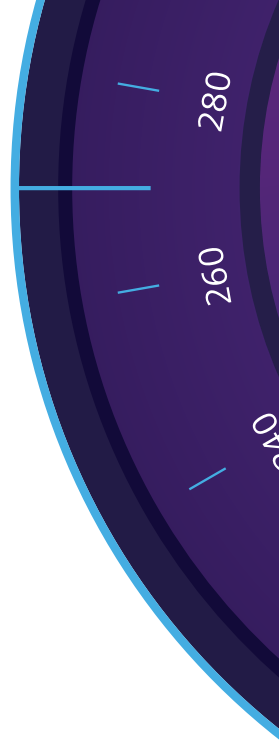


Respect for Human Rights and Environmental Protection



Policy Statement



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Foreword by the Executive Board

“Let’s energize society” – this is what Siemens Energy stands for. Our goal is to supply people with affordable, reliable, and sustainable energy – worldwide. A secure energy supply is the key to health, high standards of living, and education.

Siemens Energy executes major energy projects around the world. These projects impact people’s lives and their environment.

We are fully aware of the responsibility that our work entails. As a direct result, respect for human rights and natural resources is a top priority for us. It is an expression of responsible corporate action and a guiding principle for our activities along the entire value chain.

This is why we are committed to identifying and assessing potential human rights and environmental risks or violations in connection with our business activities. We are also committed to preventing and responsibly mitigating risks that we identify. In this context, the protection of those impacted is of particular importance. The UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises serve as our compass. This is how we put sustainability into action.

We have also adapted our existing risk management system to meet the requirements of the German Supply Chain Due Diligence Act that took effect in early 2023. In this regard, we have appointed Dr. Anita Schieffer as an experienced and high-impact Human Rights Officer.

With our annual and risk-based analysis, we identify and mitigate human rights and environmental risks in our company and in the supply chain. Our robust complaint procedure helps us achieve this by carefully and thoroughly investigating every allegation.

The following policy statement builds upon our Siemens Energy Business Conduct Guidelines and our Supplier Code of Conduct. Moreover, it solidifies our commitment to human rights and environmental protection for our own business and our supply chain.

We believe that Siemens Energy will only succeed in the long run if the impact of our business is in harmony with the needs of society and our environment. In this policy statement, we explicitly commit ourselves to respecting human rights and protecting the environment. We have clear expectations for our employees in this regard. These expectations require the attention and commitment of each and every one of us, day in and day out.

Thank you for your commitment.



Dr. Christian Bruch
President and Chief Executive Officer
and Chief Sustainability Officer



Maria Ferraro
Executive Board Member and
Chief Financial Officer



Karim Amin
Executive Board Member



**Anne-Laure Parrical
de Chamnard**
Executive Board Member



Vinod Philip
Executive Board Member



Tim Oliver Holt
Executive Board Member
and Labor Director

Our commitment to respect human rights and environmental protection

Building and maintaining a sustainable and fair supply chain is a core element of our human rights strategy and helps shape the responsible transformation of the energy sector. Central to our sustainability program is our goal of decarbonizing energy systems along the entire value chain.

As a member of the UN Global Compact, Siemens Energy is committed to respecting human rights and protecting the environment and climate. We consider the following guidelines in our human rights strategy:

- the International Bill of Human Rights
- the European Convention on Human Rights
- the ILO Tripartite Declaration of Principles on Multinational Enterprises and Social Policy
- the ILO Declaration on Fundamental Principles and Rights at Work
- the UN Guiding Principles on Business and Human Rights
- the OECD Guidelines for Multinational Enterprises
- the UN Global Compact Principles
- the UN Sustainable Development Goals (SDG), specifically SDG 8 “Decent work and economic growth”



Dr. Anita Schieffer, Group Compliance Officer and Human Rights Officer



We are committed to identifying and minimizing potential adverse human rights and environmental impacts of our global business activities and to preventing, ending, or minimizing actual violations of human rights or negative environmental impacts.

These principles are anchored in our Business Conduct Guidelines and Supplier Code of Conduct as guidelines for our employees, suppliers, business partners, and customers.





Our focus

Siemens Energy is a leading global energy technology company that has 92,000 employees in over 90 countries. Our value chains are particularly challenging because of the complexity of issues that arise in our business, our large number of locations, and our broad range of business partners.

Our risk analysis has identified the following human rights and environmental risk areas for our own business and our suppliers:

- Freedom of association (collective bargaining)
- Health and safety at work
- Prohibition of discrimination
- Fair remuneration
- Prohibition of forced labor
- Respect for human rights by security forces
- Ban on child labor

In implementing our due diligence obligations, we consider the rights of people who may be directly affected by our business activities along our global supply chains.

Our human rights and environmental due diligence obligations focus on the interests of our global employees as well as the employees of our suppliers.



Our principles

We expect our employees and business partners to adhere to the binding human rights and environmental principles as defined in our Business Conduct Guidelines and Supplier Code of Conduct and to ensure compliance with these principles along the value chain. This is achieved in accordance with the relevant ILO conventions¹ and applicable law.

¹ Tripartite ILO Declaration of Principles Concerning Multinational Enterprises and Social Policy and the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (mainly covering the following topics: elimination of child labor, elimination of forced labor, prohibition of discrimination, freedom of association and the right to collective bargaining).



We focus on the following areas:

- Freedom of association and the right to collective bargaining
- Occupational health and safety standards
- Prohibition of discrimination
- Fair remuneration
- Prohibition of forced labor
- Respect for human rights by security forces
- Ban on child labor

Our approach to implementing human rights and environmental due diligence obligations

Risk management

The Executive Board of Siemens Energy prioritizes the protection of human rights and the environment in global business activities. It has also defined clear areas of responsibilities for these priorities.

Our Human Rights Officer monitors and reports on human rights compliance to the Executive Board on a regular and ad hoc basis. This reporting includes human rights and environmental risks from our risk analysis, findings from complaints received, and information on the effectiveness of our preventive and remedial measures.

The Human Rights Officer has full authority to carry out assigned tasks. The Human Rights Officer is also given the financial and human resources necessary to carry out the tasks. The execution of appropriate due diligence or mitigation activities has been delegated to the business functions. For our supply chain, we have added processes and measures to our company-wide risk and supplier management process. These include the expansion of our internal supplier due diligence process to integrate the requirements of the German Supply Chain Due Diligence Act.

Risk analysis

Risk analysis is central to our strategy. It helps identify and evaluate human rights and environmental risks in our company and in our supply chains. It also helps determine appropriate risk mitigation measures.

We conduct annual and ad hoc human rights and environmental risk analyses.

In our operations, we identify significant risks in an annual risk assessment through analysis of key data related to our locations and external data on human rights and environmental risks. Locations with increased risks are prioritized.



Consideration is given, in particular, to the potential severity, ability to remediate, and likelihood of violations. At these locations, in-depth assessments are undertaken using such methods as questionnaires and interviews. If necessary, measures to prevent, minimize, and avoid violations are implemented. Particular attention is paid to the perspective of vulnerable groups.

We also conduct annual risk assessments in our global supply chains. Every supplier is evaluated against supplier-specific metrics with the assistance of external data on human rights and environmental risk topics included in the German Supply Chain Due Diligence Act. Potential risks at our direct suppliers and risks in their supply chains are considered.

A structured approach to identify high-risk suppliers is used. The potential severity, ability to remediate, and likelihood of violations are all considered. Siemens Energy also takes into consideration its own ability to influence suppliers along with any contributing factors. The prioritization of high-risk suppliers is assessed for plausibility by our procurement department and drives the implementation of preventive measures.

In addition, risks are analyzed on a case-by-case basis if there is an alleged violation or if there is a notable change in the risk landscape of the supply chain.

Our annual and ad hoc risk analysis process is continuously assessed and improved through, among other things, findings from assessments, audits, complaints received, and information from external stakeholders.

Preventive measures

The results of the risk analysis flow into our corporate decision-making processes and help us identify appropriate preventive measures. The results are then used to adapt existing processes



and establish new ones. We implement risk-based control measures and offer internal training for our businesses and provide external training to our suppliers.

When implementing measures, a risk-based approach is utilized, with consideration given to the perspective of those potentially impacted.

We impose contractual obligations on suppliers pertaining to human rights and environmental due diligence. These contractual obligations are a central aspect of our prevention efforts in the supply chain. Through the Siemens Energy Supplier Code of Conduct, our suppliers agree to comply with our principles at the start of the business relationship. Moreover, they must require their own suppliers to observe these principles and verify compliance in a risk-based process. Before conducting business, new suppliers at Siemens Energy undergo a risk-based integrity check that includes an assessment of human rights and environmental standards.



On-site, risk-based audits are also carried out at our suppliers.

When we learn of a potential violation, either through risk assessments or other sources of information, we work to establish communication channels with important stakeholders and those impacted.

We actively participate in multi-stakeholder initiatives such as the Responsible Minerals Initiative, European Partnership for Responsible Minerals and Econsense, a German sustainability network of international companies. Through such initiatives, we engage in a dialogue with relevant stakeholders, including peer group companies and civil society organizations.

Complaint (grievance) mechanism

Effective allegation and complaint management is an integral aspect of our due diligence process. The goal is to identify and prevent possible human rights and environmental impacts associated with our business activities and, if necessary, to take remedial action.

To this end, Siemens Energy offers internal and external stakeholders convenient and protected reporting channels through which information,

complaints, and allegations in connection with our business activities can be reported confidentially and anonymously. These reporting channels are readily accessible in different languages through our global Siemens Energy website or by telephone.

Our rules of procedure ensure that all complaints and allegations are dealt with systematically. Any indication of a potential violation of human rights or environmental obligations, whether internal or in our supply chain, is processed objectively and independently in a binding, company-wide process.

Siemens Energy does not tolerate any retaliation against whistleblowers. Any allegation of retaliation is examined and evaluated by the compliance organization. Where necessary, appropriate measures are taken.

Insights gained from the complaint mechanism enable us to continuously improve our human rights and environmental due diligence processes. Further information and our rules of procedure for the complaint mechanism can be found on Siemens Energy's global website.



Remediation

Despite our best efforts, we cannot always prevent violations of human rights or environmental requirements from occurring.

Upon becoming aware that violations have occurred or are likely to occur, we take immediate action to prevent or mitigate the extent of any such violation. If we detect a violation by a supplier that is likely to continue into the foreseeable future, we will establish a plan with clearly defined remedial measures and strict timelines together with the supplier. Where useful, we also work with stakeholders and industry trade organizations.

Termination of the business relationship is the ultimate remedy.

We endeavor to immediately evaluate any possible violations by sub-suppliers. When necessary, we will take reasonable steps to prevent, stop, or mitigate the extent of possible violations with sub-suppliers. Remedial measures are implemented on a case-by-case basis.

We care about those impacted and, where possible, consider their best interests as part of the solution.

Documentation and reporting

We methodically document the fulfillment of our due diligence obligations.

In addition, relevant developments pertaining to our human rights and environment-related activities are reported in our annual and sustainability reports. Commencing in 2024, we will also report to the German Federal Office for Economic Affairs and Export Control (BAFA). Our annual reports to the BAFA will be posted on Siemens Energy's global website.



Our approach to effective control and continuous development

Implementing human rights and environmental due diligence is an integral aspect of our efforts to improve human rights along the entire global supply chain.

This requires effective measures. A structured process is used to regularly review whether our risk management system and the measures implemented are effective. We continuously fine-tune our due diligence processes and this policy statement in collaboration with our stakeholders.

Siemens Energy is committed to respecting human rights and protecting the environment. This commitment is an expression of responsible corporate action and a guiding principle for our activities along the entire value chain. For more information, please refer to our Siemens Energy Business Conduct Guidelines, Supplier Code of Conduct, and (starting in 2024) our annual reports to the BAFA posted on Siemens Energy's global website.





Definitions of terms / abbreviations

BAFA	Bundesamt für Wirtschaft und Ausfuhrkontrolle / Federal Office for Economic Affairs and Export Control
ILO	International Labor Organization
OECD	Organization for Economic Cooperation and Development
UN	United Nations
SDG	Sustainable Development Goals

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