

SIEMENS



SIEMENS LOGISTICS
Sustainability Report
2024

About this Report

At Siemens Logistics, management has been actively pursuing objectives on a global scale for many years, aimed at continuous improvement in terms of the environment, social, and governance (ESG) framework and footprint. To ensure transparency, reliability, and comparability in our ESG activities, we now voluntarily publish this sustainability report. The objective of this report is to address the interests of our stakeholders, including customers, employees, business partners, suppliers and shareholders.

We take a global approach, thinking beyond our own operations and seeing ourselves as part of a broader ecosystem that offers us the possibility to thrive, prosper, and make a tangible difference. Taking care of this global ecosystem is the very essence of the ESG framework we have put in place.

This sustainability report covers Siemens Logistics in its entirety. It encompasses the fiscal year 2024, from October 1, 2023, to September 30, 2024. Unless otherwise specified, all figures were determined as of September 30, 2024, and are based on the Siemens Logistics Group, with limited exceptions.¹

This report integrates key elements of the Corporate Sustainability Reporting Directive (CSRD), including the European Sustainability Reporting Standards (ESRS), although it does not claim full compliance with CSRD requirements. The content selection is guided by the principle of double materiality. Through comprehensive materiality analysis, we identified significant topics based on the impact of Siemens Logistics' business activities on people and the environment (impact materiality, inside-out) and their significance for our financial position (financial materiality, outside-in).

The initial sections provide an overview of our business model, products and services, sustainability targets, and the integration of sustainability into our governance framework. This is followed by a detailed exploration of our sustainability journey, including diving deeper into ESG topics, describing our policies, actions, and targets, as well as the corresponding key performance indicators (KPIs) for social and governance aspects.

¹ The figures partially exclude the two subsidiaries Airport Munich Logistics and Services GmbH and ACE SL – Siemens Logistics, A.C.E. (a company of the Siemens Logistics Group since November 2023). This is clarified in the respective footnotes.



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WORKING TOWARDS
A SUSTAINABLE FUTURE

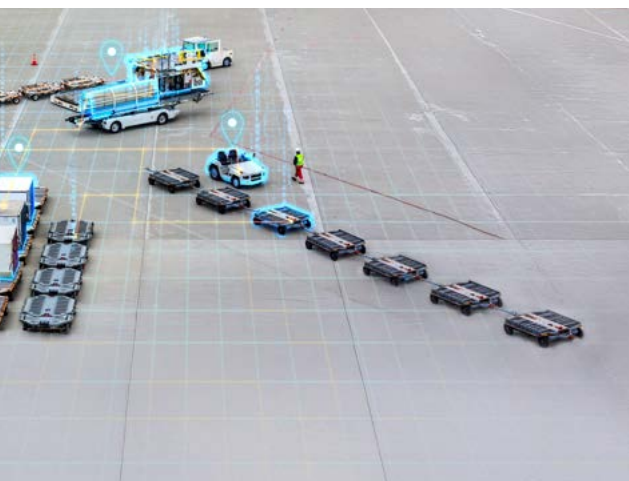


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REDUCING ENVIRONMENTAL IMPACT
THROUGH ENERGY EFFICIENCY

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MORE SUSTAINABLE AIRPORT
OPERATIONS WITH DIGITALIZATION



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A SMART APPROACH TO
SERVICE AND MAINTENANCE



Michael Schneider
Chief Executive Officer

Thomas Diesener
Chief Financial Officer

Combining the Real and Digital Worlds for More Sustainable Aviation Logistics

Air travel is booming, with forecasts of 7.8 billion air travel trips annually by 2040. Now consider what all that includes, especially with aviation and cargo logistics, which is a key area where operations need to become more sustainable. From checking in at the terminal to collecting their bag from the carousel, passengers expect a smooth, efficient, and worry-free experience. Technology and digitalization are continuously improving the process for tagging, moving, tracking, and delivering thousands of bags every hour. These streamlined processes also apply to cargo. This is where Siemens Logistics steps in as a proven expert in innovation, automation, and digitalization, providing hardware and software solutions for aviation and cargo companies all over the world.

We put a clear focus on sustainability in our own operations and in enabling our customers to operate more efficiently and improve their baggage and cargo handling systems and processes. Among our sustainability targets, we are aiming for a 20% reduction in CO₂ emissions on our supply chain by 2030 as part of our commitment to the decarbonization of the aviation industry. As we work toward net-zero operations in our supply chain by 2050, we will continue to set ambitious targets in order to enable us to reach that goal. Furthermore, we are committed to supporting our customers in reaching their sustainability targets, including the International Air Transport Association (IATA) Fly Net Zero initiative, with aviation companies aiming to achieve net-zero carbon emissions from their operations by 2050.

Airports are very busy places and major contributors to regional and national economies. Several airports are aiming to reach 100 million passengers per year. As air travel continues to rise, it's imperative that airport operations are effective, reliable, cost-efficient, transparent, and sustainable. Through optimized end-to-end baggage handling, we help airports minimize their carbon footprint and contribute to the preservation of the environment. The development of sustainable solutions in baggage handling underlines our commitment to responsible business practices. We enable airports and airlines to make more efficient use of their existing systems and provide advanced solutions to replace outdated technologies. Airports can achieve a faster turnaround of baggage, free up capacity where needed, reduce excess transportation to and from aircraft, provide a more ergonomic and equal opportunity workplace in ground handling, and improve the passenger experience.

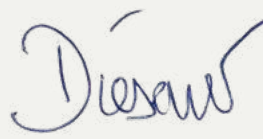
Digitalization is integral to improvement and efficiency. Real-time data from our solutions is giving airports the ability to review and optimize their processes and the energy consumption of each individual system. This data also helps our customers to do more with less, through forward planning, improved allocation of resources to increase capacity, and streamlining operations.

Siemens Logistics was one of the first companies to aim for green airport operations. That started more than a decade ago, with improving energy efficiency at a major hub in Spain, where in one terminal we helped to reduce electricity consumption of baggage operations by 40%. This led to a reduction in annual CO₂ emissions that would otherwise have required 30,000 trees to offset. Since then, our portfolio of solutions has continuously expanded and we have helped some of the world's busiest airports to become more energy efficient and greatly improve their operations.

In everything we do, we aim to make a tangible difference. By combining the real and digital worlds, we are shaping the future of aviation and cargo logistics.



Michael Schneider
Chief Executive Officer
Siemens Logistics GmbH



Thomas Diesener
Chief Financial Officer
Siemens Logistics GmbH





01 Siemens Logistics at a Glance

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The Significance of the Olive Tree



The cover of this report features a centenary olive tree, a symbol of longevity, durability, and sustainability. It is rendered in a digitalized version, signifying how Siemens Logistics combines the real and digital worlds to deliver solutions that have a positive and long-term impact on sustainability. A centenary olive tree is resilient, has a strong base, and its roots run deep into the ground. It is representative of how our technologies advance decarbonization, enhance airport processes, and improve energy efficiency. In 2024, we placed an olive tree at our booth at important trade fairs not only to show our commitment to the environment and the future of the planet, but to exemplify how much we value trust, partnerships, and peaceful relationships, which are central to our company ethics and the way we do business. Our future-oriented solutions offer substantial improvements for airport operations through automation and digitalization – enabling our customers to work towards a sustainable future.



1.1 High-Performance Solutions for Aviation and Cargo Logistics

Siemens Logistics is a trusted provider of innovative baggage and cargo handling solutions. Our portfolio includes baggage handling systems, high-end software for the digitalization of airport logistics, and a range of smart maintenance and services. These powerful, sustainable solutions combine the real and digital worlds to enable the best possible performance for aviation and cargo logistics, from regional airports to international hubs. Our products and services are designed to help airports, airlines, and cargo companies meet the challenges of change, achieve their sustainability targets, and contribute collectively to positive developments for society and the planet.

Our Sustainability Goals

We aim to decarbonize our supply chain with a 20% emission reduction by 2030. This is part of a strategic initiative that includes the Carbon Web Assessment for our suppliers. Additionally, by 2030, we aim to achieve zero-waste-to-landfill

and source 100% renewable electricity for our own operations. For material usage, we plan to reduce substances of very high concern by 100% by 2030, while providing full transparency about these substances by 2025. In terms of packaging, we



mandate the use of only recyclable materials, as defined in our packaging and shipping instructions for suppliers, and we aim to increase the use of secondary materials for metals and resins. Regarding our own workforce, we aim to achieve zero harm globally, with an annual Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Incident Rate (TRIR) of 0. We also aim to achieve 25 learning hours by 2025 ("25 by 25") for every employee and ensure continuous learning. By 2030, we aim to achieve a 25% female share in leadership positions. In terms of governance, we strive to train 100% of our people on Siemens' Business Conduct Guidelines every three years. Finally, we also aim to achieve an ESG-secured supply chain based on continuous supplier commitment to the Supplier Code of Conduct.

“

Automation and digitalization are revolutionizing aviation logistics, leading us toward a time when smooth and seamless end-to-end baggage handling will reduce human intervention to a minimum. This will not only make the process more streamlined, efficient, and safe, it will completely redefine the passenger experience.”

Khaled Nabli,
Head of Digital Business,
Siemens Logistics



1.2 Environment, Social, and Governance

We comply with the high standards placed on our product quality, cybersecurity, environmental protection, and health and safety through a comprehensive management system. We provide our employees with extensive health support, from on-site medical services to a wide range of fitness and well-being options. Our sustainability efforts also extend to using electric trucks in our vehicle fleet in the USA and providing electric charging stations for our employees. In fiscal year 2024 our donations assisted ten public schools in the Noida region of India, while we also supported charitable projects such as the “SOS Kinderdorf” children’s charity in Nuremberg, Germany. In the USA, we have made contributions to “HopeWalk” events and the “HopeKids” charity, to support children and families navigating challenging illnesses, extending our corporate social responsibility to make a difference in communities close to our business endeavours.

Supplier Code of Conduct

All suppliers need to accept and commit to the **Code of Conduct for Suppliers and Third-Party Intermediaries** during the suppliers' registration process in the global procurement application. This company-wide guideline is intended to place detailed requirements on the suppliers and third-party intermediaries to ensure the effective establishment of the specified environmental, compliance, and labor standards across all countries of operation.

Our Products and Services

Backed by more than 50 years of experience, we provide a complete range of solutions for aviation and cargo logistics to improve operational efficiency, reduce energy consumption, and help airports and airlines become more sustainable. We are with our customers through the entire lifecycle, providing planning, design, installation, training, maintenance, upgrades, and modernization. Through automation and digitalization, we are helping to address key issues regarding staff availability, while data-driven applications optimize ground-handling processes and improve transparency. The ultimate objective is to offer a better experience for all passengers.

Towards Sustainable Airport Logistics – Doing More with Less

As a proactive enabler of airports, airlines, and ground handlers in their transformational journey to an efficient and eco-friendly economy, we help our customers achieve more with fewer resources, to work smarter and more sustainably. Our innovative digital solutions help increase the efficiency of an airport, such as enabling baggage systems to handle almost twice as many pieces of luggage per hour as before without expanding the existing infrastructure. Our Service 4.0 approach, which harnesses the power of real-time monitoring and predictive maintenance, makes unplanned downtimes and emergency maintenance a thing of the past.



Siemens Logistics employees take part in a beach clean-up near Lisbon, Portugal.

1.3 Our Business Model

01



Research & Development

We continuously invest in R&D to create innovative solutions that address the dynamic challenges of the aviation industry. By integrating the latest technologies and industry insights, we enhance the efficiency, reliability, and sustainability of our airport logistics systems.

OWN OPERATIONS

03



Customer Projects

We engage with customers through project-based collaborations. We offer a full suite of systems, software, and services to meet our clients' needs. Our team, including employees and contractors, provides on-site support for the installation of our solutions.

OWN OPERATIONS

DOWNSTREAM

02



Sourcing / Procurement

We work closely with trusted manufacturing partners who produce a wide array of parts, components, assemblies, and equipment on our behalf. Our sourced items include conveyor modules, motors, cabinets, and sensors, utilizing raw materials such as steel, aluminum, copper, and various plastics.

UPSTREAM



05 Retrofit & Revision Services

We offer retrofit and revision services for entire systems or specific components, enabling equipment to be refurbished and reused. This extends the lifespan of our products and promotes resource efficiency.

OWN OPERATIONS



04 Service & Maintenance

We (including employees and contractors) provide comprehensive service and maintenance to ensure the ongoing performance and reliability of our systems.

OWN OPERATIONS

DOWNSTREAM



06 End of Life

To assist our customers at the end of the useful lives of our systems or components, we provide comprehensive service guidance detailing proper disposal methods to ensure environmentally responsible handling.

DOWNSTREAM



1.4 Organizational Structure

The Role of the Administrative and Management Bodies

Siemens Logistics is represented worldwide through its regional companies and operates in more than 25 countries. These regional companies are structured into four business lines with a technological focus to meet market-specific customer needs, each led by local management. Additionally, there are global functions that support various aspects of the company's operations and strategic initiatives.

At Siemens Logistics, sustainability is an integral part of our business purpose, corporate culture, processes, and guidelines. We thereby aim to establish a robust governance framework that promotes the development and implementation of sustainability-related initiatives.

As a company of the Siemens Group, we adhere to the company-wide rules and standards set by Siemens. The Siemens Chief Sustainability Officer (CSO), who is a member of the Siemens

Managing Board, oversees all sustainability topics. The CSO, who chairs the Siemens Sustainability Board (SSB), is a member of the Sustainability Executive Committee (EC SUS), and leads the Siemens Sustainability Department.

Within Siemens Logistics, the Chief Executive Officer (CEO) is ultimately responsible for all sustainability topics. This includes leading the sustainability business transformation, the implementation of sustainability frameworks, sustainability reporting, sustainability risk due diligence process, and other related responsibilities. The operational focus is particularly emphasized within the global functions, including Corporate Development, Marketing & Communication, Legal & Compliance, People & Organization, Environmental Protection, Health & Safety, and Portfolio & Sustainability.



The Top Leadership Team of Siemens Logistics:

Michael Schneider Siemens Logistics CEO

Michael Schneider has over 23 years of professional experience in various business roles. He joined Siemens Logistics in 2012 as the CEO of its operations in the Middle East and served as Executive Vice President Airports, from 2017 onward. In January 2023, he was appointed Chief Executive Officer of Siemens Logistics GmbH, continuing his leadership from both Nuremberg, Germany, and Dubai, UAE.



Thomas Diesener Siemens Logistics CFO

Thomas Diesener has worked for the Siemens Group for the past 20 years, gaining extensive experience in financial leadership roles. In 2016, he joined Siemens Logistics in Nuremberg, Germany, as Head of Finance for the Business Segment Customer Service. In 2021, he transitioned to Head of Finance for the Airport Business. In December 2022, he was appointed Chief Financial Officer of Siemens Logistics.

Business Lines

GLOBAL ICS

US BELT

EUROPE BELT

DIGITAL

1.5 Our Locations

From our headquarters in Nuremberg, Germany, we serve our customers in more than 25 countries around the world, with regional subsidiaries in Europe, Asia, the Middle East, and the Americas. We have about 2,500 employees worldwide, based in China, France, Germany, Hong Kong (SAR), India, Italy, Malaysia, Portugal, Singapore, Spain, South Korea, Thailand, UAE, and the USA, among others.



+ 50

years of
experience



25

countries around
the world



~ 2,500

employees
worldwide



73

nationalities
around the globe



CHINA

FRANCE

GERMANY

HONG KONG (SAR)

INDIA

ITALY

MALAYSIA

PORTUGAL

SINGAPORE

SPAIN

SOUTH KOREA

THAILAND

UAE

USA

1.6 Working Towards a Sustainable Future

We provide a safe, secure, open, and collaborative working environment, guarding against the risk of work-related accidents while offering a wide range of support to maintain and promote the physical and mental health of our employees. Both in our own business and through the solutions we supply to our customers, we place great importance on saving resources, reducing emissions, and providing better and more ergonomic working conditions – to create a world of more equal opportunity.





Employee Benefits and Opportunities

We are committed to transparent and equitable access to career opportunities and gender pay equality for our people. We review pay parity at regular intervals in order to prevent any unjustified differences. We offer flexible benefits programs that support our people’s physical, mental, financial, career, and social

well-being.² Depending on the country, we also offer flexible working models structured according to local requirements and in ways that are compatible with each employee’s role. This includes mobile working, part-time hours, sabbaticals, time-outs, parental/family leave, and partial early retirement.

Why work at Siemens Logistics?



International company



Major projects worldwide



Contributing to the decarbonization of the aviation industry



Transformation for the future



Attractive pay and benefits



Lifelong learning opportunities

² Eligibility for Siemens Logistics sponsored benefits such as company pension scheme, the employee benefits programs, and parental/family leave regulations varies by country. Country-specific plans generally follow local regulations and market practices.



→ **Ethics**

We foster a culture of trust. We adhere to ethical standards and handle data with care. Our values and ethical principles are embedded in our Business Conduct Guidelines, on which all our people are trained regularly.

→ **Equity**

Equal treatment and respect are at the core of our corporate values. We aim to be an employer of choice, fostering diversity, inclusion, and community while creating a sense of belonging and a safe working environment.

→ **Employability**

We continually invest in all levels of training for our people, to enable them to manage change effectively and surpass their previous performance levels. We focus on digital learning, employee assistance programs, and occupational health and safety measures.

Health and Safety

At all of our locations worldwide, we place a high priority on employee health and safety. We strive to foster a culture where everyone participates and takes responsibility for creating safe and healthy working conditions for everyone. For example, our monthly EHS “Safety Championship Awards” in the USA encourage greater health and safety while recognizing the hard work and dedication of our teams at our project sites.

Depending on the country, health and safety measures include healthcare support from on-site medical staff, such as for eye check-ups and skin screening. We also offer a range of initiatives throughout the year that put the focus on mental health, digital detox, resilience in the workplace, and more. Gyms and fitness activities are offered for employees, as well as leisure and lifestyle pursuits.

More Ergonomic and Efficient Working at Airports



up to
20,000 kg
in a single shift

We provide innovative solutions to improve the efficiency of baggage handling systems. Larger suitcases can weigh up to 32 kilograms, resulting in ground staff lifting up to 20,000 kilograms of baggage in a single shift. This manual process can cause health problems and absenteeism. Automation and digitalization make baggage handling far more ergonomic for ground staff. Improving the efficiency of baggage handling also allows for minimal ground time for aircraft and reduced dolly trips from terminals to aircraft, helping to lower emissions and optimize staff allocation.



Vision Encoding – 24/7 Remote Automated Bag Tag Identification

When bag tags are damaged or torn, they become hard to read or unreadable. These bags are at risk of being misconnected and thus automatically sent to a manual encoding station. There, they have to be deciphered manually by staff on-site within

the system, often in badly-lit and very noisy areas. Regular manual encoding of baggage leads to labor-intensive baggage handling processes, high operational costs, and strenuous working conditions for staff, with up to two minutes needed to process each bag. This causes disruptions within the baggage sortation process. Vision Encoding provides highly automated and remote video coding to eliminate harsh manual labor on-site, and make baggage handling more ergonomic, efficient, and resilient to disruptions. With 24/7 remote video coding, bag tag identification processing time is reduced to nine seconds per bag. Vision Encoding applies automation and artificial intelligence to identify 99.5% of all bag tags.

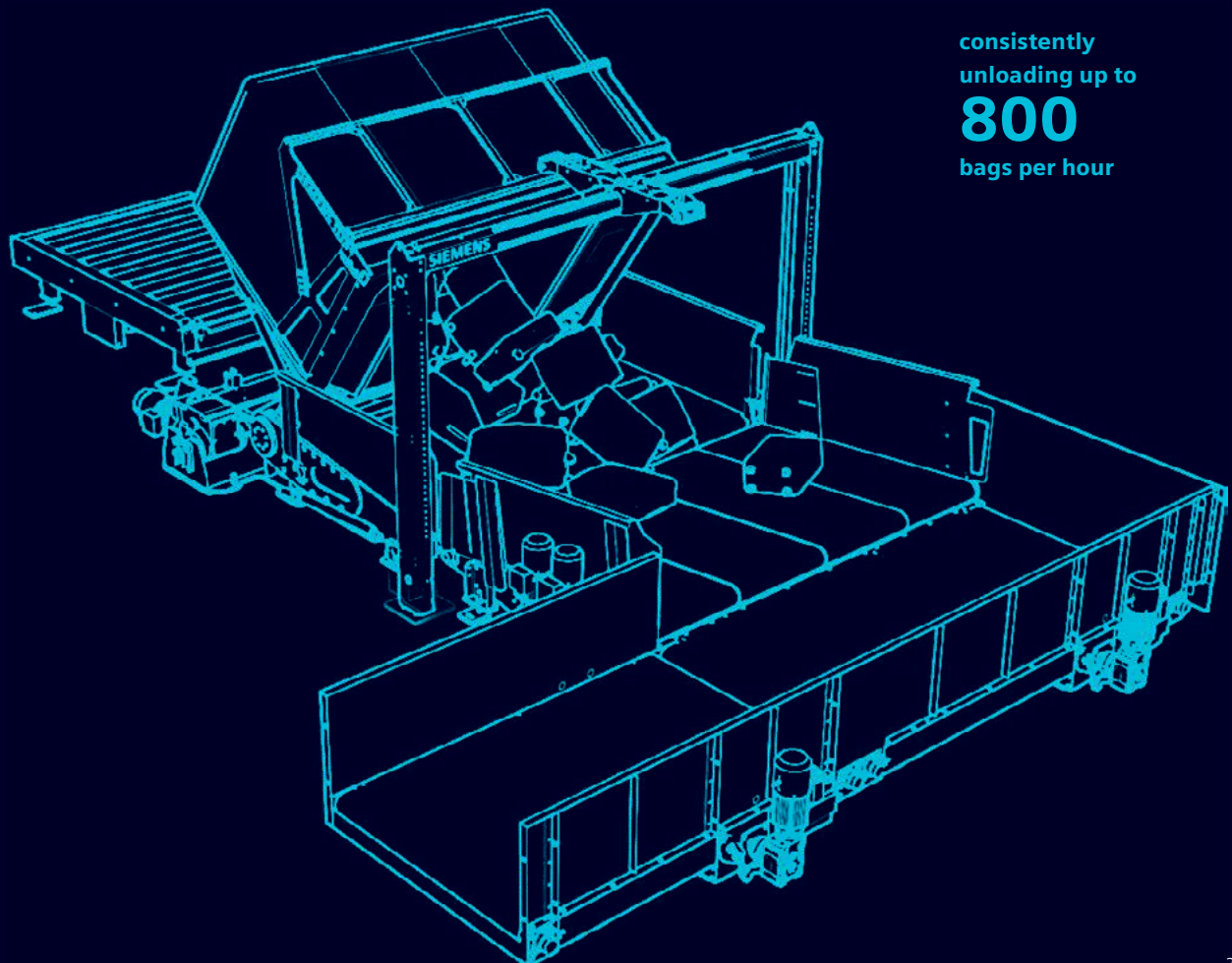


identifies
99.5%
of all bag tags

VarioTip – The Game-Changer for ULD Automated Baggage Unloading

As an automated solution for high-throughput airport baggage handling, VarioTip enhances safety and ergonomics, improves operational efficiency, and speeds up the process. It helps to reduce the lifting efforts for ground handlers by 90%, to provide better working conditions for ground staff and improve employability at airports. As a unit load device (ULD) unloader, VarioTip automatically empties up to 20 ULDs per hour, with almost no manual intervention, helping to eliminate much of

the physical work involved in a manual process while increasing the security, speed, and quality of baggage handling. The deployment of ground handling staff can also be optimized, as only one person is needed to operate and monitor VarioTip. This is a vital step toward the next level of automation in airport logistics. At Munich Airport, VarioTip is installed at the busy Terminal 2 arrivals zone.



consistently
unloading up to
800
bags per hour



1.7 Reducing Environmental Impact through Energy Efficiency

Siemens Logistics is committed to using less energy, creating fewer CO₂ emissions, and generating less waste in our own offices and operations while developing solutions and services that help our customers to be more energy efficient. By harnessing the power of digitalization, we offer innovative software solutions that make airport logistics processes more efficient and operations smoother, helping to reduce environmental impact.

1. SIEMENS LOGISTICS AT A GLANCE





Carbon Reduction at Siemens Logistics

By 2030, we aim to source 100% renewable electricity and reduce carbon emissions along our supply chain by 20%. We are increasingly using electric vehicles in our fleets, reducing CO₂ emissions as a result, and we advocate for responsible and sustainable business travel practices to mitigate the environmental and societal impact of travel. As we collaborate with many different partners all over the world, we aim to decarbonize our supply chain through a strategic initiative that includes the Carbon Web Assessment for our suppliers.

Transparency on Energy Consumption

Baggage handling systems with their multiple energy-consuming components are major contributors to an airport's power use. We develop solutions that enable airports to gain complete transparency on the energy consumption of a baggage handling system.

Previously, the focus in system planning was mainly on optimizing material flows. Now, optimizing energy consumption is also in focus. This is a significant step forward for energy management and sustainability, as it lays the foundation for future baggage handling system optimizations.

A New Approach to Energy Monitoring

We have developed an energy management solution that takes consumption transparency to the next level, from sub-system (PLC level) down to individual component levels. Previously, this was only possible with a manual approach. Now, we have system-wide transparency at any given time, to monitor live individual component consumption and compare idle and peak load consumptions. This brings valuable insights during optimal operational conditions, mapping historical BHS loads with consumption patterns. The data can then be used in system simulations that optimize energy consumption and forecast it for future system load scenarios. The solution will allow our customers to map important key metrics and create transparency on the respective carbon footprint of an individual bag's journey in the system.



At a large airport in Spain, the conveyor system between two terminals previously operated entirely over eight tunnel lines. Energy simulation and optimization have enabled only one line to be used for 80% of the operating time, and additional lines are only activated when the fill level/load exceeds a certain limit. This is a great example of doing more with less.

Optimizing Energy Usage through Digitalization

A Digital Twin provides a detailed virtual copy of an airport's baggage handling system, connecting the operational level with the strategic decision level. It enables airports to evaluate processes and identify areas for improvement with a high degree of certainty. Creating a Digital Twin of an airport's logistics helps to manage and reduce energy consumption by recognizing deviations from baseline measurements and forecasting different scenarios. It enables continuous improvement and optimization.

Energy-Efficient Tray Systems

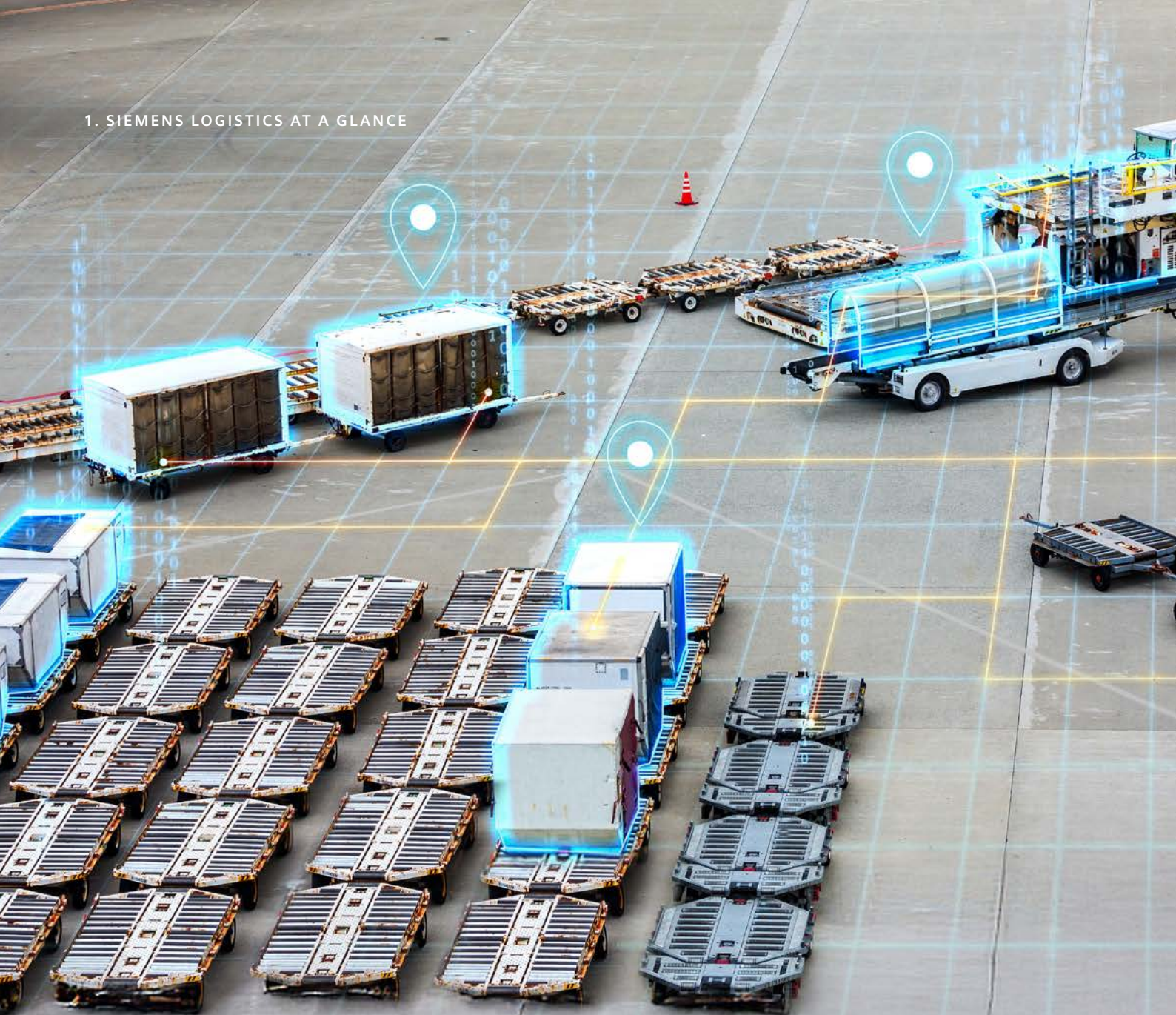
Our advanced tray systems provide a wide range of functionality to sort and transport a diverse assortment of baggage items, enabling airports to process large volumes of baggage quickly, efficiently, and reliably. **VarioTiltTray** is a high-throughput sorting solution with outstanding energy efficiency. The low-wear tray systems also guarantee a long service life. **VarioTray** is a modular baggage transport system designed for the lowest friction for tray transportation to increase energy efficiency and minimize wear.

International Hub in Spain

A long-term energy efficiency plan focusing on bagging handling at terminals 1, 2, and 3 at an international airport in Spain has resulted in significant reductions in electricity consumption compared to previous years. At Terminal 4, a new tray system and digital monitoring have helped to reduce electricity consumption by 40%, which additionally accounts for a reduction of CO₂ emissions of 5,000 tons per year, equal to the CO₂ intake of around 30,000 trees.

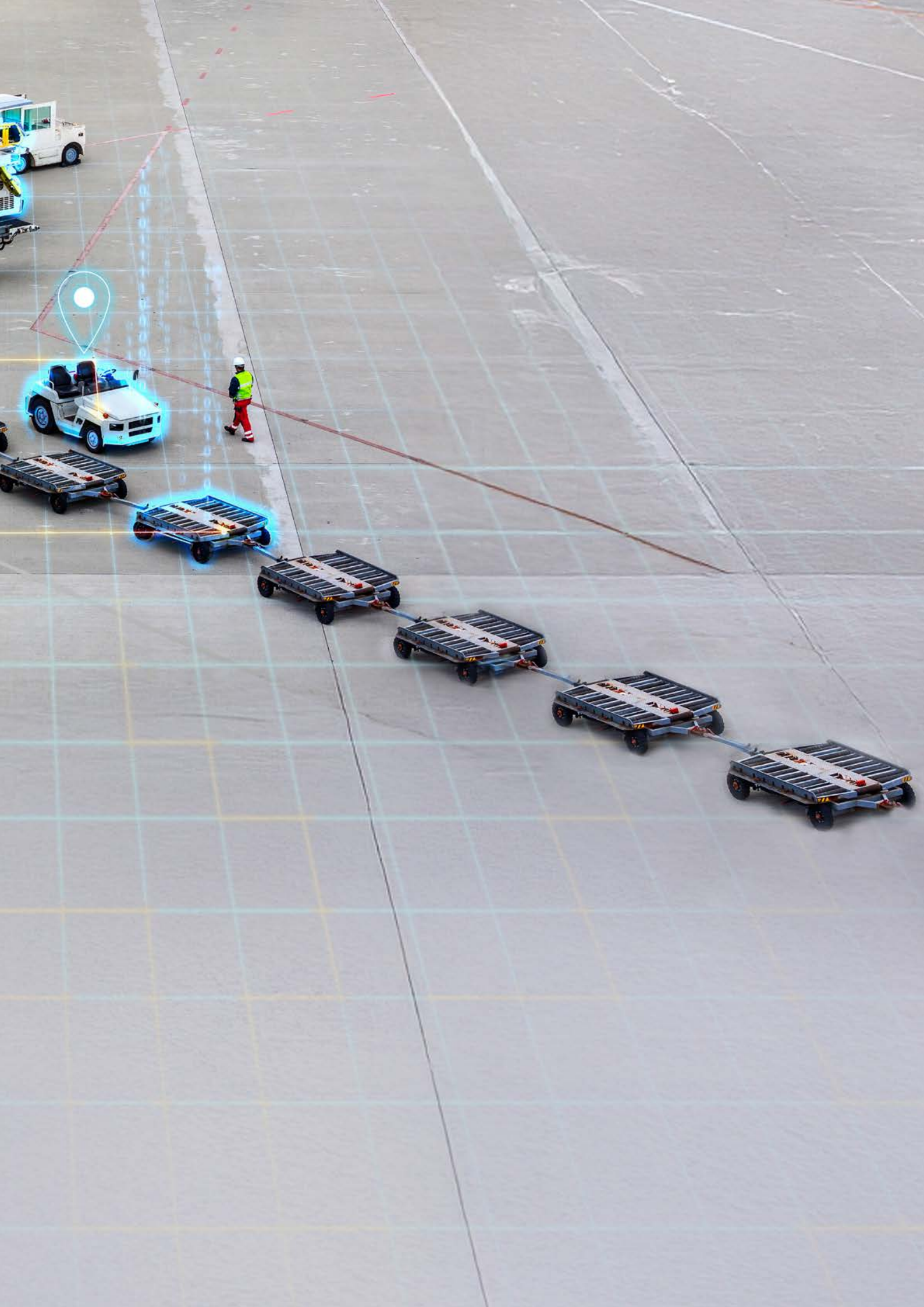
reduction of
5,000 t
CO₂ emissions per year

-40%
electricity
consumption



1.8 More Sustainable Airport Operations with Digitalization

Airports consume large amounts of energy and resources, with baggage handling and ground operation processes having a significant impact on an airport's overall energy balance, efficiency, and sustainability. Digitalization plays a key role in optimizing energy and resource usage, helping to reduce emissions and make airports more sustainable. It enables airports to do more with less and become more efficient while using the same resources.





The Siemens Logistics Digitalization Portfolio

We provide innovative solutions to improve the efficiency of baggage handling systems at airports around the world. Our digital tools enable our customers to convert collected data into useful information to improve baggage handling, optimize baggage flow, and reduce energy consumption, among other benefits. Real-time monitoring solutions provide end-to-end transparency on operations while smart digitalization processes minimize the need to expand the existing facility or install additional equipment. This sustainable approach helps to reduce the ecological footprint and lower costs in the long term.

Aviation Data Hub – Harnessing the Power of Data

To drive decarbonization and energy efficiency, we have developed pioneering solutions that provide comprehensive visibility into airport operations. Aviation Data Hub acts as a single point of truth, providing transparency over baggage handling and operations. This improves efficiency and enhances

the passenger experience. It accesses data across all airport systems, including baggage and cargo handling systems, air traffic management, and energy management systems. Early warning indicators help avoid wasting time and disruptions.



Optimization through digitalization – automated systems and digital twins enable more precise control of processes, which improves efficiency and resource utilization while also improving the carbon footprint of the operations.

The Benefits of Digitalization

- ➔ **Enhanced transparency (end-to-end)**
- ➔ **Better use of equipment**
- ➔ **Improved planning of resources**
- ➔ **Data-driven real-time optimized transport routes and freight planning**
- ➔ **Optimization of stands, bays, carousels, and staffing**
- ➔ **Reduced carbon footprint of idle engines and unnecessary bag and cargo movements**
- ➔ **Mitigating the risk of baggage and cargo not arriving on time**

Baggage 360 – The Advanced Baggage Management System

An easy-to-use application, Baggage 360 locates and visualizes baggage in real time. It operates end-to-end, from check-in at one airport until pick-up at the destination, including all stopovers at other airports in between. Baggage 360 monitors each bag arriving at and departing from an airport, leading to more efficient use of the airport's ecosystem. The solution features real-time monitoring of operational processes, an interactive map, and advanced predictions based on machine learning. The use of AI enables the system to forecast baggage volumes, identify potential bottlenecks, and optimize resource allocation. This helps to reduce energy consumption by ensuring that only necessary equipment is in use. As a result, Baggage 360 lowers dolly trips by up to 33%, decreasing fuel consumption and emissions.



Empowering Digital Sustainability and Ergonomic Working

The baggage handling system is at the heart of an airport's operations. An additional benefit of digitalization in baggage processes is being able to quickly and easily find a bag when it's needed. Often, ground handlers use hand-held scanners and scan barcode labels one by one, having to move bags aside and navigate a difficult working environment. An innovative smartphone app from Siemens Logistics enables ground

handlers to identify bag tags with their smartphones, even from a distance, with augmented reality overlays on the display. When located, the label of the piece of luggage lights up, speeding up the search for specific luggage items. This application is especially helpful when hundreds of bags are stranded and piled up, and certain bags need to be located or offloaded from an aircraft quickly.



Dubai International Airport (DXB)

Baggage 360 has enhanced the efficiency of Dubai International Airport (DXB) and improved the operations of airlines and partners located at DXB. At Terminal 3, the tray-based conveyor lines process up to 15,000 bags per hour, supported by our extensive digital solutions. Together with DXB, we have also developed software to conduct virtual live tests of the baggage handling system, without the costly overheads of live trials and dummy bags. The "Virtual Bags" solution can help airports substantially increase the capacity of their existing baggage handling system without converting any hardware.

processing up to
15,000
bags per hour






Baggage 360 enables customers to achieve the highest possible transparency on baggage volumes, arrival times, and connections with as much as 24 hours' notice, allowing operations to be planned more efficiently.

BagIQ – Optimizing Strategies for Baggage Handling

As a powerful high-level control (HLC) for baggage handling systems, BagIQ controls all baggage processes, from check-in to loading onto the airplane. This includes sorting, allocation planning, baggage screening, and early bag store. Dedicated software components and dashboards regulate these processes, with redundant lines automatically turned off to save energy. BagIQ makes existing hardware work smarter and more efficiently to increase the productivity of a baggage handling system, enable smart routing, and save resources.

Data Security and Intuitive Interfaces

Digitalization enables comprehensive optimization of airport processes, bringing both ecological and economic benefits. All our software applications run on a single open and secure digital platform, linking physical operations technology to safe and secure cloud applications. The data is securely accessible to our customers and their partners. For more information on data security, see  pages 69 and 70 (cybersecurity and data protection). Application Programming Interfaces (APIs), which are open and stable, allow for fast and easy integration. A human language interface delivers advice on operational data and AI-supported process mining, helping to identify areas of waste and pollution.

1.9 A Smart Approach to Service and Maintenance

For airports and airlines, having baggage handling systems that are reliable, efficient, and durable is paramount for ensuring smooth processes. Unplanned downtime and emergency maintenance can significantly impact systems and operations, often with severe spill-over effects. Our Service 4.0 portfolio enables airports to move away from the limitations of reactive or time-based maintenance and to harness the benefits of condition-based and predictive maintenance. The use of data collection and analysis allows for significant improvements in service and increases the long-term reliability and availability of equipment and systems.





Sustainability through Data-Driven Service

Service 4.0 for baggage handling systems, at Siemens Logistics known as SmartService, helps to minimize operational risk at airports through data analysis and better insight into system health. With condition monitoring and predictive maintenance, we enable airports to enhance material and resource planning and reduce unplanned downtimes by 90%. This helps equipment last longer and run more reliably. Personnel can be deployed more effectively while increasing occupational safety. Data processing using predictive algorithms also provides more accurate end-of-life information on components, which saves time and material.

SmartService – Benefits

Up to
99%
reduction
in manual
inspections

90%
reduction
in unplanned
downtimes

Up to
80%
reduction
in spare parts
consumption

Up to
55%
improvement
in preventive
maintenance
activity

The benefits of SmartService solutions vary depending on several factors, including the specific equipment involved, the effectiveness of the maintenance program, and the overall maintenance strategy.



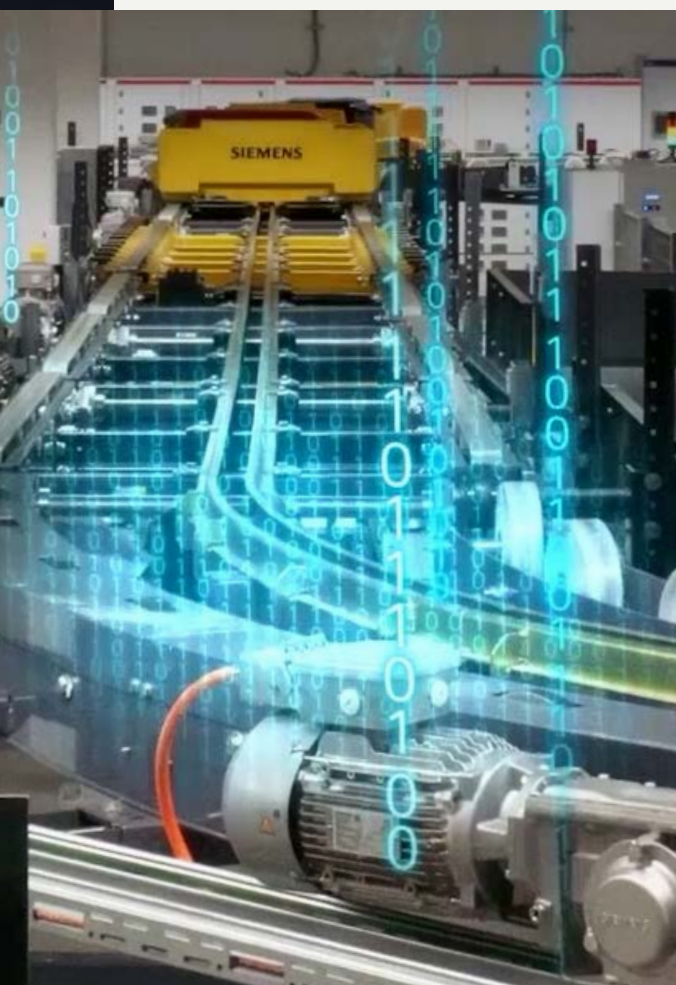
We strongly support airports to transition from time-based maintenance to proactive maintenance, to foster the sustainable operation of airports and optimize uptime.

With predictive maintenance, airports can take control of their maintenance schedules and stay ahead of potential issues. We partner with our customers through the entire lifecycle of a system to ensure maximum benefit from the initial investment.



Optimizing Spare Parts

Predictive maintenance helps to identify what parts need replacing well ahead of time and ensures the parts are delivered for scheduled maintenance. In comparison, time-based maintenance results in operational parts being unnecessarily replaced ahead of time due to the set maintenance periods, creating additional storage, waste, and cost. With Service 4.0, we help our customers with spare parts that are supplied as needed, helping airports to do more with less and saving them from having to keep a large inventory of spare parts on-site. This reduces spare parts consumption by up to 80% for the system components monitored by our SmartService solutions. We also help our customers with spare parts availability for obsolete systems, to extend the lifetime of the baggage handling system and its components.



Predictive Maintenance

Problems with baggage handling systems can have far-reaching implications, potentially disrupting flight schedules, adding logistics headaches with extra baggage deliveries, and damaging the reputations of airlines and airports. Predictive maintenance is a highly intelligent approach to maintain complex systems and solve issues before they can impact operating efficiency and availability. Predictive maintenance facilitates the monitoring of components, including third-party solutions, to enable airports to get ahead of any issues and be well-prepared for busy travel times, such as holidays or large events.



Taking a 360-Degree Approach to Maintenance

We offer a range of solutions backed by comprehensive smart service to optimize maintenance scheduling and foster more sustainable operations. **TrayFleet 360** reduces manual inspections of trays by up to 99% while also preventing trays with defective rollers or inlays from running through the system for an extended period. **Sorter 360** captures vibration and distance data from sorters to keep them running efficiently and help determine the ideal moment for maintenance. **Motor 360** records and evaluates system data to identify abnormal values ahead of time and pre-empt any major breakdowns. **Carousel 360** uses sensors to detect vibrations and problems with rollers while monitoring the wear and tear of the carousel's metal structure, helping to improve maintenance processes and ensure the uptime of carousels.



1. SIEMENS LOGISTICS AT A GLANCE

Dubai International Airport (DXB)

Implementing Service 4.0 at Dubai International Airport has had widespread benefits. The **Sorter 360** solution has detected and proactively prevented more than 90% of guide roller and linear motor breakdowns, avoiding potential sorter breakdowns. It has also saved 50% of the work involved in performing planned inspections on sorter carriers. This ensures critical asset availability 24/7.

TrayFleet 360 has delivered excellent output in detecting damage on running trays. This solution has reduced the number of tray inspections as the dashboard accurately shows the actual tray condition. TrayFleet 360 minimizes the overall work involved by more than 55% in comparison to the existing maintenance approach. It reduces the number of damaged trays spinning in the system which significantly prevents any damage, system breakdowns, or operational non-availability of assets. TrayFleet 360 also helps to reduce workload and makes the allocation of resources more efficient.

Sorter 360 ensures

24/7

asset availability

Modernization and Upgrades

Providing state-of-the-art working environments ensures the long-term sustainability of airport operations. Modernization enables existing assets to be upgraded and reused without interrupting day-to-day activities. When looking at system overhauls and upgrades, we take a holistic approach, to analyze specific requirements and implement an individual modernization concept without impacting day-to-day baggage operations. Upgrades of IT hardware and operating systems and adaptation of specific software applications are vital to enhance sustainability and are also covered by our modernization offering.





02 Foundations of Our Sustainability Journey

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2.1 Determining Key Areas and Their Role in Our Strategy

Siemens Logistics offers an enhanced portfolio of hardware, software, and services that support our customers in achieving their sustainability goals.

Our vision, our strategy, the quality of our work and products, and our understanding of sustainability cannot be thought of separately. As key pillars of our vision and strategy, digitalization, automation, and sustainability help future-proof our business and that of our customers in the aviation industry.

Our long-term vision with sustainability as one key pillar: We are the desired technology & service partner creating and shaping the digital, automated, sustainable airport logistics of tomorrow.

Sustainability initiatives are increasingly shaping baggage handling operations, reflecting the aviation industry's broader commitment to environmental protection. Airports are adopting environmentally friendly practices, such as implementing energy-efficient technologies in handling systems and using recyclable materials for baggage tags.

By optimizing baggage handling and implementing environmentally friendly initiatives, airports aim to minimize their carbon footprint and contribute to environmental preservation. The pursuit of sustainable solutions in baggage handling underlines the industry's commitment to responsible business practices.

The evolution of baggage handling reflects a convergence of technological innovation, operational efficiency, and customer focus. From automation and advanced technology integration to enhanced digital solutions and sustainability initiatives, the key baggage trends shaping the aviation industry are driven by a relentless pursuit of efficiency, digitalization, security, and sustainability. As airports continue to implement these transformative trends, passengers can expect a smoother journey, enhanced security measures, and an overall more seamless and digitalized travel experience.

Digitalization, automation, and sustainability are increasingly important in the airport industry. Siemens Logistics continues to further advance these topics with future-oriented solutions. Our technologies combine the real and digital worlds, enabling our customers to implement seamless processes. With our products, we support our customers to make their business more sustainable. Our products, services, and solutions demonstrate how technological advancements drive sustainability and help shape the airport logistics of tomorrow.



**Our vision:
We are the desired technology & service partner creating and shaping the digital, automated, sustainable airport logistics of tomorrow."**

For us, sustainability means contributing to a sustainable aviation industry and taking responsibility: for our employees and company, our stakeholders, the future of airport logistics, and our planet. We believe that the combination of technology and digitalization is a key answer to a more sustainable future in our business. By reducing carbon emissions, recycling, promoting eco-friendly practices, and using fewer resources, we are achieving our ambitions for a sustainable future.

This fundamental attitude forms the basis of a sustainability strategy that provides a framework for our activities and sets priorities for our contribution toward a sustainable aviation industry. With the three areas of action – Environment, Social, and Governance – we pursue an integrated and balanced approach.

Through this strategic commitment to environmentally responsible action, Siemens Logistics is not only responding to current environmental challenges, but also proactively creating

and shaping the future of airport logistics, in which sustainable business practices play an integral role. To underline the importance of sustainability as a pillar in our strategy and operations, this report already incorporates key elements of the **CSRD**.

Methodology of the Double Materiality Assessment


In 2024, we at Siemens Logistics conducted our first double materiality assessment, based on the guidelines set forth by the CSRD. This comprehensive analysis involved identifying and assessing both the positive and negative impacts on people and the environment, as well as sustainability-related risks and opportunities that could potentially affect our financial performance. Future revisions of the materiality assessment are scheduled to occur regularly, with the next review planned for fiscal year 2025.

Process

The process of identifying, assessing, prioritizing, and monitoring our impacts, as well as the associated risks and opportunities, was executed through a multi-stage approach. Initially, the scope of the materiality assessment was defined, and the sustainability matters outlined by the CSRD were assigned to the relevant internal experts. Subsequently, we identified and categorized relevant stakeholders into two main groups: affected stakeholders and users of sustainability information. Following stakeholder identification, the assigned internal experts for each sustainability topic identified the impacts, risks, and opportunities. By systematically conducting the double materiality assessment, we ensured that the interdependencies between the identified impacts, risks, and opportunities were considered.

In the subsequent steps, our internal topical experts evaluated the identified impacts, risks, and opportunities, including validation steps to ensure a comprehensive understanding of the material topics. Stakeholder views were indirectly considered by involving topic-specific and interdisciplinary internal experts close to the respective stakeholder group.

Scope and Procedure

The double materiality assessment considered specific activities, business relationships, and geographies that present heightened risks of adverse impacts. Additionally, the assessment considered the impacts, risks, and opportunities arising from our operations as well as those resulting from business relationships across the entire value chain. A detailed presentation of the value chain and the business activities and relationships can be found in the section "Our Business Model"  [page 14](#).

Impacts were classified as either potential or actual. For negative impacts, we assessed the relative severity and, in the case of potential negative impacts, the likelihood. The severity of an impact was determined by the scale, scope, and, for negative impacts, remediability. For potential impacts, the likelihood of occurrence was identified. The materiality of an impact was determined by multiplying severity and likelihood.

To assess financial risks and opportunities, both the magnitude and likelihood of occurrence were considered. By multiplying the likelihood and magnitude, the materiality value for a risk or opportunity was determined.

For both impact and financial materiality, an overall threshold was defined for the classification as material or non-material.

2. FOUNDATIONS OF OUR SUSTAINABILITY JOURNEY

The results of the double materiality assessment are summarized below, showing our material topics and corresponding material sub-topics, as well as a brief description of the corresponding impacts, risks, and opportunities.


ESRS	Material Topic	Material Sub-Topic	Impact, Risk, Opportunity
E1	Climate change	Climate change mitigation Climate change adaptation Energy	Siemens Logistics and its products may contribute to climate change, using raw materials in the upstream value chain and energy consumption in the downstream value chain.
E2	Pollution	Pollution of air, water, and soil Substances of concern and very high concern	Siemens Logistics' value chain activities may contribute to air pollution and environmental contamination, including the use of hazardous substances.
E5	Resource use & circular economy	Resource inflows, including resource use Resource outflows related to products and services Waste	The manufacture of Siemens Logistics products requires a variety of resources. Furthermore, the value chain faces challenges with product reusability and recyclability. However, by implementing efficient spare parts services and utilizing recyclable packaging, Siemens Logistics may contribute significantly to the reduction of raw material consumption and enhance resource efficiency.
S1	Own workforce	Working conditions Equal treatment and opportunities for all Other work-related rights	Siemens Logistics has a positive impact on employees' health and safety, fair treatment, and overall working conditions. Additionally, the company enhances global employment while promoting work-life balance. Transparent and fair labor practices ensure employee satisfaction and retention. Furthermore, Siemens Logistics fosters diversity and inclusion by providing equal opportunities and investing in employee development.
S2	Value chain workers	Working conditions Equal treatment and opportunities for all Other work-related rights	Siemens Logistics also has a positive impact on health and safety, fair treatment, and overall working conditions for workers throughout the value chain, including suppliers and customers. Siemens Logistics demands work-life balance, health and safety, fair wages, and legal compliance for all the company's business partners.
S4	Consumers & end-users	Information-related impacts for consumers and/or end-users	Siemens Logistics contributes to data security for customers and end-users, which is why strong privacy protection measures are established at Siemens Logistics.
G1	Business conduct	Corporate culture Protection of whistleblowers Management of relationships with suppliers, including payment practices Corruption and bribery	Siemens Logistics' positive corporate culture enhances reputation, loyalty, and ethical behavior, attracting top talent and boosting sales. Bribery prevention training reduces legal risks and enhances reputation, attracting customers and ethical investors. Violations can lead to fines, negative media, and reputational damage, causing customer loss and decreased sales.

2.2 Processes Implemented to Steer Our ESG Performance

Interests and Views of Stakeholders

Siemens Logistics aims to leverage the insights and perspectives of our stakeholders by integrating their interests and views into our business practices. This is encouraged through our stakeholder dialogue, which promotes transparency and trust, thereby fostering long-term relationships and mutual understanding.

Our key stakeholders include customers, consortium partners, suppliers, and employees, as well as third parties and societies that may be affected by our activities, corporate policies, and strategic direction. To better understand their needs, we encourage stakeholders to approach us with questions, suggestions, or complaints at any time. We are dedicated to providing clear, truthful, and easily accessible information about our business.

We employ various communication channels to engage with our stakeholders, with our website  (www.siemens-logistics.com) typically serving as the initial point of contact. Depending on the stakeholder group, we utilize different channels, such as newsletters, training sessions, and social media for sharing information and surveys and for direct correspondence. Our "Tell Us" hotline enables us to receive feedback. Based on a voluntary questionnaire for our suppliers, we also initiate thorough dialogue to foster sustainable and responsible supply chain operations.

Statement on Due Diligence

The Siemens Group has implemented a comprehensive due diligence process that extends to Siemens Logistics. This process is designed to ensure that environmental, social, human rights, and reputational risks are thoroughly assessed and mitigated as part of the Sustainability Risk Due Diligence. This initiative aligns with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises and other international standards. It also supports the overall climate commitments of the Siemens Group.

To this end, the Siemens Group's sustainability department has established minimum company-wide standards for Sustainability Risk Due Diligence in customer-related business. These standards guide Siemens businesses in responsibly conducting the due diligence process. Additionally, the sustainability department has introduced the **ESG Radar Tool** to support this process. This tool aids in risk assessment and provides mitigation measures for implementation. The use of the ESG Radar Tool is mandatory for transactions and relationships subject to the Sustainability Risk Due Diligence.





03 Environmental Vision: Shaping a Sustainable Future

3.1 Addressing Our Impacts on Climate Change,
Pollution and Resource Use

3.1 Addressing Our Impacts on Climate Change, Pollution and Resource Use

Policies Addressing Environmental Sustainability Matters

As the significance of environmental protection continues to increase, Siemens Logistics aims to contribute to climate protection and reduce the effects of climate change. Therefore, Siemens Logistics has various policies in place to address climate-related impacts, risks, and opportunities. As part of the Siemens Group, Siemens Logistics generally follows the standards and policies implemented by the Siemens Group. The Siemens Chief People and Sustainability Officer, a member of the Siemens Managing Board, ensures that the company operates in compliance with these environmental guidelines. The overall aim of the policies in place is to ensure that adverse environmental effects and environmental impacts can be reduced or avoided, such as environmental footprint and resource consumption. This can lead to the prevention or minimization of negative impacts and to the strengthening of positive impacts in terms of climate change, pollution and resource use, and circular economy.

Comprehensive Environmental Protection

The **Environmental Protection Standard** specifies the approach to improve the environmental performance of environmentally compatible Products, Systems, Solutions, and Services (PSSS), as well as the product packaging along the entire lifecycle. As normative references, many ISO-, IEC- and EN-standards are taken into account, including ISO 14001: Environmental management; IEC 62430: Environmentally conscious design; and EN 45552: General method for the assessment of the durability of energy-related products. In terms of geography, the Environmental Protection Standard is valid in all countries in which Siemens Logistics operates, especially for organizational units responsible for the environmentally compatible PSSS. In more detail, the activities within the scope of the standard

contain the implementation and maintenance of an eco-design approach, the collection of environmental data and the evaluation of environmental performance. Subsequently, this data is used to develop action plans to improve the product design according to specific requirements, such as disassembly, durability and longevity, energy efficiency, and energy consumption. The overall aim of the policy is to ensure that adverse environmental effects and impacts can be reduced or avoided, such as environmental footprint and resource consumption.

The **Environmental Protection, Health Management, and Safety (EHS) Policy**, a binding internal guideline, is in place for accident prevention, health of employees and customers, protection of the environment, and the prevention of pollution. This is accompanied by the continual improvement of the EHS Management Systems as well as its integration into daily processes, in order to develop and implement the principles and goals and manage the EHS aspects. The CEOs of the units with EHS Management Systems responsibility are accountable for the implementation of the EHS Policy, which is made available to all employees and to other interested parties on demand. As normative references, the standards ISO 14001: Environmental management; ISO 45001: Occupational health and safety management; and ISO 9001: Quality management are taken into account. The scope of the policy includes activities in all workplaces, such as offices and facilities, and in all countries in which we operate. It covers health and safety of internal staff, temporary workers, subcontractors, visitors, and customers. It also addresses environmental protection, comprising climate and energy, waste management, emissions, soil and waste protection, biodiversity and nature conservation, environmentally compatible product design along the entire product lifecycle, critical materials, product recycling, and chemicals management.

Environmental Impact Management and Sustainable Practices

As Siemens Logistics collaborates with many different partners all over the world, most of the environmental impacts occur along the value chain. Therefore, all suppliers need to accept the **Code of Conduct (CoC) for Suppliers and Third-Party Intermediaries** by giving commitment during the supplier registration process in the global procurement application. This company-wide guideline is intended to place detailed requirements on suppliers and third-party intermediaries to ensure the effective establishment of the specified environmental, compliance, and labor standards across all countries of operation. It also requires suppliers to promote and follow up on the implementation of the requirements in their own supply chain. Regarding the topics of Environmental and Climate Protection and Protection of Natural Resources, the CoC for Suppliers and Third-Party Intermediaries places a focus on matters such as the reduction of emissions of air pollutants, greenhouse gases (GHG), harmful soil changes, water pollution, harmful noise emissions, and waste, as well as on matters such as an increase in energy efficiency and the use of renewable energy.



All suppliers need to accept the Code of Conduct (CoC) for Suppliers and Third-Party Intermediaries.

Furthermore, Siemens Logistics aims for responsible and sustainable business travel practices to mitigate the environmental and societal impact of travel, thereby reducing carbon emissions. Our internal travel guidance **E2E Travel@Siemens** addresses our guidance on sustainable traveling. The guidance aims to ensure sustainable and efficient use of available resources, guaranteeing the greatest possible security for employees on domestic and international business trips. The company-wide framework is applicable across all countries in which we operate. Additional country-specific guidelines on sustainable business travel also need to be considered, taking into account local specifications and regulations. Accountable

for the implementation of the circular are the heads of People & Organization (P&O) in the countries. Besides other factors, the traveler and In-Company Manager must consider and align upon the necessity of environmental impacts.

In general, all guidelines and policies are available for all employees on the internal global intranet. Additionally, users are informed of any updates via email, including a summary highlighting key changes.

Actions and Targets Addressing Environmental Sustainability Matters

Actions and Targets – Climate Change

To address impacts in terms of Climate Change Mitigation, Siemens Logistics has set or planned different actions for reducing GHG emissions and energy consumption. By using more and more **electric vehicles in our fleet**, GHG emissions can be reduced. This also contributes to the reduction of other air pollution and is a first significant step toward reducing GHG emissions in our own operations.

With the help of the **Siemens Carbon Web Assessment** and the corresponding guide to Carbon Reduction Management, suppliers can be supported in setting targets and action plans to reduce their climate footprint and thereby decrease emissions. This, in turn, helps Siemens Logistics to better track emissions from their upstream value chain. Further, with our digital solution **Baggage 360**, we leverage data-driven, real-time optimized routes for baggage and freight planning, reducing unnecessary baggage and cargo movements and consequently the carbon footprint.

In terms of energy efficiency, Siemens Logistics is implementing several measures. Our energy management approach encompasses three core areas: energy transparency, simulation, and optimization. Through our advanced energy management solution, we ensure comprehensive process transparency, enabling us to detect deviations from established baselines. This transparency forms the foundation for various optimizations, savings, and reporting initiatives.

3. ENVIRONMENTAL VISION: SHAPING A SUSTAINABLE FUTURE

To this end, we have developed a **Digital Twin solution**, which allows us to verify measures and strategies, thereby enhancing energy consumption forecast accuracy by up to 99%. With Digital Twin technology, we can design our systems with maximum resource efficiency right from the tender phase. It enables us to forecast energy consumption for the entire system, as well as in detail for motors and cabinets. Additionally, we utilize Digital Twin technology for energy efficiency simulations and optimization during the design phase, ensuring reliable consumption forecasts.

We are continuously innovating and improving solutions for our customers in the downstream value chain, particularly in intelligent baggage transport planning and optimization at customer sites. Notable examples include digital solutions like **BagIQ**, a high-level control for efficient baggage routing within the BHS. Additionally, new technology has been developed to enhance our portfolio and increase energy efficiency at airports.



Our goal is to reduce upstream emissions by 20% by 2030 and to achieve a net zero supply chain by 2050.

Our Individual Carrier System **VarioTray** has been continuously optimized for the benefit of our customers. Also, our remote service **Vision Encoding** contributes to automated baggage handling operations, making them more efficient and safer. Thus, the increased system performance and reduced BHS complexity can lead to potential energy savings. We also offer consulting services on overhauling systems, for example to ensure the use of more energy-efficient motors.

Over the past few years, Siemens Logistics has continuously increased local sourcing, which also avoids CO₂ emissions in the value chain. Sourcing locally not only supports local economies but also significantly reduces transportation-related emissions, contributing to our goal of decarbonizing our supply chain.

Looking ahead, Siemens Logistics has set ambitious targets for Climate Change Mitigation and Energy. As most of the GHG emissions occur in the value chain of Siemens Logistics, we aim to decarbonize our supply chain. Our goal is to reduce upstream emissions by 20% by 2030 and to achieve a net zero supply chain by 2050. The **Carbon Reduction@Suppliers** project is a strategic initiative that includes the Carbon Web Assessment and a guide to Carbon Reduction Management for our suppliers. Additionally, we aim to source 100% renewable electricity by 2030, with ongoing data collection and analysis to evaluate opportunities for achieving this target.

Actions and Targets Regarding Pollution

Siemens Logistics is committed to reducing the negative impacts of air, water, and soil pollution, as well as addressing the use of substances of concern and substances of very high concern.

Our **CoC for Suppliers and Third-Party Intermediaries**, which has been described in detail on [page 53](#), sets forth the basic requirements for reducing pollution. These requirements include the reduction of air pollutants and harmful soil changes, the mitigation of water pollution, and the minimization of overall environmental pollution. Additionally, our internally implemented processes include mandatory checks which stipulate the assessment and documentation of harmful substances, including declarations and evaluations of possible alternative materials.

Looking ahead, Siemens Logistics is developing specific targets to address the use of substances of concern and substances of very high concern. Through our sustainable procurement strategy, we aim to reduce substances of very high concern by 100% by 2030 and to achieve 100% transparency regarding these substances by 2025, thereby enabling our customers to make more informed purchasing decisions. To date, we have developed a roadmap for the substitution or elimination of substances of very high concern and are actively working toward full transparency.

Actions and Targets Regarding Resource Use and Circular Economy

Siemens Logistics is dedicated to mitigating the negative impacts associated with resource use while promoting a circular economy. Through our innovative Service 4.0 solutions – known as **SmartService solutions at Siemens Logistics** – we monitor the condition of components from BHS systems, including those from third-party suppliers. With this predictive maintenance technology, we ensure that machine parts are only replaced when necessary, thereby reducing the demand for spare parts. Consequently, this leads to a decrease in material usage and waste production. Our commitment to sustainability is further exemplified by our Individual Carrier System **VarioTray**. The trays are extremely durable and robust, offering an extraordinarily long lifetime. Their unique roller guidance system reduces wear and increases energy efficiency.



Through our sustainable procurement strategy, we aim to reduce substances of very high concern by 100% by 2030.

Siemens Logistics also offers **retrofit and revision services** for specific components, allowing equipment to be refurbished and reused, further promoting resource efficiency. In terms of packaging, we mandate the use of only recyclable materials, as defined in our packaging and shipping instructions for contractors.

Looking ahead, Siemens Logistics has set ambitious targets to increase the use of secondary materials. Specifically, we aim to achieve natural resource decoupling by increasing our procurement of secondary materials for metals and resins. Additionally, we are dedicated to enhancing our waste management practices to improve circularity. Our goal is to reduce waste-to-landfill and achieve zero landfill waste by 2030.

These efforts are integral to our broader commitment to environmental stewardship and are closely monitored to ensure progress and accountability.

Environmental Targets

Topic	Target
Climate change	Net zero supply chain by 2050, 20% emissions reduction by 2030.
	Decarbonization of own operations by sourcing 100% renewable electricity by 2030.
Pollution	Create 100% transparency on substances of very high concern by 2025.
	Reduce substances of very high concern by 100% by 2030.
Resource use & circular economy	Natural resource decoupling through increased purchasing of secondary materials for metals and resins.
	Circularity through waste-to-landfill reduction toward zero landfill waste by 2030.





04 From Workforce to Customers: Our Social Commitment

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4.1 Social Impact Drivers along Our Value Chain

Policies Addressing Our Own Workforce

Empowering People and Fostering a Growth Mindset

At Siemens Logistics, we are addressing several principal challenges, including demographic changes that are widening the talent gap in key markets (especially for digital talents), the management of unstable geopolitical conditions, and the decreasing half-life of knowledge. These structural factors are driving significant transformations within our own workforce and across our organization. Helping our people grow is a vital answer in tight talent markets, as **our employees are “the heart of Siemens Logistics”**. Therefore, we aim to foster an integrating, empowering culture of growth and transformation that ensures both sustainable business success and our people’s employability. This is accompanied by our value system, which



We believe that diversity enriches our workplace.

places a special emphasis on fair treatment with the aim of respecting the personal dignity, privacy, and rights of everyone. We believe that diversity enriches our workplace and we work together without regard to ethnic origin, culture, religion, age, disability, skin color, gender, sexual identity and orientation, or worldview. We do not tolerate discrimination, sexual or any other form of harassment, or inappropriate behavior toward individuals or groups. Siemens values and ethical standards for doing business are anchored in our **Business Conduct Guidelines (BCGs)**, which is available on the website of Siemens AG for all stakeholders. The BCGs define the basic principles and rules for our conduct both inside and outside the company. The BCGs are binding for our employees, managers, and top management globally. The principles of human rights, non-discrimination and non-intimidation, free choice of employment,


prohibition of child labor, prohibition of forced labor and all forms of slavery, fair employment (including adequate compensation and appropriate working hours), freedom of association and collective bargaining, health, occupational safety, personal security, and protection and privacy of personal data are not only embedded in our BCGs, but also in the International Framework Agreement (IFA), Human Rights Policy, and Compliance system.

Occupational Health and Safety Management

The professional landscape is changing dynamically, as are demands and needs related to health and safety. At Siemens Logistics, our culture is centered around our own workforce, placing a special emphasis on the resilience and well-being of our employees at the core of our occupational health and safety management. We believe that prioritizing health and safety management minimizes the risk of physical injuries and mental health issues. Therefore, we are committed to effectively mitigating health and safety risks through comprehensive management systems, the design of healthy and safe working conditions, internal monitoring, and controls.

The **EHS organization** manages health and safety measures at Siemens Logistics. It is locally organized, integrated into each business unit and regional company, and reports directly to the respective business manager. EHS experts are present in all regional companies, with their primary role being to advise managers and teams.

In recent years, the role of EHS experts has evolved significantly. Instead of merely monitoring compliance with rules and workflows, the focus is now on supporting our employees in safely navigating dynamically changing requirements. Health and safety committees, which meet regularly, have been established within the relevant country organizations and at a local level. These committees enable management and employee representatives to collaboratively coordinate specific measures and initiatives to ensure a healthy and safe work environment.

Further, Siemens Logistics has established internal monitoring systems and a company-wide risk management and control process. Our actions are guided by Siemens' EHS Principles, which encompass our **EHS Policy**. For general information on our EHS Policy, please refer to  [page 52](#).



Health, safety, resilience, and well-being are intangible assets for our company.

Our EHS Policy mandates that all relevant operating units maintain a management system certifiable to ISO 45001. The effectiveness of these management systems is reviewed annually through an internal audit. This audit ensures that processes for risk assessments and emergency management comply with both internal and external regulations, inspections and reviews have been conducted, significant risks and opportunities have been identified, and whether these are reflected in measurable goals and actions. Additionally, the management system is externally certified according to market requirements within the respective operating units.

Actions and Targets Addressing Our Own Workforce

The strategic priority of empowering people at Siemens Logistics directs our efforts in health and safety. Health, safety, resilience, and well-being are intangible assets for our company.

Prioritizing Health and Safety

Our company-wide **Healthy and Safe Program (H&S)** invites employees to help shape leadership, learn from each other, increase well-being at work, and promote innovations and improvements in occupational health and safety. It is based on five principles:

- We care for our own and each other's well-being.
- We speak up and take part in making the workplace healthier and safer.
- We are inclusive and invite a diverse range of views on health and safety.
- We are engaged in learning and sharing about how we can work better, safer, and healthier.
- We prepare for and adapt well to changing circumstances.

Maintaining health, safety, and well-being is a responsibility that is shared by our management and people. This responsibility extends beyond providing workplaces that comply with all applicable norms, standards, and requirements. To protect and train our people, we have established the Safety Essentials, which outline core safety behaviors and are published on the company global intranet. We expect our employees to always adhere to these essentials and to prioritize health, safety, and the environment in all their activities when working for Siemens Logistics.

Continuous Expansion of Health Services

We are continuously expanding our spectrum of health services to support the health, safety, resilience, and well-being of our people both at work and beyond. Our employees have access to **company medical care**, which includes the prevention and early detection of health issues through health checks, screenings, and vaccinations. We address health concerns promptly and seriously, utilizing telemedicine consultations and referrals to specialists when necessary. Additionally, we support a successful return to work by providing reintegration measures.

Our employees benefit from a wide array of **health education offerings** designed to enhance their health literacy. These offerings are delivered through a holistic approach that encompasses physical, mental, and social health and well-being.

Looking ahead, Siemens Logistics designs healthy and safe working conditions by continuously monitoring and assessing potential risks and implementing appropriate measures. Our goal is to help our employees achieve a balanced state of well-being, better manage stressors, and utilize their capacities and resources with greater awareness. Moreover, we empower our employees to grow, work more productively, and make significant contributions to the company's success. This is also completed by our goal of maintaining a higher level of learning and achieving 25 learning hours by 2025. We aim to ensure our employees remain lifelong learners, and that they develop and grow to maintain the company's competitive edge.


Policies Addressing Workers in the Value Chain, Consumers, and End-Users

Responsibility for the Workers in Our Value Chain

As a globally operating company, Siemens Logistics is committed to sustainable development worldwide. We uphold our responsibility by adhering to various international agreements and guidelines, with a particular emphasis on respecting human rights as a fundamental aspect of responsible business conduct throughout our entire value chain.



Our dedication to sustainability extends to our consumers and end-users, ensuring that our products and services are safe, secure, and respectful of human rights.

Our commitment is articulated in the **BCGs**, which have already been described in relation to our own workforce on  **page 58**. The BCGs align with the ten principles of the UN Global Compact, encompassing human rights, labor, environment, and anti-corruption. Siemens Logistics, along with our suppliers and business partners, adheres to additional guidelines such as the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

A key component of our sustainability framework is the **CoC for Suppliers and Third-Party Intermediaries**, as already mentioned in terms of environmental sustainability matters on  **page 53**. This code is based on the UN Global Compact and ILO principles, but it also reflects the BCGs and outlines our expectations for supplier selection and treatment. We make reasonable efforts to ensure that our suppliers comply with these principles and applicable laws, and a binding commitment to our BCG by our suppliers is a mandatory prerequisite for a business relationship.

With regard to workers in the value chain, **we prioritize human rights and labor conditions**, ensuring to respect all internationally proclaimed human rights and avoiding any involvement in human rights violations. Special attention is given to vulnerable groups such as women, children, migrant workers, and (indigenous) communities. Our focus areas include the prohibition of forced and child labor, non-discrimination, respect for employees, freedom of association, working hours, wages and benefits, occupational health and safety, security forces, and grievance mechanisms.

Responsibility for Our Customers and End-Users

Our dedication to sustainability extends to our consumers and end-users, ensuring that our products and services are safe, secure, and respectful of human rights. Siemens Logistics **prioritizes the protection of personal data**, handling it with care and responsibility, and respecting everyone's privacy. Personal data is collected and processed confidentially, solely for legitimate, predetermined purposes, and in a transparent manner, with appropriate technical and organizational measures in place to protect it against loss, modification, and unauthorized use or disclosure.

Siemens **ProductCERT**, a dedicated team of security experts, manages the receipt, investigation, internal coordination, and public reporting of security issues related to Siemens products, solutions, and services. This team cultivates strong relationships



Siemens Logistics is committed to respecting human rights in all aspects of our operations.

with partners and security researchers globally to advance Siemens product security. The Siemens **Product Safety System** encompasses the safety of all products and services developed, manufactured, and/or sold by Siemens. Our products and services comply with all applicable legal requirements and meet the latest technical safety standards to ensure they do not pose a threat to life, health, or property.

In addition to the technically safe design of our products, a preventive Product Safety System is indispensable. This system defines important aspects, such as organizational setup, responsibilities, communication, and reporting channels, as well as a rapid professional response to any safety-related problems. Siemens Logistics is committed to respecting human rights in all aspects of our operations, including those affecting consumers and end-users.

Siemens Logistics remains steadfast in its commitment to safeguarding the well-being and rights of our consumers and end-users, upholding the principles of safety, security, and sustainability in all our operations.

Social Targets – Own Workforce

Topic	Target
Health and safety	Zero harm globally, with an annual Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Incident Rate (TRIR) of 0.
Training and skills development	Achieve 25 learning hours by 2025 (“25 by 25”).
Diversity	25% female share in leadership positions by 2030.

4.2 Measuring Our Social Impact

Characteristics of Our Own Workforce

Employee³ Structure

As of September 30, 2024, Siemens Logistics employed about 2,500 people across 16 countries worldwide, reflecting an increase of 328 employees compared to September 30, 2023.

Geographically, 44% of our employees are based in Europe, 25% in the Middle East, 14% in Asia, and 17% in North America. Globally, the average age of our employees is 41.0 years.

Employee Structure⁴

		Sept 30, 2023	Sept 30, 2024	+/-
Siemens Logistics employees	Total	2,151	2,479	15.2%
Distribution by region	Europe	796	1,097	37.8%
	Americas	404	422	4.5%
	Middle East	625	625	0.0%
	Asia	326	335	2.8%

⁴ Siemens Logistics Group, including the subsidiaries Airport Munich Logistics and Services GmbH and ACE SL – Siemens Logistics, A.C.E.

Working for Siemens Logistics⁵

		Sept 30, 2023	Sept 30, 2024	+/-
Siemens Logistics employees	Total	2,151	2,243	4.3%
Distribution by gender	Women	315	349	10.8%
	Men	1,836	1,892	3.1%
	No/other gender entry	0	2	N/A
Distribution by age	Age group < 30	349	370	6.0%
	Age group 30–50	1,353	1,398	3.3%
	Age group > 50	449	475	5.8%
Blue-/white-collar	Blue-collar workers	744	652	-12.4%
	White-collar workers	1,407	1,591	13.1%
Employee nationalities	Total	76	73	-3.9%

⁵ Siemens Logistics Group, excluding the subsidiary ACE SL – Siemens Logistics, A.C.E.

³ Employee refers to every natural person in an active employment relationship. Employees are all internal workforce without apprentices, students, interns, and other internal workforce.

Employment Characteristics

To enable our employees to achieve a good **work-life balance**, greater flexibility, and individual solutions, we offer a variety of flexible working models. These models are tailored to local requirements and aligned with the specific roles of our employees. For instance, Siemens Logistics offers mobile working, part-time hours, sabbaticals, time-outs, parental/family leave, and partial early retirement. Parental leave for first and second care allows our employees to manage their unique work-life needs. Mobile working has been established as a core element to promote a sustainable work culture and environment.

As part of our **family-friendly corporate policy**, we further support our employees worldwide with local measures such as childcare allowance, paid parental leave, and children tuition support. Such dedicated measures and regulations vary by country. Country-specific plans generally follow local regulations and market practices, and depend on local laws.

Employment Characteristics⁶

	Sept 30, 2023	Sept 30, 2024	+/-
Siemens Logistics employees	2,151	2,243	4.3%
Employees with permanent working contract	2,082	2,157	3.6%
Employees with temporary contract	69	86	24.6%
Full-time employees in headcount	2,085	2,175	4.3%
Part-time employees in headcount	66	68	3.0%
Employee turnover rate ⁷	14.1%	11.8%	-16.3%

⁶ Siemens Logistics Group, excluding the subsidiary ACE SL – Siemens Logistics, A.C.E.

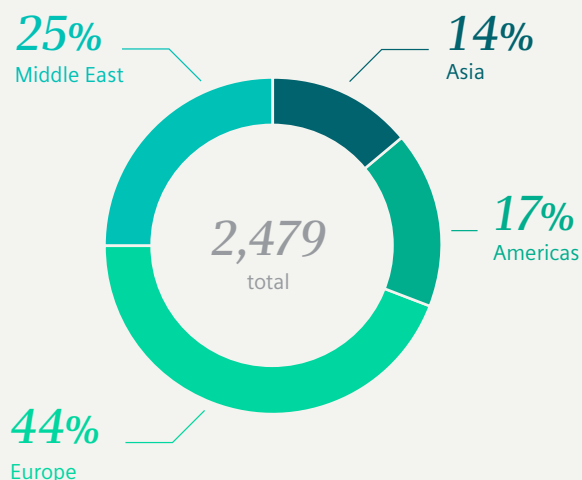
⁷ Employee turnover is defined as the ratio of voluntary and involuntary exits from Siemens Logistics during the fiscal year to the average number of employees.

⁹ Voluntary turnover rate is based on employee decisions.

¹⁰ Involuntary turnover rate is based on other reasons, including dismissals, end of temporary contracts, mutual consent, (early) retirement, death, and other reasons that are not an employee decision.

Geographic distribution of employees as of September 30, 2024

(in % of total number of employees⁸)



⁸ Siemens Logistics group, including the subsidiaries Airport Munich Logistics and Services GmbH and ACE SL – Siemens Logistics, A.C.E.

The largest hiring country in fiscal year 2024 was the United States. Of all new hires globally, 19% were female. The average age of new hires globally was 31.7 years.

Globally, the turnover rate was 11.8%, mainly driven by a tendency for higher fluctuation in operational service jobs, which decreased by 16.3% in comparison with fiscal year 2023. Voluntary turnover⁹ accounted for 59% of the total, while involuntary turnover¹⁰ made up 41%. The average age of employees leaving the company was 36.1 years.

As of September 30, 2024, 96.2% of our own workforce held permanent contracts.

Diversity, Equity, and Inclusion

We strive to create a work environment where our employees are empowered and feel a strong sense of belonging. We believe that **diversity enriches our teams and workplace**, leading to more creative and innovative solutions.

At Siemens Logistics, diversity encompasses the inclusion and interaction of different ways of thinking, (cultural) backgrounds, experiences, skills, and individual qualities across all levels and dimensions of the company. Equity is a fundamental part of our corporate culture. Inclusion ensures that every voice is heard, and every individual is engaged.

4. FROM WORKFORCE TO CUSTOMERS: OUR SOCIAL COMMITMENT

Our commitment to human rights is embedded in our BCGs and the global Human Rights Policy (please see [page 58](#) for more information). We do not tolerate discrimination, sexual or any other form of harassment, or inappropriate behavior toward individuals or groups. Our guideline clearly states:

- **“We respect the personal dignity, privacy, and rights of each individual. We believe diversity enriches our workplace. We work together without regard to ethnic origin, culture, religion, age, disability, skin color, gender, sexual identity and orientation, or worldview.”**
- **“We respect the human rights of local communities and of people who are particularly vulnerable.”**

Reflecting our global business and footprint, we currently have employees from 73 nationalities, bringing diverse perspectives to our teams.

Equity is a key area of focus for us, contributing to a greater sense of belonging for all our employees. We are committed to continuously improving gender equity, among other areas. Currently, women make up 15.6% of our total workforce, and 20% of our management positions are held by women. Our goal is to increase these figures further and achieve 25% female share in leadership positions by 2030.

Gender Diversity per Employee Category¹¹

	Sept 30, 2023	Sept 30, 2024	+/-
% of women in all position types	14.6%	15.6%	6.8%
% of women in leadership positions	18.5%	20.2%	9.2%
Number of women in senior management	2/11	2/13	-15.4%

¹¹ Siemens Logistics Group, excluding the subsidiary ACE SL – Siemens Logistics, A.C.E.

Training and Skills Development

In today’s world, the ability to continuously learn and develop new skills and competencies is essential. The intervals at which established knowledge becomes obsolete and must be replaced with new insights are becoming increasingly shorter. Keeping pace with these rapid developments is one of the key challenges of our time and is crucial for the future success of our employees and our company.

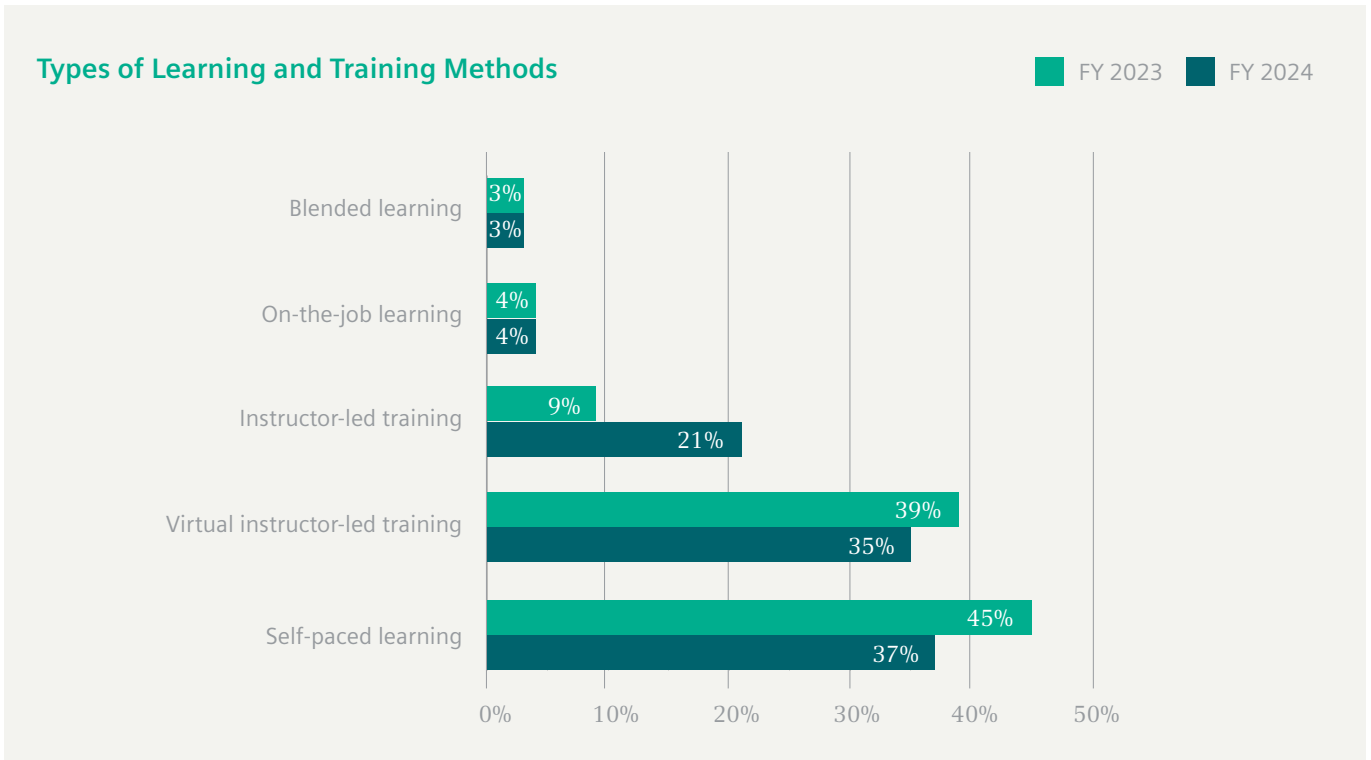
At Siemens Logistics, **lifelong learning** is deeply embedded in our corporate culture. We encourage our employees worldwide to continuously enhance their skills and qualifications. We foster a leadership culture where managers actively support learning by serving as role models and by enabling and encouraging their employees to pursue continuous self-improvement. Continuing education is provided free of charge to our employees and takes place during working hours. We invest in our employees’ development, as they are our future and the heart of Siemens Logistics. Lifelong learning at Siemens Logistics focuses on developing, empowering, and increasing both the employability and resilience of our employees.

- **Learning in all forms on all subjects that are either directly or indirectly related to the Siemens Logistics business, the employees’ role or their interests.**
- **Learning activities have clear objectives and content.**
- **Learning is financed by Siemens.**

Learning Hours¹²

	Sept 30, 2023	Sept 30, 2024	+/-
Number of employees	2,151	2,243	4.3%
Total learning hours	30,203	58,329	93.1%
Average learning hours per employee	14.0	26.0	85.7%

¹² Siemens Logistics Group, excluding the subsidiary ACE SL – Siemens Logistics, A.C.E.



Occupational Health and Safety Management

There were no serious incidents in the 2024 fiscal year, but the number of **work-related accidents** increased slightly. This is due, among other things, to the fact that additional projects were taken on, in which work such as conversion, expansion, operation, and maintenance of baggage handling systems were carried out, which also increased the number of working hours by around 220,000 hours. Accidents are analyzed and findings (“lessons learned”) are used to continuously improve and minimize the number of possible future accidents. Preventing accidents is our goal. Every incident is a renewed call for us to continue to improve and ensure a safe and healthy working environment for all our employees, customers, and partners.

Our employees play a crucial role in our collective health and safety efforts every day. Given the diverse requirements, tasks, and work situations across the company, there is no one-size-fits-all solution for implementing health and safety measures. Recognizing this, we actively involve our employees in the design and implementation of our health and safety initiatives and programs. Their active participation is essential for the success of our company-wide, country-specific, and business-specific initiatives. For instance, psychosocial risks are regularly assessed through work well-being factors. Relevant teams then discuss, document, and address these risks, opportunities, and measures in a structured follow-up process.

Accident Numbers^{13, 14}

	Sept 30, 2023	Sept 30, 2024	+/-
Lost Time Frequency Injury Rate (LTIFR) ¹⁵	0.68	0.78	14.7%
Total Recordable Injury Rate (TRIR) ¹⁶	0.87	1.04	19.5%
Fatalities	0	0	N/A
Serious incidents ¹⁷	1	0	-100%

¹³ Siemens Logistics Group, excluding the subsidiary ACE SL – Siemens Logistics, A.C.E.

¹⁴ These values include employees as well as apprentices, students, interns, and other internal workforce.

¹⁵ LTIFR: number of lost-time cases (LTC) × 200,000* / work hours (WH); LTC are accidents that result in at least one lost day of work.

¹⁶ TRIR: (number of work-related fatalities (F), accidents involving loss of working time (LTC), accidents involving reduced working or capacity (RWC), accidents involving medical treatment (MTC) × 200,000* / WH.

¹⁷ Serious incidents are life-threatening or life-changing injuries.

* 200,000 WH = basis for 100 full-time equivalent employees (on average).





05 **Acting with Integrity: Governance and Business Conduct**

5.1 Promoting Governance and Business Conduct

Operating with integrity and in compliance with laws and regulations is essential for maintaining stakeholder trust and ensuring Siemens Logistics’ continued success. We are committed to promoting fair competition and strictly avoiding any unethical or unlawful behavior. In fiscal year 2024, Siemens Logistics did not engage in any political influence or lobbying activities.

Our behavioral principles and rules for conduct, both inside and outside the company, are documented in the **BCGs**. These guidelines not only express our core values but also provide the foundation for detailed internal regulations. For more information on the BCGs, please refer to [page 58](#).

Prevention and Detection of Corruption and Bribery

We have established comprehensive policies to prevent, detect, and address allegations or incidents of corruption and bribery. Key preventative measures are outlined in the **BCGs** and the **CoC for Suppliers and Third-Party Intermediaries** (please refer to

[page 53](#) for more information), both of which enforce a zero-tolerance policy to corruption and bribery.

To reinforce these policies, employees regularly participate in web-based training on appropriate business conduct. Management also plays a crucial role in promoting compliance through regular communication, embodying a “tone from the top” approach. Additionally, compliance topics are regularly highlighted through **Integrity Moments** during townhall meetings, as well as through the annual **Integrity Dialogues**, where each manager leads discussions on pre-defined topics. This ensures a consistent focus on ethical behavior across all levels of the organization.

The BCGs and CoC for Suppliers and Third-Party Intermediaries specify the processes for reporting incidents and violations, such as our whistleblower reporting channel **Tell Us** and the **Ombudsperson**, which allows for anonymous reporting by internal and external stakeholders. Additionally, we have implemented processes to handle, monitor, and resolve reported cases.

Company-Wide Process for Handling Compliance Cases (Simplified Presentation)



As part of our complaint process, the results of investigations are documented using our compliance management tool **COMPASS**. These findings are reported to the Executive Management during our quarterly **Compliance Review Board Meetings** by Siemens Logistics' Global Compliance Officer. Additionally, ad-hoc reporting is available when necessary, ensuring timely communication of critical findings to the relevant administrative, management, and supervisory bodies.

In fiscal year 2024, no incidents related to corruption and bribery were recorded, and no fines for violations of anti-corruption and anti-bribery laws were paid.

Sustainable Supply Chain Practices

Siemens Logistics has implemented a robust **Purchase-to-Pay** process with stringent controls for supplier selection and management, designed to prevent corruption and bribery within the supply chain.

Sustainable business practices are also an integral part of our **Procurement Principles**. We aim to establish an ESG-secured supply chain based on continuous supplier commitment to the CoC for Suppliers and Third-Party Intermediaries, which must be incorporated into all new and extended procurement contracts. The Procurement department is responsible for ensuring that suppliers accept the CoC for Suppliers and Third-Party Intermediaries without deviation.

In fiscal year 2024, we launched our first **sustainability survey** among our suppliers, based on a detailed questionnaire to assess their current sustainability status and identify potential areas for improvement. We received feedback from 73% of the contacted suppliers. As a next step, we have started a thorough dialogue with our suppliers to foster sustainable and responsible supply chain operations.

Trainings on Business Conduct

We place great importance on the proper training of our employees, offering both mandatory and voluntary **anti-corruption and anti-bribery training programs**. All employees are required to complete the mandatory learning modules. We strive to train every employee, including Management, on the BCGs in a recurring three-year cycle.

Training is provided through a combination of in-person sessions and online modules, offering flexibility and opportunities for interactive discussions. Ad-hoc sessions are available upon request or in response to specific incidents or regulatory changes, ensuring continuous preparedness and compliance. Training schedules are systematically rolled out and participation rates are monitored through our learning management system **SABA**.

Training Participation Rates¹⁸

	Sept 30, 2023	Sept 30, 2024	+/-
BCG	85.1%	97.7%	14.8%
Anti-bribery	95.9%	98.8%	3.0%
Cybersecurity	85.6%	95.8%	11.9%
Data Privacy	97.7%	96.1%	-1.6%

¹⁸ Siemens Logistics Group, excluding the subsidiaries Airport Munich Logistics and Services GmbH and ACE SL – Siemens Logistics, A.C.E.

Cybersecurity

In recent years, the landscape of cyber threats has evolved dramatically, with cybercrime costs for businesses increasing significantly and expected to continue rising. Countless cybercrime incidents have been registered worldwide. In response to these challenges, cybersecurity has become an indispensable part of operations at Siemens Logistics.

Given the current world context and the growing frequency and increase of sophistication of cyber threats, we recognize the critical need to invest in our cybersecurity measures and maintain our ISO 27001 certified information management system. We aim for continual improvement toward cybersecurity and data protection.



Our key ambition is to ensure that 100% of our people receive training on the Siemens Business Conduct Guidelines every three years.

We have advanced automatic technical measures in place and are committed to improving and updating the cybersecurity awareness of our employees. This includes using technologies such as artificial intelligence. Additionally, we have well-defined incident management response procedures for cybersecurity, which have proven effective in real situations.

Our approach to vulnerability management and continuous monitoring aims to prevent potential threats from impacting our customers' businesses, allowing them to focus on their core activities. We prioritize continual development and the integration of new technologies to stay ahead of the curve. Our efforts include periodical training, implementing advanced security solutions to address evolving cybersecurity threats, and ensuring that we meet the current and future security needs of our customers.

5. ACTING WITH INTEGRITY: GOVERNANCE AND BUSINESS CONDUCT

Our cybersecurity risk management covers assets, IT, sales, projects, and overall enterprise cybersecurity. Through performing regular risk assessments, we proactively address potential threats, protect business operations, and identify opportunities for improvement. Additionally, business impact analysis is performed, considering the data protection goals of confidentiality, integrity, and availability.



Integrity is more than mere compliance with laws and regulations. It is about consistently doing what is right, even when no one is watching. It represents a commitment to ethical principles, fairness, and transparency that goes beyond the legal requirements.”

Bernd Scheglmann
General Counsel

Data Protection and Privacy

In the era of digitalization, the protection of personal data has become increasingly important for our stakeholders and for the success of Siemens Logistics. Processing personal data in compliance with applicable data protection laws, including the **General Data Protection Regulation (GDPR)**, is therefore of the utmost importance to us.

Our comprehensive **data privacy management system** ensures that all business activities comply with data protection requirements and applicable laws. This system outlines the policies, procedures, and controls mandated by the GDPR, including data subject rights, a privacy incident process, mandatory training, audits, and maintaining a record of processing activities.

At Siemens Logistics, we collect and process personal data confidentially, only for legitimate and predetermined purposes, and in a transparent manner. This requirement is also reflected in our **BCGs**, which include a section on data privacy. In addition, the **Siemens Compliance Handbook** outlines requirements for processing personal data, documentation, and reporting incidents.

Transfers of personal data within the Siemens Group are covered by binding internal data protection regulations, known as the **Siemens Binding Corporate Rules on Data Protection (BCR)**. Siemens Group companies worldwide are obligated to process data from EU data subjects in accordance with EU data protection standards, even when the recipient of the personal data is located outside the European Economic Area (EEA).



Data privacy management system to ensure compliance with data protection requirements in all business processes

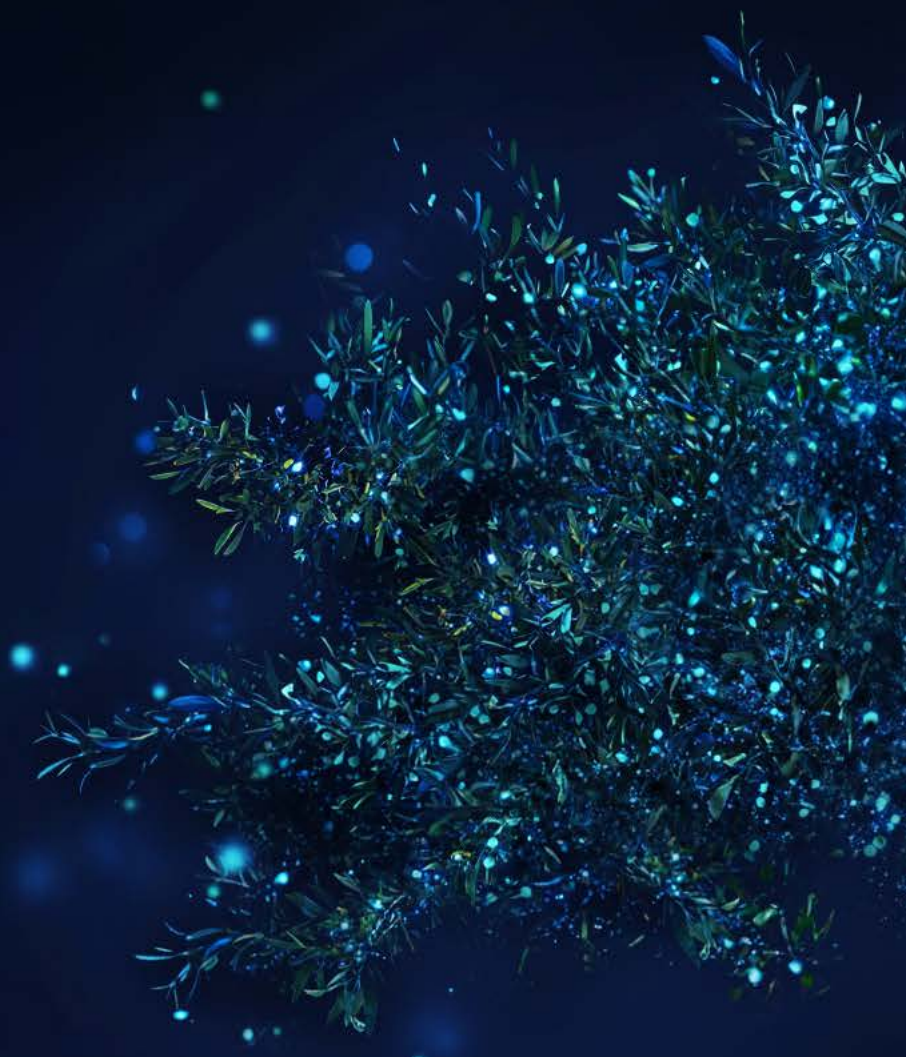
All data protection requirements and measures are subject to regular controls. Risk-based data protection audits of our processing activities, products, and services are conducted on a regular basis.

Governance Targets

Topic	Target
Business Conduct	Striving to train 100% of our people on Siemens’ Business Conduct Guidelines every three years.
	ESG-secured supply chain based on continuous supplier commitment to the Supplier Code of Conduct.

Abbreviations

API	Application Programming Interface	ICS	Individual Carrier System
BCGs	Business Conduct Guidelines	IEC	International Electrotechnical Commission
BHS	Baggage Handling System	IFA	International Framework Agreement
CEO	Chief Executive Officer	ILO	International Labour Organization
CFO	Chief Financial Officer	IROs	Impacts, Risks, and Opportunities
CO ₂	Carbon dioxide	ISO	International Organization for Standardization
CoC	Code of Conduct for Suppliers and Third-Party Intermediaries	KPIs	Key Performance Indicators
CSO	Chief Sustainability Officer	LTIFR	Lost Time Injury Frequency Rate
CSRD	Corporate Sustainability Reporting Directive	LTC	Lost Time Cases
DRs	Disclosure Requirements, each with associated qualitative and/or quantitative data points	MTC	Medical Treatment Case
E2E	End-to-end	OECD	Organization for Economic Cooperation and Development
EC SUS	Sustainability Executive Committee	P&O	People & Organization
EHS	Environment, Health & Safety	PSSS	Products, Systems, Solutions, and Services
EN	European Standards (Europäische Norm)	RWC	Restricted Work Case
ESG	Environmental, Social, and Governance	SBM	Strategy and Business Model
ESRS	European Sustainability Reporting Standards	SSB	Siemens Sustainability Board
F	Fatalities	TRIR	Total Recordable Injury Rate
GHG	Greenhouse Gas (Emissions)	ULD	Unit load device
H&S	Healthy and Safe Program	UN	United Nations
IATA	International Air Transport Association	WH	Work hours



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