

Roland Busch President & CEO Siemens Aktiengesellschaft Werner-von-Siemens-Straße 1 80333 Munich Germany

October 8, 2025

Dear Mr. Busch and the Siemens Leadership Team,

We write to you as <u>B4Ukraine</u>, a coalition of Ukrainian and international civil society organizations committed to curbing the financial support that fuels Russia's brutal invasion of Ukraine. We are writing to raise concerns about Siemens' industrial automation equipment reportedly reaching Russian military manufacturers via Chinese intermediaries, potentially undermining international sanctions.

We call on businesses to:

- Immediately cease operations and completely exit the Russian market.
- Refrain from any future business, trade, or investment in Russia until Russia ends its war
 against Ukraine, territorial integrity of Ukraine is restored, and accountability imposed for war
 crimes and the destruction of Ukrainian infrastructure and property.
- Ensure that any re-engagement with the Russian market occurs only after all of the following conditions are met:
 - Ukraine's sovereignty and complete territorial integrity are restored, as recognized by international law.
 - Reparations are paid in full for all damages caused by Russian aggression, covering infrastructure, economic losses, and human suffering.
 - Accountability is imposed for violations of international law, including the crime of aggression, war crimes, and crimes against humanity.

Following the full-scale invasion of Ukraine, Siemens has decided to do the right thing and <u>exit</u> the Russian market. However, since then, there have <u>been several reports</u> of Siemens' equipment being used in Russia's war effort.

The <u>latest report</u> claims that despite Western sanctions and Siemens' exit from the Russian market, a Russian state-owned explosives manufacturer, the Biysk Oleum Factory (BOZ), managed to obtain Siemens industrial automation equipment through indirect channels. According to Reuters, BOZ acquired Siemens Simatic power regulators via a Russian intermediary company, Techpribor, which sourced the components from Chinese suppliers, including Huizhou Funn Tek and New Source Automation. The investigation found that these Siemens devices were identical to models ordered by BOZ, enabling the automation of its explosive production lines which are critical for ramping up Russia's munitions output. While Reuters notes there is no evidence Siemens knowingly supplied the sanctioned entity, this case raises serious concerns about how Siemens technology is being reexported and ultimately used to support Russia's war effort in Ukraine.

While Siemens asserts that it complies with international sanctions and that some goods may reach Russia without its knowledge, this position raises serious questions about the adequacy of the company's due diligence and monitoring mechanisms, particularly given the repeated instances of Siemens technology appearing in sanctioned Russian military facilities. As a reminder, Siemens' response to the Business and Human Rights Resource Centre (BHRRC) 2023 query states: "To counteract the risk of third-party attempts to evade sanctions, we have also initiated measures to prevent – as far as we can – other companies from delivering Siemens products to Russia. Among other things, we immediately cease to do business directly or indirectly with any companies involved if we become aware of an attempt to evade sanctions, and we report cases to the relevant authorities in Germany." A supplier cited in the Reuters report claimed that Siemens "doesn't ask who the end user is," highlighting a significant gaps in Siemens' end-user due diligence mechanisms.

Furthermore, a recent *Financial Times* <u>investigation</u> revealed that Russia's development of its "Oreshnik" missile continues to rely on Western-made technology, including components reportedly originating from Siemens. This emphasises concerns that Siemens' products remain vulnerable to diversion through global supply chains, ultimately enabling Russia's weapons development despite sanctions. This comes in addition to the recent criminal case in Germany concerning the illegal export of Siemens gas turbines to Russian-occupied Crimea, further illustrating the persistent risk of Siemens equipment being misused in violation of international law.

We acknowledge Siemens' confirmation, as reported by Deutsche Welle, that it has no plans to reenter the Russian market, stating that "no involvement in Russia is currently foreseen." We urge Siemens to maintain this position firmly and to pair it with enhanced oversight and transparency measures to ensure that none of its technologies, directly or indirectly, continue to contribute to Russia's war effort. This includes heightened human rights due diligence procedures, as well as strengthened end-user verification, oversight of distributors, and transparency around measures taken to prevent Siemens' technologies from supporting Russia's war effort.

In light of the above, we are writing to ask Siemens to clarify the following:

- What concrete mechanisms does Siemens have in place to verify the ultimate end-users of its products?
- How does Siemens monitor and enforce compliance by its distributors and partners, especially
 in China and other third countries that may re-export its products to Russia?
- Has Siemens investigated the allegations raised in the Reuters and Financial Times reports regarding the Biysk Oleum Factory and the "Oreshnik" missile program? If so, what measures have been taken to address potential breaches or gaps in Siemens' controls and to prevent further diversions?
- How does Siemens plan to strengthen its human rights due diligence and sanctions compliance to ensure that its technologies do not contribute, even indirectly, to violations of international law in Ukraine?

We would be pleased to discuss these matters in greater detail and therefore invite you to a meeting. Should you wish to participate in a meeting with Ukrainian and international civil society representatives, please confirm your availability by **22 October 2025**. Kindly note that after this date, this letter and any responses will be published on the B4Ukraine website.

Sincerely,

The B4Ukraine Coalition