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Ms. Beatriz Balbin
Chief
Special Procedures Branch
Office of the High Commissioner for Human Rights
(OHCHR)
Palais des Nations
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Our reference	TE
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JOINT COMMUNICATION FROM SPECIAL PROCEDURES, 12TH OF MARCH 2021

Dear Ms. Balbin,
Dear Mr. Pesce,
Dear Ms. Bennoune,
Dear Mr. de Varennes,
Dear Mr. Shaheed,
Dear Mr. Obokata,
Dear Mr. Melzer,
Dear Ms. Mullally,

Siemens is committed to respecting human rights across its entire value chain as per international conventions and recommendations, specifically the United Nations Guiding Principles on Business and Human Rights. This is anchored in the company's Business Conduct Guidelines.

We are taking any allegation of human rights violations very seriously where such alleged violation may be related to business operations of Siemens, our suppliers or third-party intermediaries. Therefore, Siemens has been and is closely monitoring the allegations which have been brought forward.

Since 2011, Siemens has an office in Urumchi, the capital of Xinjiang. Siemens has assessed all employment relationships at our Urumchi office and has not ascertained indications of forced labour – neither in the past nor presently.

The Siemens Business Conduct Guidelines set out the fundamental principles and rules governing how we act within our company and in relation to our customers, external partners and the general public.

Furthermore, Siemens expects all suppliers to make a firm commitment to the Code of Conduct for Siemens Suppliers and Third-Party Intermediaries ("Code of Conduct"), including but not limited to human rights topics.

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Siemens' Business Conduct Guidelines as well as the Code of Conduct are based on the following international standards and guidelines:

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Universal Declaration of Human Rights
- International Covenant on Economic, Social and Cultural Rights
- International Covenant on Civil and Political Rights
- Tripartite Declaration of ILO
- ILO Declaration on Fundamental Principles and Rights at Work
- European Convention for the Protection of Human Rights and Fundamental Freedoms
- The Ten Principles of the United Nations Global Compact

Siemens takes a risk-based approach to identifying deviations from our Code of Conduct in our supply chain. This approach includes corporate responsibility self-assessments (CRSAs) by suppliers, internal and external sustainability audits. Where deviations from the principles of the Code of Conduct are identified, and therefore also in the case of violations of human rights, we work with the supplier to clarify how lasting corrective action can be taken in a reasonable amount of time.

Siemens follows a holistic approach to ensure effectiveness of human rights due diligence steps taken to prevent, detect and respond to human rights abuses.

The supplier management process at Siemens includes strict criteria for supplier selection and qualification. It also serves as the basis for identifying potential sustainability risks early on, when new suppliers are incorporated into the system, or taking measures to counter these risks.

Siemens' human rights due diligence approach is designed to ensure a continuous improvement process, focusing on the development of our suppliers and third-party intermediaries. The "Prevent – Detect – Respond" approach ensures the "cascading" of requirements down to our suppliers and is based on three steps:

Firstly, the questionnaire-based CRSA allows us to request a self-assessment of our suppliers in higher risk countries. All assessment reports are thoroughly discussed with suppliers and third-party intermediaries and remediation measures are jointly agreed upon. Improvement measures agreed with suppliers relate either to actual deviations from the Siemens Code of Conduct or to structural improvements in management systems and the lack of specific processes and guidelines at the supplier's end. Secondly, quality audits are focused on the quality of products but also include sustainability aspects. Thirdly, external sustainability audits (ESA) which are conducted on site. Siemens provides training for suppliers along with interactive training formats for employees and tailored skill-building activities for global and regional salespeople and specific functions such as compliance and EHS. Siemens also offers web-based training on sustainability in the supply chain for all suppliers.

In light of the introduction of optimized risk due diligence procedures concerning customer business decisions, we have worked with internal and external training partners and external human rights experts to establish a training concept for managers. The target groups hereby include all employees from sales and risk functions, along with the management.

Furthermore, Siemens does not have own production in Xinjiang and purchases only a very limited volume of materials and services from the region. As far as reports have referred to a supplier of Siemens, Siemens has addressed the allegations with the respective supplier. Siemens had no knowledge of the allegations prior to the publication of the reports. The supplier has committed himself to complying with the Code of Conduct. In 2020, Siemens commissioned an internationally renowned auditing firm to conduct an external audit to ensure compliance with the Code of Conduct. The audit findings have not resulted in indications of forced labor or other human rights violations by the supplier.

Siemens offers all employees and external third parties protected channels for reporting violations of external and internal rules, including the Ombudsperson, which help to ensure possible misconduct is reported, thoroughly investigated, and clarified. These same channels can be used to report human rights violations to the company. Our website also provides an electronic mailbox for specific enquiries related to human rights. The Code of Conduct contains rules specifying that suppliers must provide a protected complaint mechanism for their employees.

Siemens' complaint mechanisms are designed according to international best practices. To ensure alignment with the national mechanism to address such business-related human rights violations, Siemens maintains a regular exchange with civil society actors and/or relevant state authorities.

Please be assured that we are always willing to provide information about our company's policies and procedures for responsible business conduct, especially with regards to human rights and the implementation of the UN Guiding Principles on Business and Human Rights.

Yours sincerely,



Torsten Ende
Head of Government Affairs