

Siemens Energy Pty Ltd

ACN 636 537 409

Modern Slavery Statement 2020



1. Reporting Entity

1.1. This Modern Slavery Statement is made in accordance with the requirements of the *Modern Slavery Act 2018* (Cth) by Siemens Energy Pty Ltd ACN 636 537 409 with its registered office at 885 Mountain Highway, Bayswater, Victoria 3153, Australia. The statement covers the reporting period for the financial year ended 30 September 2020.

1.2. Siemens Energy Pty Ltd is a large proprietary company which is part of the Siemens Energy group of companies ultimately owned by Siemens Energy AG (*Siemens Energy Group*). The Siemens Energy Group is one of the world's leading energy technology companies. We energise society by supporting our customers in transitioning to a more sustainable world, based on our innovative technologies and our ability to turn ideas into reality.

1.3. During the reporting period the business of Siemens Energy Pty Ltd was carved out from Siemens Ltd. ACN 004 347 880 (an indirectly wholly owned subsidiary of Siemens AG) by way of asset transfer. In September 2020, Siemens Energy Pty Ltd became a wholly owned subsidiary of Siemens Energy AG which was spun off from Siemens AG and listed on the Frankfurt Stock Exchange on 28 September 2020. The Siemens Energy Group including Siemens Energy Pty Ltd has largely adopted the policies and procedures of the Siemens AG Group as they relate to compliance and sustainability including anti-modern slavery practices.

1.4. The Siemens Energy Group 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, such as not being complicit in human rights abuses and eliminating all forms of forced and compulsory labour and the effective abolition of child labour.

2. Structure, Operations and Supply Chain

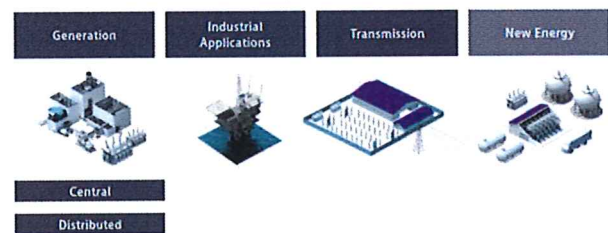
2.1. Siemens Energy AG is the ultimate owner of Siemens Energy Pty Ltd. Siemens Energy Pty Ltd is headquartered in Melbourne, Australia. It mainly carries on business in Australia, however it is also registered as a foreign company in New Caledonia (1 465 863 R.C.S. Noumea), as an overseas company in New Zealand (7875745), and as an overseas company in Papua New Guinea (3-127175). From time to time the entity does minor and infrequent work in Fiji. The operation is predominantly office and project-site based.

2.2. The Siemens Energy Group currently maintains, protects, and owns approximately 2,000 trademarks. Most products and services sold by Siemens Energy Pty Ltd use

the trademark Siemens Energy or Siemens (under licence from Siemens AG), however some products have legacy brand names acquired over time including Dresser-Rand (compressors, steam and gas turbines); Rolls-Royce (aero-derivative gas turbine and compressors); Guascor (gas engines) and Trench (transformers, bushings and coil products).

2.3. More than 90,000 people in more than 90 countries worldwide are employed by the Siemens Energy Group. As of 30 September 2020, Siemens Energy Pty Ltd had around 280 permanent employees. During any year, the company employs people on a short-term basis for project work which could be up to 200 additional people at any point in time.

2.4. Siemens Energy Pty Ltd sells the Siemens Energy Group portfolio of products, solutions and services, from power generation, oil and gas, and transmission to storage. This portfolio includes conventional and renewable energy technology, such as gas and steam turbines, power transmission substations, hybrid power plants, hydrogen production, and circuit breakers and transformers as part of our high voltage products portfolio.



2.5. There is no manufacturing undertaken by Siemens Energy Pty Ltd. Logistics requirements are outsourced to third parties. The products we sell are sourced from all over the globe with Siemens Energy Group's factories being the biggest supplier of product by value. Source locations include Europe, North America, and Asia. Services are largely procured from Australia but may also come from other countries

2.6. Depending on the nature of the supply of products and services, Siemens Energy Pty Ltd may have different contractual relationships with suppliers. These may vary from single transactions to multi-year relationships. Contractual arrangements will be different depending on the circumstances, and include purchase orders, master procurement agreements, framework agreements (local and global) and sub-contracts. Where there are long term supplier relationships, regular supplier reviews are undertaken.

2.7. Siemens Energy Pty Ltd's other business relationships include customer product, solution and service contracts, consortium agreements with third parties (which allocate the scope of supply under a customer contract), as well as distribution and reseller arrangements.

3. Risks of Modern Slavery Practices in the Operations and Supply Chains

3.1. Operational risks of modern slavery practices identified by Siemens Energy Pty Ltd 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 supplier's employees. We consider these risks to be low.

3.2. Supply risks of modern slavery practices identified by Siemens Energy Pty Ltd include:

- Purchasing goods and services from suppliers operating in higher risk locations
- Health and safety risk to our suppliers' workers
- Procurement of products that may have conflict mineral content such as electronics
- Sourcing of uniforms and personal protective equipment (PPE), as the manufacturing process has been susceptible to modern slavery in the past.

4. Actions taken to address these risks, including due diligence and remediation processes.

4.1. The supplier management process in place within the Siemens Energy Group provides an extensive range of procedures and tools to enable transparency and awareness with regarding supplier data and related risks and opportunities in the supply chain.

4.2. During the reporting period Siemens Energy Group business partners were required to comply with the Siemens Code of Conduct for Suppliers and Third-Party Intermediaries (Code of Conduct). This Code of Conduct is based on the principles of the UN Global Compact and the ILO but contains more far-reaching requirements.

4.3. With regards to human rights, the 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. Siemens Energy Group has adopted the content of the Siemens AG Code of Conduct and implemented the Siemens Energy Supplier Code of Conduct as of October 1, 2020.

4.4. The Siemens Energy Group has a global network of approximately 30,000 suppliers. In fiscal year 2020, Siemens Energy purchased goods and services valued around EUR 17.7 billion from other companies, which accounts for almost two thirds of our total revenue.

4.5. The Siemens Energy Group has implemented supplier self-assessments and risk assessments conducted by our procurement organisation and sustainability audits

conducted by external auditors. Corporate Responsibility Self-Assessments (CRSA) are part of the supplier qualification process that is reviewed and updated as necessary to reflect new standards and regulations. New potential suppliers undergo a qualification process, while existing suppliers are re-evaluated every three years. During the reporting period there were 1,373 supplier self-assessments across the Siemens Energy Group.

4.6. In Australia, suppliers wishing to provide products and services to Siemens Energy Pty Ltd are expected to undergo a prequalification which may include (as applicable) our CRSA, Environmental Health and Safety (EHS) assessments, agreement to abide by our Code of Conduct and other related due diligence activities which may be specific to their industries. During the reporting period, Siemens Energy Pty Ltd requested its top 50 suppliers by spend and by other key criteria to complete the CRSA and/or reviewed these suppliers' modern slavery statements where available.

4.7. The Siemens Energy Group has a centralised supply chain team who perform a number of assessments on suppliers who are qualified for all Siemens Energy entities globally, of which some supply to Siemens Energy Pty Ltd. Supplier quality audits performed on a global basis include questions about sustainability that cover all aspects and requirements of the Code of Conduct. In fiscal year 2020 the Siemens Energy Group conducted 334 on-site audits worldwide, which was a significant decrease on the previous year due to COVID-19 and related travel restrictions.

4.8. During the reporting period the Supply Chain Management (SCM) and EHS and Quality teams at Siemens Energy Pty Ltd performed 3 site-based audits and 13 desktop audits. Whilst this has to date involved checking of documentation, future audits will also focus in more depth on Modern Slavery risk mitigation. COVID-19 restricted access to several sites so audits achieved were lower in number than planned. Criteria for selection of suppliers to audit includes value of annual spend and review of any historical findings in previous audits 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 noted for future audits. Repeated and/or significant non-conformances may result in contract termination and/or removal from future supply opportunities with Siemens Energy.

4.9. The risk of modern slavery is also addressed during the employee onboarding process which includes background checks such as right to work in Australia, age verification and qualifications for the relevant tasks prior to undertaking work on behalf of Siemens Energy Pty Ltd. A global external partner is engaged to provide technical advice and support on visas for international personnel entering countries in which we operate. This ensures that they are being treated fairly and safely both by their overseas

employers and by Siemens Energy Pty Ltd while working on our projects.

4.10. The Siemens Energy Group has a zero-harm approach to EHS and we have dedicated EHS officers who are tasked with creating and implementing company-wide ongoing improvements and strategies. Siemens Energy Pty Ltd holds accreditation to ISO 45001 Occupational Health & Safety.

4.11. Reliable reporting channels for internal and external stakeholders and the protection of internal whistle-blowers from sanctions help ensure possible misconduct is reported, thoroughly investigated, and addressed. The Siemens Energy Group provides different reporting channels for internal and external whistle-blowers to inform about possible compliance violations. The "Speak Up" compliance reporting system provides a secure channel for reporting this information 24 hours a day, online or by telephone, anonymously if desired, and in several languages. Siemens Energy Pty Ltd has a Compliance Officer who is part of a global team responsible for managing any reports of misconduct.

5. How Siemens Energy Pty Ltd Assesses the Effectiveness of Actions being taken to assess and address Modern Slavery Risks.

Siemens Energy Pty Ltd uses the following mechanisms to assess the effectiveness of actions taken:

5.1. Siemens Energy Pty Ltd conducts reviews with executive management to ensure that there is an awareness and alignment on the processes implemented and future activities with regards to modern slavery risks across our business. This achieves both endorsement and awareness while providing support to ensure that this important topic is addressed thoroughly.

5.2. This is supplemented by cross-functional reviews between the Human Resources, Supply Chain Management, Compliance and Legal teams, which are both formal and informal to align and ensure that the different functions of the business are aware of progress and to allow updates. We will continue to review processes and procedures to ensure progress including promotion of awareness of the topic of Modern Slavery and why it is important to address.

5.3. Other future activities will include:

- Additional requirements for significant suppliers of electronic goods to be assessed regarding any affiliation with major associations which address modern slavery and other topics such as the Responsible Business Alliance, who have strong

codes of conduct and supply chain audit processes in the electronics industry

- Provide training to employees where relevant to create an awareness and understanding of Modern Slavery Risks
- Continue auditing our suppliers across all business units and
- Review of our suppliers' modern slavery statements as they are released in order to monitor improved actions and awareness

6. Process of Consultation with any entities the reporting entity owns or controls

Siemens Energy Pty Ltd does not own or control any entities however this statement is aligned with the Siemens Energy Group Sustainability Report 2020 and the actions outlined in that report to address Modern Slavery Risks. These include globally mandated processes and practices applicable to all Siemens Energy Group companies including Siemens Energy Pty Ltd.

7. Any Other Relevant Information

7.1. The Siemens Energy Group commitment to sustainability and its contribution to the United Nations' Sustainable Development Goals (including sustainable supply chains and human rights) are set out in the Siemens Energy Sustainability Report 2020 <https://www.siemens-energy.com/global/en/company/sustainability.html>.

7.2. Further detail regarding the Siemens Energy Group and Sustainability in the Supply Chain is available at <https://www.siemens-energy.com/global/en/company/about/supply-chain-management/sustainability-in-the-supply-chain.html>.

Signed in accordance with a resolution of the Board of Directors

Siemens Energy Pty Ltd (ACN 636 537 409)



Michael Bielinski
Managing Director and CEO



Anna Venaelaenen
Director and CFO

Date: 24/03/2021