SIEMENS

Ingenuity for life

Business Responsibility Report

Siemens Limited | Financial Year 2016

www.siemens.co.in

Business Responsibility Report 2015-2016

General Information:

1. **Corporate Identity Number (CIN) of the Company**: L28920MH1957PLC010839
2. **Name of the Company**: Siemens Limited
3. **Registered Address**: 130, Pandurang Budhkar Marg, Worli, Mumbai, Maharashtra 400018, India
4. **Website**: www.siemens.co.in
5. **E-mail id:** communication.in@siemens.com
6. **Financial Year Reported:** 1st October 2015 – 30th September 2016
7. **Sector(s) the Company is engaged in (industrial activity code-wise)**

   Siemens India is a technology powerhouse that has stood for engineering excellence, innovation, quality and reliability. The company focuses on the areas of electrification, automation and digitalization.

   (Definition from the internet: http://www.siemens.co.in/about-us/siemens-india.htm)

Industrial Group	Description
266	Manufacture of irradiation, electro medical and electrotherapeutic equipment (Included as healthcare was part of Siemens Limited for reporting period)*
271	Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus
281	Manufacture of general purpose machinery
302	Manufacture of railway locomotives and rolling stock
279	Manufacturing of electrical signaling, safety
261	Manufacture of electronic components

*Portfolio for part of the year. Healthcare was carved out in July 2016.

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
   - Switchgear Items
   - Switchboards, control boards and miscellaneous accessories
   - Transformers, Turbine and Motors

   For additional information on products and solutions, please refer to the Annual financial statements and Management Discussion and Analysis.

9. **Total number of locations where business activity is undertaken by the Company**
   a. **Number of International Locations**: Siemens Limited has 5 international locations. Sri Lanka, Ghana, Bangladesh, Qatar and Bhutan.
   b. **Number of National Locations**: Siemens Limited has 22 factories and 56 locations across India.
10. **Markets served by the Company - Local/State/National/International**: Siemens Limited has a pan-India presence and also supports Siemens in Bangladesh. We also serve markets in Nepal, Bhutan, Sri Lanka, South East Asia (Malaysia), Africa and Middle East.

Details

1. **Paid up Capital (INR Million)**: 712
2. **Total Turnover (INR Million):** 108,089
3. **Total profit after taxes (INR Million):** 28,880

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 0.25%

5. **List of activities in which expenditure in 4 above has been incurred:** Please refer Annexure VI to the Directors' Report.

Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Siemens Rail Automation Pvt. Ltd is a 100% subsidiary as of 30th September, 2016.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   Yes

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR Initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60]**

   The Company has a Business Conduct Guideline which contains the basic principles and rules for conduct which is extended to its external partners.

BR Information

1. **Details of Director/Directors responsible for BR**

   a) **Details of the Director/Directors responsible for implementation of the BR policy/policies.**

   - DIN: 02261944
   - Name : Mr. Sunil Mathur
   - Designation: Managing Director and Chief Executive Officer

   b) **Details of the BR head**

S. No.	Particulars	Details
1.	DIN Number (if applicable)	----
2.	Name	Naveen Mohan
3.	Designation	EVP Investor Relations and Supply Chain Management Governance
4.	Telephone number	+91 22 3967 7000
5.	e-mail id	Naveen.mohan@siemens.com

2. **Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Does the policy confirm to any national / international standards? If yes, specify?	The policies are in line with international standards and practices such as ISO 14001, BS OHSAS 18001, UNGC Guidelines, UN Human Rights Declaration and European Human Rights Convention; ILO Principles, OECD Guidelines for Multinational Enterprises, UN Convention against Corruption; IFRS as issued by the IASB.								

4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Significant policies are formulated at Siemens Group level in Germany. The policies are adopted by Siemens Limited in India with Board level undertaking to the Group on implementation of key policies in India. The policies pertaining to local legislations and systems are approved and signed by relevant senior management personnel.
5.	Does the Company have a specified committee of the Board / Director/Official to oversee the implementation of the policy?	Yes. It is specified in the Corporate Governance report (Annexure 4 to the Director's Report)
6.	Indicate the link for the policy to be viewed online?	**Siemens Business Conduct Guideline is available at:** http://www.siemens.co.in/pool/investor_relations/board-of-directors/business_conduct_guidelines_e.pdf **Siemens Compliance policy is available at:** http://www.siemens.co.in/en/index/investor/compliance/helpdesk.htm **Siemens Safety, Health and Environment policy is available at:** http://www.siemens.co.in/en/about_us/index/safety_health_environment_policy.htm **Siemens CSR policy is available at:** http://www.siemens.co.in/about-us/sustainability.htm All other policies are available on the Company's internal network.
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. All the policies communicated to internal stakeholders are available on the internal network. Policies communicated to external stakeholders are available on the Siemens website.
8.	Does the Company have in-house structure to implement the policy/policies?	Yes. There is an in-house structure with clearly defined roles and responsibilities that are periodically reviewed under the Internal Risk Management Framework.
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/policies?	Yes. The Company's stakeholder grievance is covered by the Code of Conduct for Suppliers and Business Conduct Guidelines. In order to ensure integrity and transparency of business processes, there is a system in place to identify any non-compliance and violations of the Siemens Business Conduct Guidelines. The tool, "tell us", can be used for whistle blowing and redressal of other grievances by employees, customers, suppliers and other stakeholders 24/7 worldwide either online or by telephone, and in any of the 150 languages. All the concerns reported on "tell us" are addressed through proper channels and if found to have merit, disciplinary action is taken. There is also an ombudsman in place where grievances can be raised.
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. The Company's policies and procedures are supported by internal risk controls. These risk controls are continually evaluated for their efficacy through internal audit mechanism and are also subject to external audits.

2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Not applicable, as Siemens has policies in place for all the 9 Principles

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

  The BR performance is reviewed annually by the CEO.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  Siemens has been publishing a Business Responsibility Report annually since four years. The reports can be viewed at following URLs http://www.siemens.co.in/en/index/investor/annual_report.htm

Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Siemens hold the highest standards of integrity and behavior, ensuring compliance and adherence to the law and internal regulations through the Siemens Compliance System. Siemens has zero tolerance for corruption and violations of the principles of fair competition. Siemens has adopted the Business Conduct Guidelines (BCG), which details the minimum acceptable ethical and responsible business practices for employees, channel partners, suppliers, vendors, NGOs and contractors. The Company is committed to transparency and best practices are also extended to suppliers through the Code of Conduct for suppliers. This code warrants compliance with laws prohibiting child labor, taking responsibility for the health and safety of their employees and ensuring that suppliers act in accordance with applicable statutory and international standards regarding environmental protection. Similarly, all channel partners are covered through Code of Conduct for Channel Partners.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

	Received in 2015-16	Percentage satisfactorily resolved by the management
Stakeholder complaints related to ethics, bribery and corruption	20	10%

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Listed below are products and services which incorporate environment and safety risks/concerns

- SST 300 Steam Turbine Generators (Up to 150 MW)
- Ester Filled Power Transformers
- Medium voltage Gas Insulated Switchgear technology
- IE3 Series and IE4 Series Motors

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

I. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

II. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

1. SST 300 Steam Turbine Generators

The SST 300 steam turbine generators manufactured at Siemens Limited Vadodara factory is a single-casing steam turbine with a modular, compact design that minimizes space requirements for installation. Easy access to mechanical components facilitates maintenance. It can also be operated remotely. It delivers high reliability, availability and efficiency. The SST 300 (for outputs up to 50 MW) has a wider application in the Indian context as industries here have higher number of applications for lower capacity turbines.

Its success in conservation of environment was proven to be a component feature for a state-of-the-art power plant set up by a Steel Manufacturer in India. This plant is designed to utilize blast furnace gas, thus avoiding usage of coal. This allowed it to comply with all the latest pollution control norms, thus ensuring a cleaner environment.

Customer Benefits:

Production of more power using the same resources

- Higher steam parameters
- Reduced start-up times
- Improved flexibility for optimized customer solutions
- Improved CO2 footprint (15% reduction of CO2 emissions)
- Improved efficiency (up to 2%)
- Longer life cycle - increased life time
- Greater ease of maintenance

2. Ester Filled Power Transformers

Sustainability, biodegradability, and renewability are the basic requirements for a modern power industry. The basic conditions for network expansion are not only stable and secure energy supply for the future but also environmental compatibility and safety of the population. So high-performance transformers for the high voltage level transmission are to be designed in such a way so that they don't cause harm to the environment and people as they will be installed in densely populated city areas. Hence, the decisive reason why ester filled transformers will be required due to its use of biodegradable insulation oil without harmful effects on the earth, ground water and environmental compatibility. Siemens is geared to fulfilling future emerging market demands. Biodegradation of esters is much better compared to mineral oil or silicone liquid.

Flash and fire point analyses demonstrate the excellent values of alternative insulating liquids. This means that Siemens transformers become even safer than those with mineral oil.

Siemens AG has been making and supplying Synthetic/Ester filled transformer for small (up to 20MVA, 72.5 kV), medium (Up to 200 MVA, 238 kV) and large power transformers (Up to 300 MVA, 420 kV). Being part of Siemens AG, the same products are available with Siemens Limited

3. Medium voltage Gas Insulated Switchgear technology

Historically, we have witnessed the tremendous benefits we have reaped out of the innovations that have taken place in the controlling of flow of power, one key component of such complex networks are the switchgears. The cities are growing at fast pace & usable spaces are shrinking to meet power requirements which demands for highly compact, versatile and unfailing network equipments to ensure system efficiencies & safety aspects. Our SF6 insulated Medium voltage GIS has been vital in meeting these demands and undoubtedly won the customer trusts worldwide for its unmatchable qualities like reliability, zero maintenance and hall mark personal safety & environmental friendliness. As an industry pioneer we have greater responsibility for safe handling & disposal of SF6 gas during various phases of GIS lifecycle, for which we are highly committed and bound by stringent quality policies at every level.

4. IE3 Series Motors and IE4 Series Motors

Award winning Siemens IE3 motors are one of the most energy efficient motors presently available in India and were introduced to help energy intensive industries such as cement, metal, mining and textiles achieve significant reduction in energy consumption. Siemens have supplied more than 120,000 energy-efficient industrial motors since its launch. According to IEEMA, over two million motors are produced in India each year that together have an energy saving potential of more than 5 billion kWh of power if replaced with IE3 motors. Considering the investment for a 600MW power plant these energy-efficient motors have the potential to save nearly Rs 3,500 Crores for the country as a whole. Together, the 120,000 motors are estimated to have saved approximately 360 GWh of power till date.

As a next step and as an addition to existing range of motor, Siemens has also introduced Siemens IE4 motors which are reliable and rugged in operation with low operating costs.

Low energy consumption reduces the stress on the environment as a result of low CO_2 emissions. **Innovative IE4 motors results in** higher energy savings, lower operating costs and there by boosts our customer's competitiveness for example, up to 14 % higher energy savings when compared to IE1 and up to 3% energy savings as compared to IE3 motors.

IE4 motors are available in General Purpose (aluminum enclosure) and Severe Duty (cast iron enclosure) versions and without any change in the shaft height from IE1 up to IE4. IE4 is therefore the consequential extension of the 1LE1 platform to include Super Premium Efficiency. The motors are designed for line operation, but they can also be operated with frequency converters. This takes independence and flexibility to the planning of plants and retrofit.)

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Siemens, through efforts such as strict Code of Conduct, External Sustainability Audits (ESA) for select suppliers and an efficient Vendor Monitoring system, ensures sustainability throughout the value chain.

Sustainability agenda is extended to suppliers through the Supplier Code of Conduct (SCC) to which all suppliers have to commit to and the Business Conduct Guidelines (BCG). It lays down the requirements on various aspects of sustainability such as legal compliance, bribery and corruption, human rights, health and safety and environment protection.

Siemens sources its materials through suppliers and vendors who are compliant with SCC and BCG. Supplier selection, assessment and evaluation process includes elements of sustainability. This includes self-assessments by suppliers, risk assessments by Siemens Ltd. and external audits by third party.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

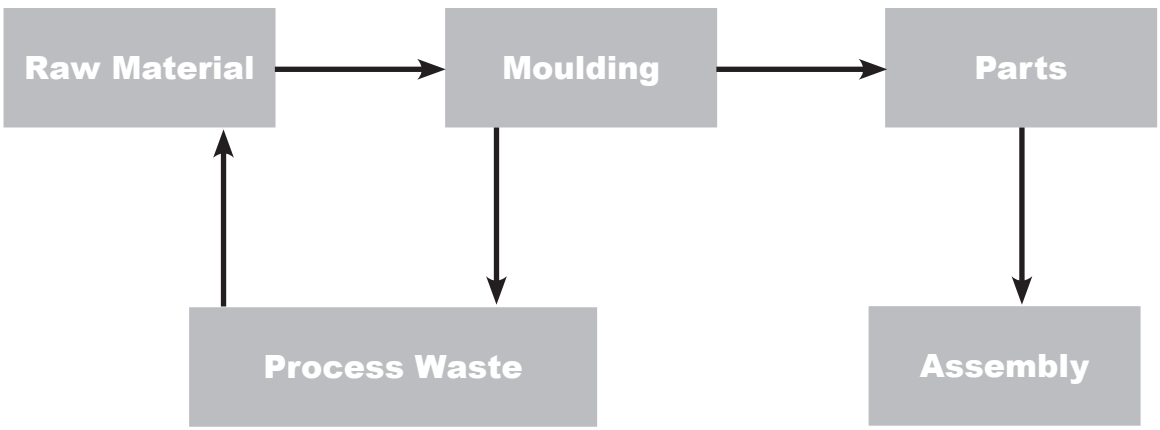
About 87% of material from third party suppliers is sourced locally from within the boundary of India. Out of this 25% is sourced from small and medium enterprises. A large number of MSME (Micro, Small and Medium Enterprises) rely on companies like Siemens for their business. Siemens continuously looks for opportunities to source its material locally. It has a registered base of about 2600 MSMEs. For products which are currently not manufactured locally, it promotes indigenization through the following steps:

1. Identification of products currently imported
2. Indigenization of the product and testing
3. Handholding of suppliers for manufacturing product locally

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10 %, > 10%) Also, provide details thereof, in about 50 words or so.

The company is committed to increasing waste efficiency through the ISO 14001 certification for all plants. Waste is segregated into hazardous and non-hazardous waste and managed through a robust waste management system.

- Hazardous waste is sent to registered recyclers or to CPCB Authorized TSDF (transportation, storage and disposal facilities) for disposal. E-waste is sent to registered recyclers.
- Non-hazardous waste such as paper is reused as packaging material. Old laptops which are in good condition are given to the employees under the buyback scheme and damaged laptops are disposed as e-waste through government approved registered recyclers. Process waste (e.g. Thermoplastic runners) at Kalwa is picked, grounded and re circulated and reused as shown in the process below:



- Industrial effluents are treated in the Effluent treatment plant and sewage is treated in the sewage treatment plant. The treated water is used for maintaining green belt.

Principle 3

1. **Please indicate the Total number of employees.**

   Siemens Limited has 9,580 employees as of 30th September 2016.

2. **Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.**

   Siemens Limited has 911 temporary staff as of 30th September 2016 of which 48 are female and 863 are male.

3. **Please indicate the Number of permanent women employees.**

   The company has 748 permanent women employees as of 30th September 2016.

4. **Please indicate the Number of permanent employees with disabilities**

   Siemens Limited has 14 permanent employees with disabilities as of 30th September 2016

5. **Do you have an employee association that is recognized by management?**

   Yes.

6. **What percentage of your permanent employees is members of this recognized employee association?**

   14%

   Siemens believes in collective bargaining as an important mechanism to engage with employee

   Associations. Through continual dialogue with these associations, the company strives to maintain cordial relationships with employees and work towards their welfare.

7. **Please indicate the Number of complaints relating to child labor, forced labor, involuntary labor and sexual harassment in the last financial year and pending, as on the end of the financial year.**

   Siemens has a governance structure in place to address complaints related to child labor, forced labor, involuntary labor and discrimination or harassment of any kind. Business Conduct Guidelines guides the employees as well as suppliers and

channel partners besides the Code of conduct for Employees and Code of Conduct for Suppliers and Channel partners. There is a 5 person committee to address complaints regarding sexual harassment. The chairperson of this committee is an NGO representative. The committee includes National level Steering and Complaints Committee to look into sexual harassment cases with sensitivity and confidentiality.

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending (as on 30 September 2016)
1.	Child labor / forced labor / involuntary labor	0	0
2.	Sexual harassment	1	0
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- **Permanent Employees**
- **Permanent Women Employees**
- **Casual/Temporary/Contractual Employees**
- **Employees with Disabilities**

Training for Skill up gradation

Siemens has a Learning and Development (L&D) framework for employees to achieve business and personal goals. L&D needs of employees are identified through a goal setting process and supported by Performance Improvement Plans (PIP). During the year 106,545 hours of training was imparted to male employees and 11,209 hours to female employees.

Safety Training

During the year, the Company conducted 22,435 hours of training for permanent employees and 19,269 hours of training for contract workforce.

Siemens is committed to a Zero Harm Culture (ZHC). During financial year 2015-16, the Company took various measures aimed at constantly improving EHS performance, including workshops for vendors & Franchisee, Knowledge Exchange sessions for Factory and Project teams and several communications activities across locations and project sites. In its effort to ensure Zero Harm Culture is practiced within the Company, the Board of Directors review the progress of the safety measures being undertaken at Siemens Ltd. Discussions on safety-related issues is reviewed regularly in Board Meeting of the Company during financial year 2015-16. Recognizing the need to provide high-quality training on safety, Siemens Ltd. has set up the Siemens TÜV Rheinland Global Skill Centre for Occupational Safety at Mumbai in collaboration with TÜV Rheinland – a world leader in Testing, Certification, Inspection, Consulting and Training. During the year, various measures were taken including workshops for vendors and knowledge exchange sessions for project teams. Relevant trainings were provided to employees, temporary staff and contractual labor. The hands-on training modules, under the SITRUST brand, are targeted mainly at Occupational Safety Practitioners, Project Managers, Construction Managers, Construction Site Supervisors, Safety Marshals and Site Engineers.

Principle 4

1. Has the company mapped its internal and external stakeholders?

Siemens has mapped the internal and external stakeholders in a structured way and carries out engagements with our investors, employees, customers, suppliers, business partners, civil society organizations, etc. Siemens identifies the interests of our internal stakeholders like permanent employees through engagement surveys and periodic worker settlement reviews. The external shareholders are mapped through defined activities such as customer events, channel partner meet, SMES trainings etc. The company reaches out to the stakeholders on regular basis through analyst meets, AGM and press releases. Siemens commits to Government initiatives like 100 Smart Cities, Make in India, Skill development and Power for all. Siemens participates in the events organized by trade associations and contributes by providing inputs when requested.

2. Out of the above, has the company identified disadvantaged, vulnerable & marginalized stakeholders?

Siemens strongly believes that working with economically weaker sections of society supports growth and development. Siemens identifies marginalized and disadvantaged groups through need assessment and engagement with local communities under the corporate citizenship framework. The marginalized and disadvantaged communities, Siemens works with, include, tribal communities, less privileged youth who could not complete education and join Government ITIs, engineering students from low-socio economic background, women, communities who are underserved from healthcare facilities, vulnerable children who need care and protection like children in conflict with law. The initiatives are elaborated in Principle 8.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof.

The initiatives undertaken for disadvantaged, vulnerable and marginalized stakeholders are elaborated in Principle 8.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

The policy on Human Right is applicable to Siemens implementing partners: NGOs & Organization. Siemens conducts a due diligence of Siemens Corporate Citizenship's implementing partners. Due diligence also covers the implementing partners' outlook on inclusive community development and citizen's rights and duties of their beneficiaries which is an important essentials of becoming implementing partner. Implementing partners also sign the Siemens' Business Siemens Conduct Guidelines which respects human rights, U.N. Human Rights Declaration, European Human Rights Convention as well as ILO Principles.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has received 9 stakeholder complaints (investor complaints) during the year which have been resolved satisfactorily by the management.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

The Company has well laid down policies, principles and standards that all plants and facilities in India must adhere to. As a global company, Siemens aims to achieve business excellence in environment protection, health management and safety across its businesses. Our EHS Policy also specifies the EHS requirements to be extended to the Contractors.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/ N. If yes, please give hyperlink for webpage etc

Yes, Siemens has environmental initiatives in the areas of reduction in green house gases and Energy Efficiency programmes. Implementation plan of CO2-neutral Siemens program has been rolled out global with 50% reduction goal by 2020 and ultimate goal to become CO2-neutral by 2030.

Siemens believe it is their responsibility to address global long term challenges and ensures the business is run in a socially, ecologically and economically responsible manner. The Company works to develop new products and services which address global environmental issues life climate change and are captured in Principle 2.

Board level committee reviews CSR and other related initiatives. The feedback is used to strengthen the initiatives. In addition we also participate in Siemens global sustainability community.

3. Does the company identify and assess potential environmental risks? Y/N

Environmental Risks are integrated in the company's Enterprise Risk Management (ERM) processes and the detail process is covered in EHS Manuals that are based on ISO 14001 and OHSAS 18001.

Every unit or plant has implemented the following MS elements:

- Identification and evaluation of EHS aspects and requirements
- Identification of EHS risks and opportunities
- Identification of Legal obligations and other requirements
- EHS emergency management plan

Once risks are identified, steps are taken to measure and mitigate these risks through the Management System approach.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Siemens currently does not have any Clean Development Mechanism (CDM) projects.

5. Has the company undertaken any other initiatives on- clean technology, energy efficiency, renewable energy, etc? Y/ N. If yes, please give hyperlink for web page etc.

Siemens commitment towards clean technology and energy efficiency is not limited to the design of new products but extends to the manufacturing plants as well.

Besides the initiatives that continued from last year, the following initiatives were taken this year:

(I) 28 initiatives to reduce energy consumption had been taken up in FY16 at 9 factories and 3 office locations. This will result in a potential saving of 1063 Mwh/annum which is equivalent to CO2 reduction of 885 tons.

- Replaced existing lamps with energy efficient lamps, e.g.: Replacement of existing 280 W Metal Halide Lamps by High bay 120 W LED Lamps at Aurangabad and replacement of CFL with LED at Kalwa Works
- At Goa factory, Solar Light pipes are installed to utilize the natural daylight which subsequently reduces the artificial lighting energy during daytime.
- At Nashik Works, Solar Water Heater system is being used to heat up water needed for utensil cleaning.
- The A/C unit kept off at all locations during lunch break to reduce A/C consumption and emissions.

(II) Initiatives to reduce water consumption at different locations resulted in decrease of water consumption from 515,271 m3 in FY15 to 458,255 m3 in FY16.

- Use of low water flow fixtures with aerators at Worli, Head office
- Replacement of existing Reciprocating compressor with Kaeser screw Compressor at Kalwa Works
- Water consumption reduction by deep monitoring through water flow meter (6 Meter installed at Delivery Line) at Kolkata

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The Company is in compliance with the applicable environmental laws and regulation. The Company's emissions, effluents and waste are within Central and State Pollution Control Boards permissible limits.

7. Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There were no show cause/ legal notices in the year.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

In efforts to influence affirmative sustainability actions and enable technology through sharing of best practices Siemens is a member of various Technical Committees of BIS and on the Executive/Subject Councils. Some of the key trade/industry associations where Siemens is represented include:

1. Bombay Chamber of Commerce and Industry (BCCI)
2. Bureau of Indian Standards (BIS)
3. Bureau of Energy Efficiency (BEE)
4. Confederation of Indian Industry (CII)
5. Indian Electrical & Electronics Manufacturers' Association (IEEMA)
6. Indo German Chamber of Commerce (IGCC)
7. Federation of Indian Chambers of Commerce and Industry (FICCI)
8. Indian Merchant Chambers (IMC)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Through membership with trade and industry associations, the Company makes efforts to further contribute on specific sustainable business issues.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Inclusive growth and equitable development are essential to foster sustainable local development and uplift the communities in which we operate. Through socio-economic, health and environmental initiatives, the company leverages on its core competencies to address the stakeholder needs. Siemens CSR Policy is consistent with the Corporate Citizenship Strategy and meets the compliance requirements of the Companies Act, 2013. The company's sustainability strategy is based on three pillars – Education and Science, Social and Environment. This is further divided into seven focus areas, under which there are several corporate citizenship initiatives and their impacts, the details of which are available in the Annual CSR Report 2015-16.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

Siemens Limited has its own in-house Corporate Citizenship team who plans, monitor and governs the Corporate Citizenship initiatives of Siemens India. The Company partners with like-minded implementing NGO and government organizations to work towards the Company's CSR community development initiatives. Employees can annually avail seven working days for volunteering activities for a cause of choice towards community development projects.

3. Have you done any impact assessment of your initiative?

The Company's CSR community development initiatives are long term projects. Siemens follows the IOOI method (input, output, outcome and impact) for monitoring and evaluation through a logical framework (logframe) developed together with the implementing partners. We also conduct need assessment study/ baseline before initiating the projects and are being measured using the same. The projects output, outcome and impact are monitored and measured on a regular intervals along with the implementing partners. The impact of each project is mentioned in the Annual CSR Report 2015-16.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the year, the Company spent INR Million 71 towards various community development projects. The details of the projects undertaken are given in the Annual CSR Report 2015-16.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

All Corporate Citizenship projects work towards sustainable communities. Hence, all the initiatives are planned, monitored and evaluated in partnership with the communities through participatory rural appraisal throughout the project life

cycle. The project is identified and developed as a facilitator to empower the communities through knowledge transfer and capacity building programs to sustain the project after completion. Project focuses on forming and strengthening communities based organizations (CBOs) which would act as catalyst towards community development. This can be seen in the impact of the project as part of the CSR Annual Report 2015-16.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There were no consumer cases in district consumer forum.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)

Siemens adheres to all applicable laws and regulations on product labeling. Environmental Product Declarations (EPD) is used to transparently communicate environmental performance of the products and services. EPDs are developed using ecological data gathered from full-scale life cycle assessments or screening life cycle assessments of the Company's products and solutions.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so

No cases were filed by any stakeholders against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Siemens measures customer satisfaction across all sectors based on uniform and harmonized Net Promoter Score (NPS) methodology. NPS is an internationally recognized tool based on the commonly applied managerial performance indicator. In addition to the Annual Corporate Survey, customer feedback is gathered at the end of key customer interactions, during project management as well as service delivery. The input is critically required for continual improvements. A key trend setting feature was implemented by Building Technologies. Building Technologies setup "Smart Buildings" Experience & Training Centre in India. The interactive experience centre showcases systems and solutions that make buildings smart, safe, secure, comfortable and energy-efficient. The centre also offers training programs throughout the year for customers, partners, students and own employees on the latest technologies.

References

- Corporate Excellence Siemens application
- Siemens Annual Report 2015
- Siemens Sustainability information2015
- Annual CSR Report 2015-16