

Siemens Energy Pty Ltd

ACN 636 537 409

Modern Slavery Statement
for the Reporting Period to 30 September 2021



1. Reporting Entity

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 2021.

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*).

At Siemens Energy, our mission is to support our customers in transitioning to a more sustainable world, based on our innovative technologies and our ability to turn ideas into reality. Our portfolio, extensive energy experience, and an ambitious strategy to decarbonize global energy systems are all central to our efforts to be a valued partner and driver of the energy transition.

The Siemens Energy Group is aware of the impact its business has on people around the world, especially from our large-scale energy projects. We are dedicated to responsible business conduct and are committed to ensuring respect for human rights within our spheres of influence.

That is why we seek to identify and manage our human rights impacts and mitigate risks along our entire value chain. Our actions go beyond compliance with applicable laws and regulations; they include our commitment to:

- **International Bill of Human Rights**, consisting of:
 - › Universal Declaration of Human Rights
 - › International Covenant on Civil and Political Rights and
 - › International Covenant on Economic, Social and Cultural Rights
- **European Convention on Human Rights**
- **ILO (International Labour Organization) Tripartite Declaration of Principles** concerning Multinational Enterprises and Social Policy
- **ILO Declaration on Fundamental Principles and Rights at Work** (in particular, on the following topics: elimination of child labour, abolition of forced labour, prohibition of discrimination, freedom of association and the right to collective bargaining) and fundamental freedoms
- **United Nations Guiding Principles on Business and Human Rights (UNGPs)**
- **OECD Guidelines for Multinational Enterprises**
- **United Nations Global Compact principles**, to which we are a signatory
- **UN Sustainable Development Goals** specifically SDG 8 “Decent Work and Economic Growth”, which we have defined as one of our priority SDGs.

2. Structure, Operations and Supply Chain

Structure

Siemens Energy AG is the ultimate owner of Siemens Energy Pty Ltd. Siemens Energy Pty Ltd is headquartered in Melbourne, Australia and does not own or control other entities. 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.

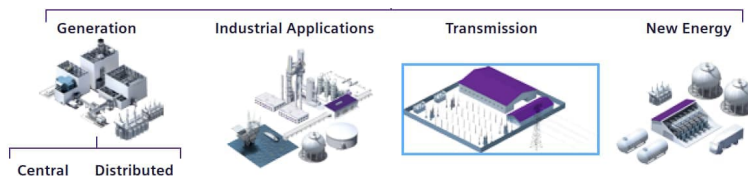
The Siemens Energy Group employs around 91,000 people in more than 90 countries worldwide. As at 30 September 2021 Siemens Energy Pty Ltd employed 611 permanent and casual staff.

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 but not limited to 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).

Operations

With our broad portfolio of products, solutions, and services, the Siemens Energy Group covers almost the entire energy value chain – from power generation, transmission, and storage to optimizing energy consumption in industrial processes. Our products include conventional and renewable energy technologies, such as gas and wind turbines, hybrid power plants operated with hydrogen, high-voltage grid access solutions, and high-voltage transformers.

Siemens Energy Pty Ltd sells Siemens Energy Group products solutions and services.



Supply Chain

Siemens Energy Pty Ltd does not have manufacturing facilities in Australia. 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.

The services that we provide include supply of labour that is sourced mainly in Australia, although some specialist Engineers are sourced from other Siemens Energy Group Companies also located in Europe, North America and Asia.

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.

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

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

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 where excessive or unreasonable hours might be expected of supplier’s employees. We consider these risks to be low in our business.

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 assess and address these risks, including due diligence and remediation processes.

Business Conduct Guidelines

Our commitment to respecting human rights is written into Siemens Energy’s Business Conduct Guidelines (BCG), with

special emphasis on the Siemens Energy Group values of being caring, agile, respectful, and accountable.

The BCG are binding for all executives and employees worldwide. All employees must agree to them and are given mandatory web-based training sessions on the guidelines.

Supply Chain Management

Due to our global operations, the Siemens Energy Group has suppliers in about 140 countries. We are conscious of the impact our activities have on the people who work for us, on our suppliers as well as on local communities and the environment.

We therefore share responsibility for protecting human rights, fair labour practices, anti-corruption measures, and environmental protection along the entire value chain.

Supply chain management helps the Siemens Energy Group contribute to the UN SDGs by anchoring sustainability criteria in the selection, qualification, assessment, and development of our suppliers. With a global network of approximately 30,000 suppliers and a procurement volume of €17.3 billion in 2021 (fiscal year 2020: €17.7 billion), we see our biggest contribution to SDG 8 “Decent Work and Economic Growth” and SDG 12 “Responsible Consumption and Production”.

Binding Code of Conduct for suppliers

All of our suppliers and third-party intermediaries are required to sign the Code of Conduct (CoC) for Suppliers and Third-Party Intermediaries in order to do business with the Siemens Energy Group. It is based on the Business Conduct Guidelines (BCG) and the Principles of the UNGC.

The CoC requires specific environmental, compliance, and labour standards to be established across all countries of operations. It includes the following requirements:

- Human rights and labour practices, including (beside others)
 - › Prohibition of forced labour
 - › Prohibition of child labour
 - › Health and safety of employees
 - › Grievance mechanism
- Environmental protection
- Fair operating practices, including (beside others)
 - › Anti-corruption and bribery
 - › Anti-money laundering, terrorism financing
 - › Data privacy
- Responsible minerals sourcing
- Compliance with the CoC in the supply chain of the supplier

Comprehensive supplier management

The Siemens Energy Group’s SCM approach defines strategic procurement processes to sustain the company’s long-term success. It includes purchasing material and services cost-effectively, ascertaining high quality standards along the entire supply chain, identifying and exploiting opportunities to create value through procurement competence, and fostering compliance and sustainability.

The Siemens Energy Group Head of Procurement reports to the Executive Board of Siemens Energy AG. In Australia, the SCM Manager reports to the Director Finance (board member).

The supplier management process in place in the Siemens Energy Group encompasses an extensive range of procedures and tools to enable transparency and awareness regarding expenses, supplier data, and related risks and opportunities in the supply chain. It helps managers leverage the potential of our supplier network.

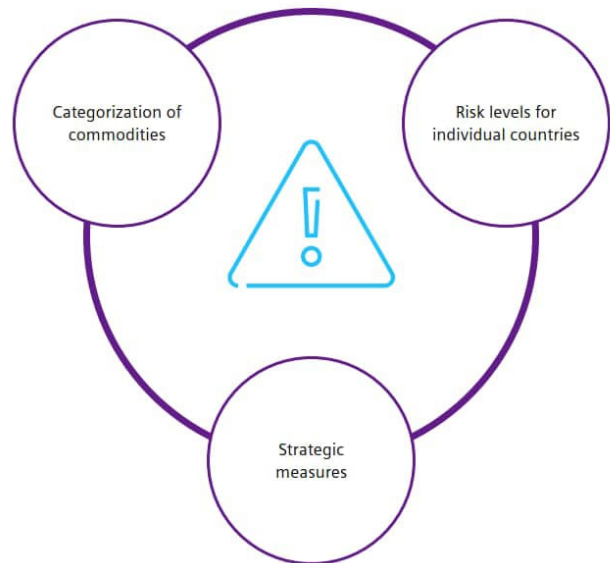
The procurement process applies strict criteria for supplier selection and qualification. These include financial stability, quality, and availability together with overriding sustainability criteria, such as contractor safety, substance declarations, or sustainability self-assessments.

Risk awareness

Using our sustainability risk analysis system, the Siemens Energy Group systematically identifies potential risks in our supply chain every year. The cornerstones of this system are:

- Identification of risks and categorization of commodities
- Establishment of risk levels for individual countries. These are determined using sustainability indicators for key areas such as compliance with laws, bribery and corruption, human rights in the workplace, child labour, etc. Here, we make use of information supplied by internationally recognized organizations.
- Use of different strategic measures, for example special preparation of projects with large, local procurement volumes

Cornerstones of our risk analysis system



Supplier assessment

Following this risk-based analysis, the Siemens Energy Group continues to implement Corporate Responsibility Self-Assessments (CRSA) for suppliers in identified high-risk countries, whereby they are screened with regard to all aspects of the CoC.

The CRSAs are used as part of the supplier qualification process that is regularly reviewed and updated as necessary to reflect new standards and regulations. New potential suppliers undergo a qualification process.

Compared with fiscal year 2020, the number of CRSAs of the Siemens Energy Group increased by 23% to 1,685 conducted self-assessments.

Furthermore, the Siemens Energy Group also conducts quality audits that include questions about sustainability that cover major aspects and requirements of the CoC.

During the Reporting Period, the Siemens Energy Group conducted 424 on-site audits worldwide (compared to 334 supplier quality audits in the 2020 reporting period).

Supplier quality audits with integrated sustainability questions	Fiscal year	
	2021	2020
Europe, C.I.S. ¹ , Africa, Middle East	227	149
Americas	98	70
Asia, Australia	99	115
Total	424	334

¹ Commonwealth of Independent States.

Corporate Responsibility Self-Assessments (CRSA) ¹	Fiscal year	
	2021	2020
Number		
Europe, C.I.S. ² , Africa, Middle East	614	395
Americas	355	301
Asia, Australia	716	677
Total	1,685	1,373
Agreed upon improvement measures³		
Legal compliance/prohibition of corruption and bribery	233	201
Respect for the basic human rights of employees	145	109
Health and safety of employees	77	79
Environmental protection	106	103
Supply chain	24	28
Responsible minerals sourcing	2	14
Total	587	534

¹ To be conducted mainly by suppliers from non-OECD countries with a purchasing volume > €50,000 p. a. Questionnaires initiated and completed in the year under review.

² Commonwealth of Independent States.

³ Improvement measures agreed with suppliers relate either to actual deviations from the Code of Conduct for Suppliers and Third-Party Intermediaries or to structural improvements to management systems, and the lack of specific processes and guidelines at the supplier. Without SGRE. Number of CSAs at SGRE amounted to 444.

External Sustainability Audits

The Siemens Energy Group sees external sustainability audits (ESA) as the most effective means of Supplier sustainability assessments reviewing our suppliers' sustainability performance and therefore increased our target for this fiscal year.

They are performed by our external audit partner and used as a control mechanism. For monitoring purposes, audits can be repeated, or follow-up audits can be performed. During the reporting period, the Siemens Energy Group conducted 157 ESAs compared to 60 audits in fiscal year 2020). Furthermore, we accepted 85 ESAs of suppliers where audits have been initiated by other companies. We only accept audits that fulfill our requirements and where the full audit documentation is provided to us.

Throughout the supplier assessment processes, the Siemens Energy Group remains committed to the partnership with our suppliers and to helping them improve. However,

if problems persist and/or the suppliers do not show a willingness to take necessary corrective action, we remove them from our list of approved suppliers.

All local instances of blocked suppliers are reported to Corporate Procurement, where the need for a worldwide block is discussed and decided. In 2021, no supplier was dismissed, as all suppliers with negative results are collaborating and implementing corrective actions.

In addition to the processes described above, we have a "Central Warning Message" system. It facilitates a fast, efficient response to violations of the CoC requirements. The responsible procurement departments at Siemens Energy may then agree on a series of remedial steps with the supplier. Stakeholders may also report potential misconduct via the whistle-blower hotlines "Speak Up". There were no cases reported in the reporting period.



External sustainability audits (ESA)	Fiscal year	
	2021	2020
Number		
Europe, C.I.S. ¹ , Africa, Middle East	48	5
Americas	24	5
Asia, Australia	85	50
Total	157	60
Agreed upon improvement measures²		
Legal compliance/prohibition of corruption and bribery	438	241
Respect for the basic human rights of employees	972	486
Prohibition of child labor	35	20
Health and safety of employees	985	590
Environmental protection	56	36
Supply chain	99	58
Total	2,585	1,431
Accepted ESAs	85	3

¹ Commonwealth of Independent States.

² Improvement measures agreed with suppliers relate either to actual deviations from the Code of Conduct for Suppliers and Third-Party Intermediaries or to structural improvements to management systems and the lack of specific processes and guidelines at the supplier.

³ ESAs initiated by third parties were accepted in 2021 for the first time.

Responsible minerals sourcing

The Siemens Energy Group is committed to preventing the use of minerals from conflict-affected and high-risk areas in its supply chain that are affected by the risks defined in Annex 2 of the OECD "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas".

To this end, we have a "Responsible Minerals Sourcing Policy" (formerly "Conflict Minerals Policy") in place to provide a uniform, company-wide supply chain management standard. To determine the use, sources, and origin of these minerals in our supply chains, we investigate the smelters involved. The Siemens Energy Group is part of the steering committee of the Responsible Minerals Initiative (RMI), which provides an assessment program for smelters (Responsible Minerals Assurance Process).

When surveying our approximately 1,800 (fiscal year 2020: 1,500) relevant suppliers, we use the RMI's "Conflict Minerals Reporting Template" to obtain the necessary information on smelters producing tin, tantalum, tungsten, and gold (3TG). We are actively involved in the "Responsible Minerals Assurance Process" by screening smelters for eligibility and encouraging uncertified smelters to take part in RMI's assessment programs. All newly reported smelters are shared with RMI.

Based on risk sources identified by the EU, which cover armed conflicts, weak governance, and human right abuses, the Siemens Energy Group also conducts a specific mineral risk assessment to identify other relevant minerals

apart from 3TG. As a result, we have integrated cobalt into our due diligence

Implementation in Australia

The Siemens Energy Group supply chain management processes and systems are implemented by Siemens Energy Pty Ltd.

During the reporting period, Siemens Energy Pty Ltd continued to request its key suppliers to complete the CRSA and/or reviewed these suppliers' modern slavery statements where available.

During the reporting period Siemens Energy Pty Ltd performed 9 Environment, Health, Safety and Quality (EHSQ) audits of which 5 were desktop top audits and 4 were performed on site. These audits cover compliance with Siemens Energy's policies and processes with the main focus being to check safe working conditions, environmental and quality issues. It is considered that the audit particularly of safe working conditions is likely to detect modern slavery issues at supplier sites, however specific questions regarding modern slavery have now also been added to the EHSQ Audit Protocol.

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.

During the reporting period Siemens Energy Pty Ltd gave mandatory Modern Slavery awareness training to sales, tendering and procurement staff to provide an awareness and understanding of Modern Slavery Risks and actions that can be taken to address these risks, including due diligence and remediation processes.

Significant suppliers of electronic goods were confirmed as being members of the Responsible Business Alliance, who have strong codes of conduct and supply chain audit processes in the electronics industry.

Occupational Health & Safety

Providing a safe and healthy working environment for all employees, partners, contractors, and suppliers is a key objective for the Siemens Energy Group. Having a sound occupational health and safety (OHS) approach is vital to achieve the two UN SDGs to which we are committed in this regard: SDG "Good Health and Well-Being", which aims to ensure healthy lives and promote wellbeing for all at all

ages, and SDG 8 “Decent Work and Economic Growth”, which aims to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

The Siemens Energy Group OHS standards are anchored in all our business practices and are aligned with the Siemens Energy EHS Principles and Core Responsibilities as well as our Business Conduct Guidelines. We use these as a foundation for the development of our EHS management approach and processes.

To support the fundamental requirements for good OHS, the Siemens Energy Group revised its EHS Policy in March 2021 to align with our Zero Harm principles and behaviours demonstrating:

- Strong leadership, ownership, and commitment
- Promotion of good health and safety conduct
- Commitment to continuous improvement
- Hazard identification, risk assessment and prevention
- Compliance with principles, standards, and behaviours

Alongside the EHS Policy, the ISO 45001 standard provides guidance so that international and local regulations, laws, standards, and practices are observed and complied with wherever Siemens Energy operates. This standard provides a basis for effective management, identification of potential risks as well as internal audit and review.

Contractors and temporary workers are expected to work to the same standards as those of Siemens Energy employees. There is a regular overview of contractor incidents that is shared with business procurement to discuss further improvements. We also discuss these with the contractors themselves and hold meetings with suppliers with the highest level of incidents. All relevant data is shared with the Executive Board.

Channels for reporting misconduct

We offer all employees and external third parties confidential channels for reporting potential violations. In doing so, they help identify and eliminate misconduct, while protecting themselves and the company against any damage that may result. Such channels include:

- Managers
- Group Compliance Officer
- Compliance department and Legal department
- Human Resources department
- Whistle-blower hotline “Speak Up”
- Ombudsperson

Information on possible violations can be given confidentially and anonymously. Retaliation against complainants or whistle-blowers will not be tolerated by Siemens Energy and is punished as a compliance violation. Siemens Energy

applies the same principles to reports of wrongdoing brought forward by third parties.

The Compliance department investigates relevant reports based on pre-assessments and takes appropriate actions in accordance with the applicable formal company-wide processes.

5. How we assess the Effectiveness of these Actions

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

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.

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.

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 2021 and the actions outlined in that report to address Modern Slavery Risks. As stated above these include globally mandated processes and practices applicable to all Siemens Energy Group companies including Siemens Energy Pty Ltd.

7. Any Other Relevant Information

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 2021 <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>.

<https://assets.siemens-energy.com/siemens/assets/api/uuid:444baf04-533f-475b-9f5b-61ea6b2d9ae0/sustainability-in-supply-chain-brochure-en.pdf>

Signed in accordance with a resolution of the Board of Directors made on 28th March 2022.

Siemens Energy Pty Ltd (ACN 636 537 409)

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Anna Venaelaainen
Director and CFO

Date: 31st March 2022