images

Subject to changes and errors. The information given in this document only contains general descriptions and/or performance features which may not always specifically reflect those described, or which may undergo modification in the course of further development of the products.

The requested performance features are binding only when they are expressly agreed upon in the concluded contract.

The information in this document is valid only for the Australian market.