

## **Communication on Progress for Siemens d.o.o. Ljubljana**

### **General**

The Communication on Progress (COP) for Siemens d.o.o. Ljubljana is covering period from September 14th 2010 until September 14th 2011.

### **Statement of continued support by the Chief Executive Officer (CEO)**

Siemens d.o.o. has made a clear commitment to the ten principles of the UN Global Compact. Our goal is to make the company sustainable in every respect. The company has internal environmental targets and responsible, diversity-oriented employee policies. We're also driving occupational health and safety management and working to commit our suppliers to our own high standards. We are, in accordance with the corporate strategy, further expanding our environmental portfolio. In addition to that we are focusing on collective action with other stakeholders for fair market conditions and clean business practices.

Medeja Loncar,  
CEO, Siemens d.o.o. Ljubljana

### **UNGC principles**

#### **Human Rights Principles**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses

#### **Labor Principles**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation

#### **Environmental Principles**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

#### **Anti Corruption Principles**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Siemens d.o.o. is a daughter company of Siemens AG and member of its corporate organization. In accordance with the corporate internal rules, Siemens d.o.o. is obliged to implement all corporate programs supporting the 10 principles of the UNGC and to follow corporate strategy in those areas. All systems, measures and achievements mentioned in the Siemens AG Sustainability report for 2010 (for period October 1<sup>st</sup> 2009 until September 30<sup>th</sup> 2010) and additional information available on the Siemens sustainability website <http://www.siemens.com/sustainability/en/> ( for the period after October 1<sup>st</sup> 2010) are therefore applicable for Siemens d.o.o.. Therefore

in this Communication on Progress we refer to the Siemens AG Sustainability report for 2010 and the Siemens sustainability website in all areas. Further more, Siemens d.o.o. has implemented specific local activities and initiatives in certain areas and these are the main focus of this report.

## **Implementation of the UNGC principles by Siemens d.o.o.**

### **Environmental Principles**

Our responsibility for environmental protection is embedded in our Siemens EHS Principles. Raising our employees' awareness of environmental and climate protection is an element of both our environmental strategy and our social commitment. With internal communications measures and our corporate citizenship focus on environmental protection, we help create a greater sense of responsibility for ecological issues inside and outside the company. As part of Siemens Environmental Portfolio, we develop and market products and solutions that enable our customers to reduce their CO2 emissions, lower lifecycle costs and protect the environment.

Siemens d.o.o. has made an assessment of its environmental footprint and has written a policy on environmental issues.

Siemens d.o.o. has initiated and is executing environmental awareness raising campaign in cooperation with the City of Ljubljana. The campaign (titled Ljubljana, pametno mesto) aims to help people take environmentally responsive actions and decisions and thus help the city administration achieve ambitious environmental goals.

Lecture/presentation »Unpleasant truth« was organized for all employees to attend.

Siemens is a supplier of a number of products aimed at raising energy efficiency (environmental portfolio). In Slovenia, products and solutions for energy efficiency in buildings are currently in most demand.

Siemens d.o.o. formed a group of people (ECO TEAM) who are responsible for raising awareness of environmental issues and find new and efficient ways in order to promote and save environment. Activities were done in the area of paper reduction, reduction of energy consumption by informing employees about effects of air conditioning and open windows and other communication tools, waste separation, reduction of plastic by changing plastic water bottles for water machines, reduction of energy consumption by changing lighting technology in Siemens.

The lecture »Unpleasant truth« was attended by 25% of employees.

In fiscal 2011, Siemens d.o.o. donated around € 100.000 to education and science.

### **Anti Corruption Principles**

The Siemens Business Conduct Guidelines are the heart of our Compliance Program.

Siemens d.o.o. initiated the first collective action in Slovenia, together with the UNGC Slovenia. The program is called Ethos and its aim is to raise awareness on corruption, as well as develop good practices, mechanisms and standards with which the companies can proactively prevent corruption and thus raise the competitiveness of the corporate environment and the country as a whole in the long-term.

The first outcome of the project Ethos was Declaration on Fair Business which was launched on January 20th 2011 at the public event, attended by the Slovenian

opinion leaders and managers. President of The Republic of Slovenia gave welcome speech. The declaration was already signed by more than 30 Slovenian companies from various industries. The initiative plans further actions and it is now focused on the implementation of an integrity pact which should be presented at the end of 2011.

Since January 2008, 90 Siemens d.o.o. employees have completed online compliance training, and 70 have received personal compliance training.

### **Human rights principles**

Siemens d.o.o. has implemented Siemens Business Conduct Guidelines and Code of conduct for Siemens Supplier is signed by all Siemens d.o.o. suppliers.

Siemens suppliers reviews are performed on the corporate level, therefore the information about the number of audits performed and their results are to be found in the corporate report.

### **Labor principles**

In accordance with our Business Conduct Guidelines and Slovene labor legislation, we tolerate no form of discrimination. We actively foster diversity within the company through the corporate Diversity Initiative.

In fiscal year 2011 women accounted for 30 percent of our total workforce and 30 percent of managers in Siemens d.o.o..