

## **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 2012 until September 14th 2013.

### **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 2012 (for period October 1<sup>st</sup> 2011 until September 30<sup>th</sup> 2012, available at (<http://www.siemens.com/sustainability/en/sustainability/reporting/current-report.htm> ) and additional information available on the Siemens sustainability website

[www.siemens.com/sustainability](http://www.siemens.com/sustainability) for the period after October 1<sup>st</sup> 2012) are therefore applicable for Siemens d.o.o.. Therefore in this Communication on Progress we refer to the Siemens AG Sustainability report for 2012 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 CO<sub>2</sub> 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. Furthermore, 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, translation: Ljubljana, Smart City) aims to help people take environmentally responsive actions and decisions and thus help the city administration achieve ambitious environmental goals. Environmental campaign has been further upgraded in 2013, with these activities:

- Photo contest which aims to drive traffic to Ljubljana Smart City web platforms and thus further increase awareness of the citizens of the environmental actions;
- Public social event was organized for people participating in the You Are Ljubljana! Initiative (the initiative enabled citizens of Ljubljana to suggest environmental improvements, the feedback we received was above expectations, both, in terms of quality and quantity of responses);
- Ljubljana Smart City project was one of the finalists in the European Corporate Social Responsibility Awards.
- Ljubljana Smart City project upgrade was applied to LIFE+ EU funding mechanism. If the funding will be approved we will be able to significantly expand project activities and effects. Siemens is one of the beneficiaries in the project.

Another activity, performed in 2012 is focusing on the promotion of best energy efficiency practices in industry. Siemens d.o.o. (in cooperation with University of Ljubljana and Finance newspaper) initiated the contest for industry sector, where we collect and promote best practices in energy savings and CO<sub>2</sub> emissions abatement. Best cases will be promoted at business events, on dedicated websites ([www.siemens.si/nagrada](http://www.siemens.si/nagrada); [www.finance-akademija.si/nagrada](http://www.finance-akademija.si/nagrada)).

To help socially deprived people Siemens d.o.o. contributed 2000 EUR to the program Godfathership in Slovenia, we also contributed donations for the purchases of healthcare equipment in Slovenian hospitals, to stimulate talented musicians and high school students and we executed blood-giving activity, open to all employees.

Siemens d.o.o. continued to be active in improving its own environmental footprint. ECO TEAM, employee task force, responsible for raising awareness of environmental issues and find new and efficient ways in order to promote and save environment.

### **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, in 2010. 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. In 2012, the task force (of which Siemens is part) focused on further promotion of the Declaration, improving the accessibility of topics, dedicated to corruption prevention, and invested effort into promoting compliant, fair business among business community with speeches at different events and round table discussions. Siemens continues to play an active part in the task force Initiative Ethos where it is represented by one employee. Siemens CEO Ms. Lončar spoke at several public events where she promoted fair and compliant business to top management, opinion leaders and the media and thus contributed to social awareness to this issues.

Since January 2008, the majority of 95 Siemens d.o.o. employees have completed online compliance training, have received personal compliance training. In 2013 refresher trainings were executed in the form of integrity Dialogue, attended by the majority of middle and top management staff.

Siemens d.o.o. holds regular (quarterly) compliance review boards, intended to discuss compliance from organizational and structural principle. The meetings result in regular improvements of the processes directed to assure compliant and ethical business.

### **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 2013 women accounted for 30 percent of our total workforce and 30 percent of managers in Siemens d.o.o..