



SIEMENS

Siemens  
Integrity Initiative  
**Annual Report 2020**

[siemens.com/integrity-initiative](https://www.siemens.com/integrity-initiative)

# Content

## Foreword

|                                                                 |   |
|-----------------------------------------------------------------|---|
| A WORD FROM THE SIEMENS INTEGRITY INITIATIVE STEERING COMMITTEE | 4 |
| A WORD FROM THE SIEMENS INTEGRITY INITIATIVE PROJECT OFFICE     | 8 |

## A.

|                                  |    |
|----------------------------------|----|
| INTRODUCTION                     | 14 |
| Project management and reporting | 16 |
| Project organization             | 18 |

## B.

|                                    |    |
|------------------------------------|----|
| SIEMENS INTEGRITY INITIATIVE       | 20 |
| Status of the First Funding Round  | 22 |
| Status of the Second Funding Round | 23 |
| Status of the Third Funding Round  | 24 |

## C.

|                                                       |    |
|-------------------------------------------------------|----|
| PROJECT PROFILES AND HIGHLIGHTS OF ACTIVITIES IN 2020 | 40 |
| C1. First Funding Round Projects                      | 42 |
| C2. Second Funding Round Projects                     | 44 |
| C3. Third Funding Round Projects                      | 50 |

## D.

|                                |    |
|--------------------------------|----|
| ANNEX                          | 96 |
| D1. Additional Siemens Reports | 96 |

### Note:

Please refer to the following website for a general overview of the Siemens Integrity Initiative, the selection process for the First, Second and Third Funding Rounds and highlights of activities: [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

The Siemens Integrity Initiative Annual Report 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 can be found here:

|                                                                                                                      |                                                                                                                      |                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| <a href="http://www.siemens.com/integrity-initiative/Report2011">www.siemens.com/integrity-initiative/Report2011</a> | <a href="http://www.siemens.com/integrity-initiative/Report2015">www.siemens.com/integrity-initiative/Report2015</a> | <a href="http://www.siemens.com/integrity-initiative/Report2019">www.siemens.com/integrity-initiative/Report2019</a> |
| <a href="http://www.siemens.com/integrity-initiative/Report2012">www.siemens.com/integrity-initiative/Report2012</a> | <a href="http://www.siemens.com/integrity-initiative/Report2016">www.siemens.com/integrity-initiative/Report2016</a> | <a href="http://www.siemens.com/integrity-initiative/Report2020">www.siemens.com/integrity-initiative/Report2020</a> |
| <a href="http://www.siemens.com/integrity-initiative/Report2013">www.siemens.com/integrity-initiative/Report2013</a> | <a href="http://www.siemens.com/integrity-initiative/Report2017">www.siemens.com/integrity-initiative/Report2017</a> |                                                                                                                      |
| <a href="http://www.siemens.com/integrity-initiative/Report2014">www.siemens.com/integrity-initiative/Report2014</a> | <a href="http://www.siemens.com/integrity-initiative/Report2018">www.siemens.com/integrity-initiative/Report2018</a> |                                                                                                                      |

Kindly note that the online version of this Annual Report 2020, available at [www.siemens.com/integrity-initiative/Report2020](http://www.siemens.com/integrity-initiative/Report2020), is complemented by numerous hyperlinks which provide a wealth of additional external information on the projects funded under the Siemens Integrity Initiative.

A WORD FROM THE SIEMENS INTEGRITY INITIATIVE

# Steering Committee

● A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

Dear Reader,

May 2021

Once again, we can look back on an exciting and very eventful year 2020, which was certainly a global and wide-ranging challenge for all of us. In the eleventh year of implementation of the Siemens Integrity Initiative, which we designed and subsequently launched in 2009, we are delighted to report that as of March 2, 2021 around USD 98,5 million has been committed to 77 projects in more than 40 countries. We continue as one of the largest private sector initiatives aimed at fighting corruption and promoting fair markets.

As the Steering Committee, we have received regular updates on the progress of the activities from the Project Office and their cross-functional team, and are convinced that the actual portfolio of the Third Funding Round is ideally placed to drive Collective Action –

our shared fight against corruption and the promotion of responsible business conduct and integrity – forward in the defined thematic areas, which include for example creating alliances, strengthening the rule of law, strengthening voluntary standards, creating incentives for good performers, curricula development, capacity building, platforms for dialog and knowledge sharing.

11 years since the start of these activities is a long time and endurance is called for, but it has been and is still worth every single step. So many committed stakeholders have been mobilized at all levels during this time – whether globally or in individual countries and business sectors. What ultimately counts is that we do not give up when the going gets tough and that we keep on working.





We are therefore particularly pleased to inform that building on the Third Funding Round, we have invited selected short-listed candidates in December 2020 to submit applications for additional funding, the so-called “Golden Stretch Round”, the outcomes of which we will report in more detail in our next Annual Report 2021, when having finalized the due diligence, alignment and funding contract phase.

At this point we would like to thank our committed Integrity Partners throughout the world. Through their project work together with our stakeholders, they have driven forward the key anti-corruption topics both at the highest levels of engagement and on the ground at institutional level. It is their commitment that has made real the project implementation where details and fulfillment of set goals and milestones matter.

You will find an overview of the most recent accomplishments of the Integrity Initiative in this Annual Report 2020, with an exciting and impressive summary of project activities and outcomes in Section C based on information provided by our Integrity Partners as of key date March 2, 2021.

Our activities in 2020 coincide with the implementation of one of the most significant changes to the Siemens Group: the new set-up of our business activities around the world – with a current headcount of around 293 000 employees and a turnover of 57,1 billion euros in 2019/2020 – enabling us to operate in a more focused manner in the individual markets.

## A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

This implementation included the spin-off of Siemens' Gas and Power Division, which became an independent, publicly listed company – Siemens Energy – on September 18, 2020. As a result, our Siemens brand

comprises "Siemens AG" as a focused industrial company together with "Siemens Healthineers", which has already been carved out, and since September 2020 the new company "Siemens Energy".

As a technology company, we support our customers in their industry – both today and tomorrow continuing operations



293,000  
Employees



€ 57.1 billion  
Revenue



€ 4.3 billion  
net income



14.3 %  
adjusted EBITA margin for  
the Industrial Businesses



The global strength of our Siemens brand and our associated values – responsible, innovative and excellent – are of utmost importance to us always. Through our businesses and activities, we continue to make a positive and sustainable overall contribution to shaping society and make real what matters.

And it is precisely here that Collective Action and the Siemens Integrity Initiative come into play: transforming the everyday from Collective Action to Collective Impact, giving something back to society on a broader level and contributing to fairer and more transparent markets for all stakeholders.

It is with appreciation that we would like to thank Sabine Zindera and her team, who designed the Collective Action program and the Siemens Integrity Initiative at the outset and have worked constantly ever since at the international level to drive them forward with long-term strategic perspective and in-depth project management and we look forward to adding new projects under the “Golden Stretch Round” in 2021.

**Steering Committee  
of the Siemens Integrity Initiative:**

Dr. Andreas Christian Hoffmann  
General Counsel, Siemens AG

Annette Kraus  
Chief Compliance Officer, Siemens AG

Dr. Horst J. Kayser  
Corporate Vice President and Chairman of  
the Siemens Portfolio Companies (POC),  
Siemens AG

A Word from the Siemens Integrity  
Initiative Steering Committee

A Word from the Siemens Integrity  
Initiative Project Office

A WORD FROM THE SIEMENS INTEGRITY INITIATIVE

# Project Office

Dear Reader,

May 2021

"We know worldwide sustainable development can't be achieved alone. Our partnerships with international players, business associations, think tanks, nonprofit organizations, and academic institutions make us better able to cope with current and future challenges".

This strong commitment of our then Siemens AG CEO Joe Kaeser and then deputy CEO Dr. Roland Busch in the Siemens Sustainability Information 2020 supports our long-standing work in Collective Action which ensures practical implementation of the Sustainable Development Goal 16 "Peace, Justice and Strong Institutions".

And it continues: "Compliance means much more to us than simply adhering to laws and internal rules. Compliance forms the basis for all our decisions and activities, and it is the key to business integrity. Beyond that, we stand behind the Ten Principles of the Global Compact as well as the United Nations Guiding

Principles on Business and Human Rights.

As part of our push for Collective Action, we are establishing alliances with numerous organizations to fight corruption and promote fair market competition world-wide. The Siemens Integrity Initiative focuses on supporting projects with a significant business connection; by the end of fiscal 2020, it had provided about U.S. \$98,5 million in funding for 77 projects worldwide."

As we look back on 11 years of implementation of the Siemens Integrity Initiative – established in 2009 on the basis of the settlements reached with the World Bank in 2009 and the European Investment Bank in 2013 and backed with funding well in excess of USD 100 million – we at the Project Office are convinced that we have been able to make a significant private sector contribution – as assessed by the independent Mid-term Review of the Initiative [published in our 2017 Annual Report](#) –





to achieving the goals outlined above and will continue to do so in the future.

Our 22 Third Funding Round projects started the implementation phase in 2019 and are running at full steam despite the many Corona pandemic challenges and burdens.

It should be emphasized that in this difficult phase, our Project Partners have responded quickly with innovative solutions to keep activities moving through virtual collaboration, online training and conference options and prioritization of research and desk-based activities where necessary and possible.

Our Partners and we in the Project Office alike have accepted the additional challenges pragmatically and bravely. While all parties involved are working toward the set goals, the full extent of restrictions, delays or setbacks due to turbulence in the external or internal business environment remains to be seen. However, our expectations are clear, and that is to do our

very best every day in making sure that implementation of the agreed targets progresses well.

You can find further information about the status of the Third Funding Round in Section B of this Annual Report 2020.

And the good news is, that there is more to come and more activities to be funded. We are happy to report that in alignment with our Steering Committee, the World Bank and the European Investment Bank, we have in December 2020 invited selected short-listed candidates of the Third Funding Round to submit applications for additional funding that largely build upon the current activities of the ongoing Third Round.

The applications for the so-called “Golden Stretch Round” must in particular demonstrate how the sustainability of project activities and results into the future will be ensured.

By the submission due date of February 15, 2021 we received interesting and multi-faceted proposals, which as of March 2, 2021, are in the cross-functional due diligence process in collaboration with the relevant in-country Compliance experts, Finance and Tax experts, and Siemens’ Legal department, and which once completed will be followed by Siemens Steering Committee approval and the World Bank’s non-veto process.

In preparing this “Golden Stretch Round” we will naturally once again build upon and consider various aspects of our published Selection and Eligibility Criteria such as the tailor made regional, global and thematic mix in order to complement our balanced portfolio and its local activities in more than 40 countries.

We look very much forward to finalizing the due diligence, alignment and funding contract phase and will report about the details and new developments in our Annual Report 2021.

A Word from the Siemens Integrity  
Initiative Steering Committee

● A Word from the Siemens Integrity  
Initiative Project Office

Over the last decade, the Collective Action method has met with international recognition among international and regional organizations as well as government and private sector representatives. We are proud to say that, with to date 77 projects worldwide, we have been able to make a valuable, demonstrable contribution to practical implementation as well as inspiring many stakeholders to support our cause.

This practical and real implementation reflects our ambition to deliver “more than just a paper”. This is also acknowledged in the Business 20, an official Engagement Group of the political G20. In 2021 we were again accredited as a member of the B20 Task Force on Integrity & Compliance, and we are delighted to be able to lend our professional support to the strategic principles of the Italian B20 Presidency “Reshape the Future: Include, Share, Act” through our work in conjunction with our projects. And it is exactly here that we can contribute “more than just paper”, because the

many examples in this report of practical implementation by our Project Partners should and can inspire others to either support these projects or to set up similar good new projects which fit precisely to the respective business environment.

As reported, all projects from our First Funding Round have been completed as planned. The Final Report on these activities over the entire project period has already been presented in earlier editions of the Annual Report. This year, we have therefore focused on our projects from the Second and Third Funding Rounds.

Of the 24 Second Funding Round projects, two Final Reports were presented in our Annual Report 2017, ten Final Reports in Annual Report 2018, and a further 10 Final Reports in last year’s Annual Report 2019. These Final Reports cover the activities over the entire project period. In this year’s Annual Report 2020, two remaining projects, as described in Section C, have submitted their Final Reports on activities over the entire project period.



A very special word of gratitude and appreciation goes to our Steering Committee, which has received regular, detailed updates about the Integrity Initiative throughout 2020 and has continued to support us with valuable advice and supervision, helping us to think ahead with optimism, to conceptualize the “Golden Stretch Round” and to provide clear direction in aligning our actions and activities especially in these turbulent times.

Finally and very importantly, we would like to express our wholehearted gratitude to our Integrity Partners, without whose tireless commitment and multifaceted work on the ground it would not have been possible to put the projects into practice. We would also like to thank our Project Relationship Managers for their dedicated, meticulous support at the local level, and naturally our high-level Mentors for their local insight and guidance.

**Sabine Zindera and Shawn Teixeira**

For the Project Office of the Siemens Integrity Initiative

**This Annual Report was approved by the Siemens Steering Committee on May 11, 2021 and submitted together with a comprehensive presentation to the World Bank Group in Washington on May 12, 2021 and to the European Investment Bank in Luxembourg on May 18, 2021**

**The Collective Action and External Affairs team is headquartered in Munich, Germany:**

Sabine Zindera, Vice President, heads the Collective Action and External Affairs department in the Siemens Legal and Compliance Organization and is supported by Shawn Teixeira and Monika Besel, as well as the network of Siemens Business Leaders, Siemens Country CEOs, Compliance Officers, Controlling and Finance, Legal and Tax experts all around the world.

A Word from the Siemens Integrity  
Initiative Steering Committee

● A Word from the Siemens Integrity  
Initiative Project Office

Under the terms of the agreement between Siemens and the World Bank, the World Bank has audit rights over the use of funds (USD 100 million dollars over 15 years beginning in 2009) and veto rights over Siemens' selection of projects and organizations to be supported. Furthermore, the agreement between Siemens and the European Investment Bank (EUR 13,64 million over 5 years) gives the EIB the right to reject proposed projects.

The projects were chosen according to defined selection criteria and focus areas and underwent a detailed cross-functional due diligence. More information is available on our dedicated web site [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

The Siemens Integrity Initiative is managed by a global project organization with in-country presence and support where relevant and is subject to project management rules as detailed in Section A of this report.

The Project Office regularly updates the Siemens Steering Committee, the World Bank Group and the European Investment Bank on the status and progress of the Siemens Integrity Initiative.



Much of the information available to us is transparently accessible to the public and can be viewed on our dedicated web site [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

The information provided relates in particular to the framework conditions for the First, Second and Third Funding Rounds, the application and selection process for the projects, brief profiles and the funds earmarked for the individual projects, and unabridged versions of the Siemens Integrity Initiative Annual Reports for 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020.

Two editions stand out and merit further mention:

Our very first 2011 edition introduced to you the Siemens Collective Action program, and in Sections A and B of the report provided insight into the conceptualization, planning, project selection, award of funds and project implementation relating to the First Funding Round tranche of USD 37,7 million.

Our seventh 2017 edition signaled the halfway mark of the 15-year World Bank settlement period and featured a Summary Report of the external Mid-term Review of the Integrity Initiative in Section D. The Mid-term Review was independently conducted by the Canadian Universal Management Group who found

there to be “strong evidence” that projects have “achieved their intended short-term results” and have made “significant contributions to change within their respective contexts”.

We hope that this will encourage additional allies to sign up to Collective Action and join us in our fight against corruption. The positive external and internal feedback received in response to our reports, and especially to our externally conducted Mid-term Review has strengthened our resolve to extend our program even further, enabling us to highlight more and more anti-corruption success stories across all countries and, in so doing, integrate additional stakeholders and activities.





# I Introduction

The main objective of the Siemens Integrity Initiative is to create fair market conditions for all market participants by fighting corruption and fraud through Collective Action as well as Education and Training.

The Initiative focuses on supporting projects that have a clear impact on the business environment, can demonstrate objective and measurable results, and have the potential to be scaled up and replicated.



#### The Siemens Integrity Initiative aims to:

- Raise standards and create awareness of compliance and business integrity
- Create a common platform for dialog with the private and public sectors
- Strengthen the rule of law

Under the umbrella of the Siemens Integrity Initiative, Siemens will disburse funds to support non-profit organizations worldwide that promote business integrity and the fight against corruption.

Moving beyond the boundaries of our company, Collective Action continues as a priority in Siemens Legal and Compliance. This is evidenced by our long-standing involvement in the ICC Commission on Corporate Responsibility

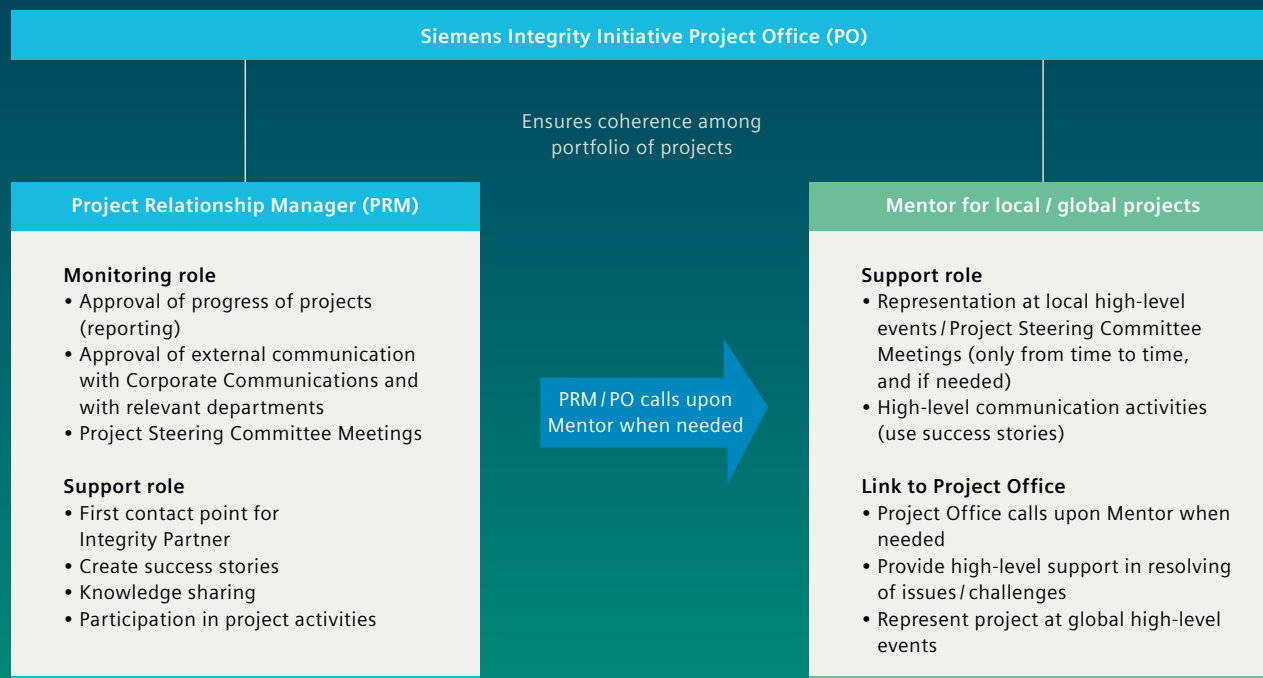
and Anti-corruption, the Pact Against Corruption Initiative (PACI) of the World Economic Forum and, since 2011, our active involvement in the G20/B20 Task Force on Anti-corruption and the drafting and implementation support of B20 Recommendations drawn up in France, Mexico, Russia, Australia, Turkey, China, Germany, Argentina, Japan and Saudi Arabia.

We remain committed to the 10 principles of the United Nations Global Compact, and support the implementation of the United Nations Convention against Corruption, as well as the OECD Anti-Bribery Convention. These principles and conventions guided our thematic considerations in project designs which were taken up by our Integrity Partners for implementation through certain modules in our Siemens Integrity Initiative projects.

# Project management and reporting

- Responsibility for managing the projects funded under the Siemens Integrity Initiative lies with the respective Integrity Partner. Siemens supports projects financially, monitors the use of funds in a biannual reporting process, and participates in activities where appropriate and requested by the Integrity Partner
- The main points relating to the management of projects are regulated in a Funding Agreement between Siemens and the Integrity Partners and its Project Partners
- Funds are paid out subject to the achievement of milestones and on a biannual basis
- Integrity Partners report annually on progress, funds used and work plans for the next year. All Annual Reports must be accompanied by a financial report that has been audited by an external audit company. Regular Interim Reports help to review progress throughout the year. All Annual Reports must be reviewed and approved by the local Siemens Project Relationship Manager, the Siemens Finance Department, and the Siemens Integrity Initiative Project Office
- Siemens has set up an internal project structure for selecting projects and for supporting and monitoring projects during the implementation phase, as well as a system for capturing and evaluating impact
- Siemens supports all projects with a designated Project Relationship Manager and a Mentor from senior management
- Country-specific projects, for example, can draw on the CEO of the local Siemens company as their Mentor. All Project Relationship Managers (PRMs) are coordinated by the Siemens Integrity Initiative Project Office (see also Project Organization)
- A project completion process is in place which includes the submission of a Final Report, consisting of a Final Progress Report and an Audit Report with project financials prepared by an independent Auditor, as well as the submission of an End of Project Evaluation and a Final Payment Request

## Roles and responsibilities of Project Relationship Managers and Mentors:

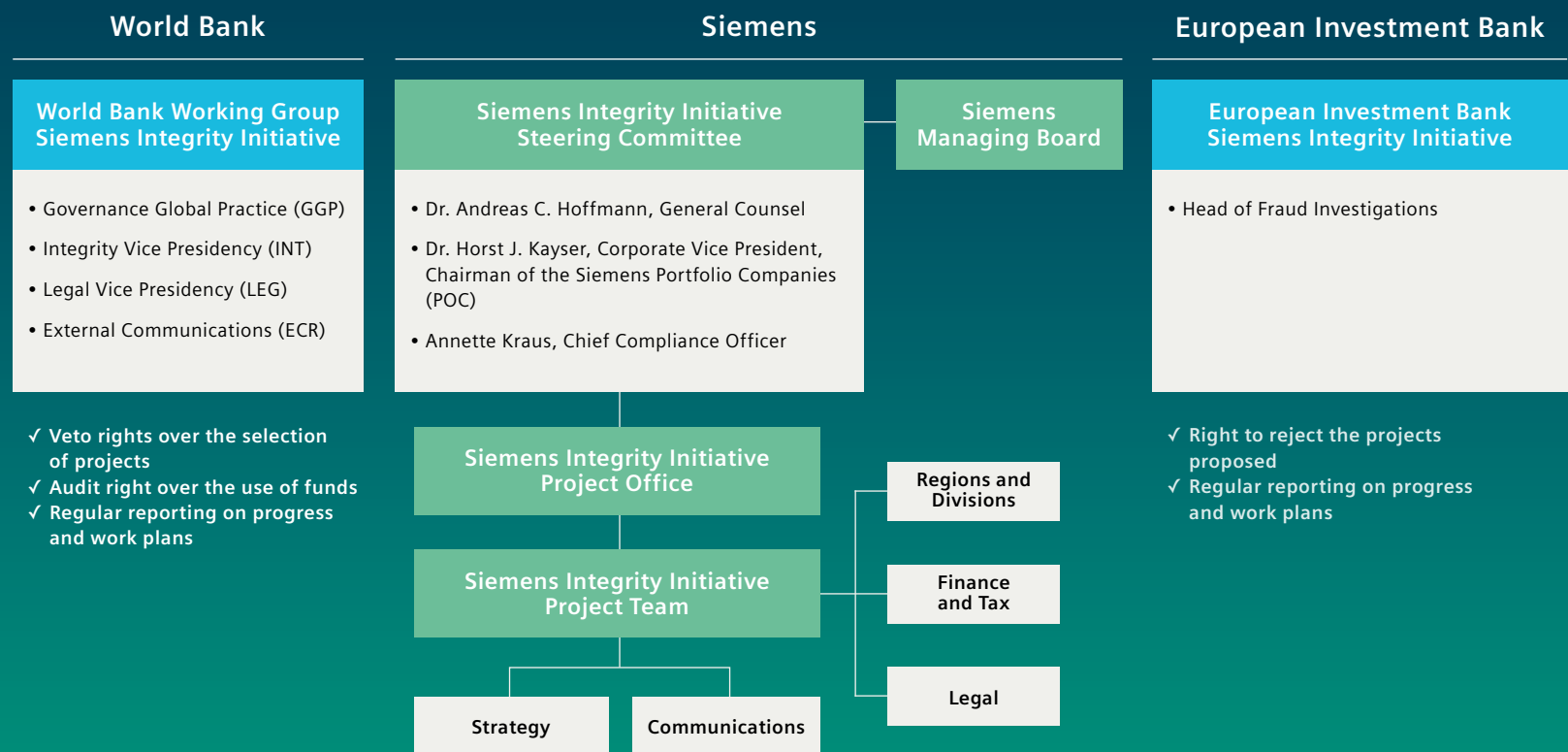


# Project organization

- The internal Siemens project management structure of the Initiative consists of several dedicated teams that provide overall supervision and guidance (such as the Steering Committee) and deal with daily operations of the Initiative (Siemens Project Office, Project Team and Project Relationship Managers)
- To make this Initiative a company-wide effort and ensure engagement and representation, all relevant business fields of Siemens have been integrated into the structure of the Initiative
- The main operational contact for this Initiative is the Siemens Project Office in Munich and operates with four people globally, and is in addition supported by an extended Project Team from various Siemens departments (Legal and Compliance, Finance, Tax, Strategy, Communications and Compliance colleagues in all relevant countries)
- The Project Office is the main link to the World Bank Group with regard to the audit and veto rights as well as reporting obligations. It is also the main link to the European Investment Bank (EIB) with regard to their rights to reject projects proposed as well as reporting obligations
- The work of the Project Office and Project Team is overseen by the Siemens Integrity Initiative Steering Committee, which consists of Dr. Andreas Christian Hoffmann, General Counsel, Siemens AG; Ms. Annette Kraus, Chief Compliance Officer, Siemens AG; and Dr. Horst J. Kayser, Corporate Vice President, Chairman of the Siemens Portfolio Companies (POC), Siemens AG
- As the World Bank Group has veto and audit rights, and the European Investment Bank has the right to reject proposed projects, they have set up a team of experts to liaise with Siemens regarding the Siemens Integrity Initiative, as shown in the chart



## Siemens Integrity Initiative project structure with settlement parties:





## • Siemens Integrity Initiative

# Siemens Integrity Initiative

On July 2, 2009, the World Bank Group announced a comprehensive settlement with Siemens. As part of the settlement, Siemens agreed to cooperate to change industry practices, clean up procurement practices and engage in Collective Action with the World Bank Group to fight fraud and corruption.

Siemens subsequently set up the Siemens Integrity Initiative to support projects and organizations fighting corruption and fraud with funding worth USD 100 million over the next 15 years.

This funding was complemented on March 15, 2013 by a separate settlement with the European Investment Bank (EIB), worth EUR 13,64 million over five years.



## Status of the First Funding Round

In the First Funding Round, thirty-one projects from over twenty countries were selected to receive a total funding of up to USD 40 million.

As reported in our Annual Report 2016, as at **March 3, 2017**, all 31 projects had completed their scheduled activities.

The final overviews of activities for the entire project period were reported on in various Siemens Integrity Initiative Annual Reports from 2011 to 2017.

These projects are marked in the table on page 26 and further information on the projects is available on [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

For information on Collective Action, the Siemens Integrity Initiative, the selection process and criteria, and funded projects, please visit [www.siemens.com/collective-action](http://www.siemens.com/collective-action).

A detailed description of activities implemented during the first to the seventh year (2011 to 2017) was provided in the Siemens Integrity Initiative Annual Report 2011, 2012, 2013, 2014, 2015, 2016 and 2017.

| Key data First Funding Round                                                                                                                                                                                            |                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Funds committed in the First Funding Round                                                                                                                                                                              | USD 37,7 M               |
| Disbursements in year 1 to year 8 (2010 – June 30, 2018) (release of provision)                                                                                                                                         | USD 34,8 M <sup>1)</sup> |
| Disbursement for Mid-term Review of the Siemens Integrity Initiative performed by Universal Management Group finalized and presented to the World Bank on December 6, 2017 covering the First and Second Funding Rounds | USD 0,18 M               |
| Funds unspent                                                                                                                                                                                                           | USD ~2,7 M               |
| No further planned disbursements                                                                                                                                                                                        | USD 0,0 M                |
| Number of projects First Funding Round                                                                                                                                                                                  | 31                       |
| Thereof projects that have completed their activities                                                                                                                                                                   | 31                       |
| Thereof ongoing                                                                                                                                                                                                         | 0                        |
| Countries covered in the First Funding Round                                                                                                                                                                            | 22                       |

**Note:** Siemens fiscal year (October 1 – September 30)  
Due to rounding, numbers presented may not add up precisely to the totals provided.

<sup>1)</sup> The information provided in this table is based on all approved First Funding Round Final Reports

[www.siemens.com/integrity-initiative/Report2011](http://www.siemens.com/integrity-initiative/Report2011)  
[www.siemens.com/integrity-initiative/Report2012](http://www.siemens.com/integrity-initiative/Report2012)  
[www.siemens.com/integrity-initiative/Report2013](http://www.siemens.com/integrity-initiative/Report2013)  
[www.siemens.com/integrity-initiative/Report2014](http://www.siemens.com/integrity-initiative/Report2014)  
[www.siemens.com/integrity-initiative/Report2015](http://www.siemens.com/integrity-initiative/Report2015)  
[www.siemens.com/integrity-initiative/Report2016](http://www.siemens.com/integrity-initiative/Report2016)  
[www.siemens.com/integrity-initiative/Report2017](http://www.siemens.com/integrity-initiative/Report2017)

# Status of the Second Funding Round

The Second Funding Round applies the same selection criteria and focus areas as the First Round. As the Second Round is based on the settlement agreements with the World Bank Group and the European Investment Bank, the World Bank Group has audit rights over the use of funds (USD 100 million over a period of 15 years beginning in 2009) and veto rights over the selection of projects by Siemens. The agreement between Siemens and the European Investment Bank (EUR 13,64 million over five years) gives the EIB the right to reject the projects proposed.

The Second Funding Round, with a funding volume of approximately USD 30 million for up to 25 projects plus additional projects funded on the basis of the settlement with the European Investment Bank, was launched on June 27, 2013 with a deadline for submission of proposals in August 2013.

The gradual announcement of the selected projects from the Second Funding Round started in fall 2014 and stretched until spring 2015. **24 projects** were selected for funding in the Second Funding Round with a total committed capital of **USD 35,554 million**.

The selection was made on a competitive basis in two stages (initial Expression of Interest phase and the later Full Proposal phase) with a

focus on project applications that demonstrate a clear impact on the business environment and results in sectors and countries of where Siemens is present. Projects that already submitted an Expression of Interest for the First Funding Round as well as projects that have already been funded were eligible to submit another proposal in the Second Funding Round.

The announcement, application process and selection criteria were made available transparently on the Siemens Integrity Initiative website. The initial first projects were announced in a joint press release published by Siemens, the World Bank Group and the European Investment Bank on December 10, 2014 (see [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative) or Section D of the Annual Report 2014).

The final overviews of activities for the entire project period were reported on for 22 of the 24 projects in our Annual Report 2017 (2 projects), Annual Report 2018 (10 projects) and Annual Report 2019 (10 Projects) respectively. In this Annual Report 2020, final overviews of activities are reported on for the remaining 2 projects. These projects are marked in the table on page 30 and further information on the projects is available on [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

## Key data Second Funding Round

|                                                                                   |                           |
|-----------------------------------------------------------------------------------|---------------------------|
| Funds committed in the Second Funding Round                                       | USD 35,554 M              |
| Disbursements in year 1 to year 7 (2015 to March 02, 2021) (release of provision) | USD 33,99 M <sup>1)</sup> |
| Funds currently unspent                                                           | USD ~ 1,6 M               |
| Further planned disbursement in year 7 (2021)                                     | USD - 0,1 M               |
| Number of projects                                                                | 24                        |
| Thereof projects that have completed their activities                             | 24                        |
| Thereof ongoing                                                                   | 0                         |
| Countries covered in the Second Funding Round                                     | More than 20              |

**Note:** Siemens fiscal year (October 1 – September 30). Due to rounding, numbers presented may not add up precisely to the totals provided.

<sup>1)</sup> The information provided in this table is based on approved Annual and Final Reports as at March 02, 2021

More information on the settlements between Siemens and the World Bank Group and Siemens and the European Investment Bank (EIB) is available online as well as on the Siemens Integrity Initiative website: [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

## Status of the Third Funding Round

The Siemens Integrity Initiative announced the launch of the **Third Funding Round** in its Press Release on **March 13, 2018** as part of the July 2009 settlement between Siemens and the World Bank and the March 2013 settlement between Siemens and the European Investment Bank (EIB).

Open to applications from legal entities such as non-governmental organizations, international organizations, business associations, and academic institutions, the Siemens Integrity Initiative selection process is made on a competitive basis in two stages (initial Expression of Interest phase and the final Full Proposal phase), and favors project proposals that have a direct impact on the private sector and strengthen compliance standards and legal systems.

Entities that submitted Expressions of Interest for the first two funding rounds as well as entities that received funding in the first two funding rounds were also eligible to submit proposals for funding in the Third Funding Round.

The Project Office was truly encouraged by around 140 Expressions of Interest received by the May 8, 2018 deadline. These Expressions of Interest were submitted by local and global organizations dedicated to the fight against corruption and covered a wide range of Collective Action and Education and Training initiatives with very interesting and relevant activities proposed in over 50 countries. The total funding of more than USD 280 million applied for exceeded available funds by a factor of 9.

Siemens conducted a cross functional review and due diligence of all Expressions of Interest with reference to the stated Eligibility and Selection Criteria available at [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

After receiving **approval from the Siemens Steering Committee** as well as **the World Bank non-veto** and the **European Investment Bank no objection** decisions for short-listed projects under consideration, around 30 applicant organizations were invited in November 2018 to submit Full Proposals by January 31, 2019.

Following a second detailed cross functional review and due diligence of all submitted Full Proposals, Siemens announced the first group of projects selected under the Third Funding Round in its Press Release on **December 16, 2019**.

All Third Funding Round funding agreements were signed as at March 2, 2020, ultimately adding to the Siemens Integrity Initiative portfolio 22 new projects from more than 40 countries with committed funding of up to USD 25,2 million.

More information on the **eligibility and selection criteria** as well as the **application and selection process** is available on our web site at [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

Projects selected for funding under the Third Funding Round are listed in the table on page 34, and further information on the projects is available on [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

#### Key data Third Funding Round

|                                                                                   |                         |
|-----------------------------------------------------------------------------------|-------------------------|
| Funds committed in the Third Funding Round                                        | USD 25,2 M              |
| Disbursements in year 1 to year 2 (2019 to March 02, 2021) (release of provision) | USD 7,7 M <sup>1)</sup> |
| Funds currently unspent                                                           | USD ~ 17,5 M            |
| Further planned disbursement in year 2 (2021)                                     | USD ~ 6,7 M             |
| Number of projects                                                                | 22                      |
| Thereof projects that have completed their activities                             | 0                       |
| Thereof ongoing                                                                   | 22                      |
| Countries covered in the Third Funding Round                                      | More than 40            |

**Note:** Siemens fiscal year (October 1 – September 30). Due to rounding, numbers presented may not add up precisely to the totals provided.

<sup>1)</sup> The information provided in this table is based on approved Annual Reports as at March 02, 2021



## List of projects funded under the First Funding Round:

| Integrity Partner                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Basel Institute on Governance, Switzerland                                                                                                       |
| Beijing New Century Academy on Transnational Corporations, China                                                                                 |
| Central European University, Hungary in cooperation with Integrity Action, United Kingdom                                                        |
| COCIR (European Coordination Committee of the Radiological, Electromedical and Healthcare IT Industry), Belgium                                  |
| The Convention on Business Integrity, Nigeria                                                                                                    |
| The Ethics Institute, South Africa                                                                                                               |
| Federation of Korean Industries-International Management Institute in cooperation with Global Competitiveness Empowerment Forum, South Korea     |
| Foundation for the Global Compact, USA in cooperation with the UN Global Compact and PRME (Principles for Responsible Management Education), USA |
| Foundation for the Global Compact, USA in cooperation with the UN Global Compact and its local networks                                          |
| Fundación Universidad de San Andrés (FUdeSA), Argentina                                                                                          |
| Humboldt Viadrina School of Governance, Germany                                                                                                  |
| International Anti-Corruption Academy (IACA), Austria                                                                                            |
| International Business Leaders Forum (IBLF), United Kingdom in cooperation with the School of Public Administration of Renmin University, China  |
| Instituto Ethos – Ethos Institute for Business and Social Responsibility, Brazil                                                                 |
| Maala Business for Social Responsibility, Israel                                                                                                 |
| Makati Business Club, Philippines in cooperation with the European Chamber of Commerce Philippines                                               |
| Organisation for Economic Co-operation and Development (OECD), MENA-OECD Investment Programme, France                                            |

<sup>1)</sup> Summary of Project Activities was reported in Annual Report 2017 (1) = University of Cairo

<sup>2)</sup> Summary of Project Activities was reported in Annual Report 2016 (4) = Ethics Angola, IACA, Ethos, Maala

<sup>3)</sup> Summary of Project Activities was reported in Annual Report 2015 (9) = Basel, CEU, COCIR, CBI, PRME, UNGC, San Andres, Makati, UNDP

<sup>4)</sup> Summary of Project Activities was reported in Annual Report 2014 (14)

<sup>5)</sup> Summary of Project Activities was reported in Annual Report 2013 (2)

<sup>6)</sup> Summary of Project Activities was reported in Annual Report 2012 (1)

= Total number of all summaries 31

|  | Country of Implementation                   | Total Funding Volume under the World Bank Group settlement in USD | Total Funding Volume under the European Investment Bank settlement in USD | Project Status                                                                                        |
|--|---------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
|  | Global                                      | 1,86 M                                                            | -                                                                         | completed as of September 2015 <sup>3)</sup>                                                          |
|  | China                                       | 0,89 M                                                            | -                                                                         | completed as of March 2014 <sup>4)</sup>                                                              |
|  | Central and Eastern Europe                  | 3,09 M                                                            | -                                                                         | completed as of December 2015 <sup>3)</sup>                                                           |
|  | Europe, Asia, Russia, South America         | 0,96 M                                                            | -                                                                         | completed as of September 2014 <sup>3)</sup>                                                          |
|  | Nigeria                                     | 1,1 M                                                             | -                                                                         | completed as of December 2014 <sup>3)</sup>                                                           |
|  | Angola, South Africa                        | 1,5 M                                                             | -                                                                         | completed as of September 2016 (Angola) <sup>2)</sup> ; completed as of September 2015 (South Africa) |
|  | South Korea                                 | 0,81 M                                                            | -                                                                         | completed as of March 2014 <sup>4)</sup>                                                              |
|  | Global                                      | 1,48 M                                                            | -                                                                         | completed as of January 2015 <sup>3)</sup>                                                            |
|  | Brazil, Egypt, India, Nigeria, South Africa | 2,87 M                                                            | -                                                                         | completed as of January 2015 <sup>3)</sup>                                                            |
|  | Argentina                                   | 0,73 M                                                            | -                                                                         | completed as of September 2014 <sup>3)</sup>                                                          |
|  | Global                                      | 1,3 M                                                             | -                                                                         | completed as of May 2014 <sup>4)</sup>                                                                |
|  | Global                                      | 2,02 M                                                            | -                                                                         | completed as of December 2015 <sup>2)</sup>                                                           |
|  | China, Russia                               | 1,5 M                                                             | -                                                                         | completed as of December 2013 <sup>5)</sup>                                                           |
|  | Brazil                                      | 3,11 M                                                            | -                                                                         | completed as of June 2016 <sup>2)</sup>                                                               |
|  | Israel                                      | 0,48 M                                                            | -                                                                         | completed as of September 2015 <sup>2)</sup>                                                          |
|  | Philippines                                 | 1,04 M                                                            | -                                                                         | completed as of March 2015 <sup>3)</sup>                                                              |
|  | Middle East and North Africa                | 0,75 M                                                            | -                                                                         | completed as of September 2013 <sup>5)</sup>                                                          |

- <sup>1)</sup> Summary of Project Activities was reported in Annual Report 2017 (1) = University of Cairo
- <sup>2)</sup> Summary of Project Activities was reported in Annual Report 2016 (4) = Ethics Angola, IACA, Ethos, Maala
- <sup>3)</sup> Summary of Project Activities was reported in Annual Report 2015 (9) = Basel, CEU, COCIR, CBI, PRME, UNGC, San Andres, Makati, UNDP
- <sup>4)</sup> Summary of Project Activities was reported in Annual Report 2014 (14)
- <sup>5)</sup> Summary of Project Activities was reported in Annual Report 2013 (2)
- <sup>6)</sup> Summary of Project Activities was reported in Annual Report 2012 (1)
- = Total number of all summaries 31

## Integrity Partner

Oživení, Czech Republic in cooperation with Transparency International Slovakia and the Economics Institute of the Academy of Sciences of the Czech Republic

Partnership for Governance Reform – Kemitraan, Indonesia

POLMED (The Polish Chamber of Commerce of Medical Devices), Poland

Sequa gGmbH, Germany in cooperation with German Agency for International Cooperation (GIZ), Chengdu General Chamber of Commerce (Province of Sichuan), China, and Hunan Provincial Chamber, China

Transparency International Bulgaria

Transparency International Italy

Transparency International Mexico

Transparency International USA in cooperation with Social Accountability International, USA

United Nations Development Programme Regional Bureau for Arab States, USA

United Nations Office on Drugs and Crime (UNODC), Austria in cooperation with the International Anti-Corruption Academy (IACA), Austria – Incentives to Corporate Integrity

United Nations Office on Drugs and Crime (UNODC), Austria – UNCAC Outreach and Communication

United Nations Office on Drugs and Crime (UNODC), Austria in cooperation with the International Anti-Corruption Academy (IACA), Austria – The 6P's

University of Cairo, Center for Economic and Financial Research and Studies (CEFRS), Egypt

Vietnam Chamber of Commerce and Industry (VCCI) in cooperation with the International Business Leaders Forum (IBLF), United Kingdom

## Total funding volume in USD

|  | Country of Implementation | Total Funding Volume under the World Bank Group settlement in USD | Total Funding Volume under the European Investment Bank settlement in USD | Project Status                               |
|--|---------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------|
|  | Czech Republic, Slovakia  | 0,6 M                                                             | -                                                                         | completed as of March 2014 <sup>4)</sup>     |
|  | Indonesia                 | 1,5 M                                                             | -                                                                         | completed as of December 2014 <sup>4)</sup>  |
|  | Poland                    | 0,46 M                                                            | -                                                                         | completed as of September 2014 <sup>4)</sup> |
|  | China                     | 1,49 M                                                            | -                                                                         | completed as of March 2014 <sup>4)</sup>     |
|  | Bulgaria                  | 0,45 M                                                            | -                                                                         | completed as of February 2014 <sup>4)</sup>  |
|  | Italy                     | 0,6 M                                                             | -                                                                         | completed as of March 2014 <sup>4)</sup>     |
|  | Mexico                    | 0,23 M                                                            | -                                                                         | completed as of May 2014 <sup>4)</sup>       |
|  | USA, Global               | 0,66 M                                                            | -                                                                         | completed as of September 2014 <sup>4)</sup> |
|  | Arab States Region        | 1,78 M                                                            | -                                                                         | completed as of December 2014 <sup>3)</sup>  |
|  | India, Mexico             | 1,12 M                                                            | -                                                                         | completed as of September 2014 <sup>4)</sup> |
|  | Global                    | 0,75 M                                                            | -                                                                         | completed as of September 2014 <sup>4)</sup> |
|  | India, Mexico             | 1,22 M                                                            | -                                                                         | completed as of September 2014 <sup>4)</sup> |
|  | Egypt                     | 0,85 M                                                            | -                                                                         | completed as of February 2017 <sup>1)</sup>  |
|  | Vietnam                   | 0,5 M                                                             | -                                                                         | completed as of September 2012 <sup>6)</sup> |
|  |                           | 37,7 M                                                            | 0 M                                                                       |                                              |

Due to rounding differences, the figures as presented in the table above may not add up exactly to the total Funding Amount of USD 37,7 M for the First Funding Round.

## List of projects funded under the Second Funding Round:

| Integrity Partner                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Al Akhawayn University in Ifrane (AUI), Morocco                                                                                                                                           |
| Basel Institute on Governance, Switzerland, in cooperation with the Organisation for Economic Co-operation and Development (OECD), France, and the Foundation for the Global Compact, USA |
| Beijing New Century Academy on Transnational Corporations (NATC), China                                                                                                                   |
| Confederation of Indian Industry (CII), India                                                                                                                                             |
| Ethics and Reputation Society / Etik ve Itibar Dernegi (TEID), Turkey                                                                                                                     |
| Foundation for the Global Compact, USA, in cooperation with the Egyptian Junior Business Association, Egypt                                                                               |
| Global Compact Network India (GCNI), India                                                                                                                                                |
| Global Compact Network Korea (GCNK), Korea, in cooperation with the Global Competitiveness Empowerment Forum (GCEF), South Korea                                                          |
| International Anti-Corruption Academy (IACA), Austria                                                                                                                                     |
| MedTech Europe <sup>5)</sup> (formerly Eucomed), Belgium                                                                                                                                  |
| Organisation for Economic Co-operation and Development (OECD), France                                                                                                                     |
| Organisation for Economic Co-operation and Development (OECD), France                                                                                                                     |
| Pan African Lawyers Union (PALU), Tanzania                                                                                                                                                |
| Pearl Initiative, United Arab Emirates                                                                                                                                                    |
| The Ethics Institute, South Africa, in cooperation with the Institute of Directors Mozambique, Mozambique (IoDMZ)                                                                         |

<sup>1)</sup> Summary of Project Activities for entire project period was reported in Annual Report 2017 (2) = NATC, PALU

<sup>2)</sup> Summary of Project Activities for entire project period was reported on in Annual Report 2018 (10) = Al Akhawayn University, MedTech, OECD (Russia), POLMED, TEID, TI Italy, TI Secretariat, UNGC Egypt, UNGC Korea, WU Vienna

<sup>3)</sup> Summary of Project Activities for entire project period reported in Annual Report 2019 (10) = Basel Institute on Governance, CII, Global Compact Network India, OECD (Morocco), TEI (Mozambique), TEI (South Africa), TI España, UNODC (Colombia), UNDP (Egypt, Morocco and Tunisia), UNDP (Iraq and Libya)

<sup>4)</sup> Summary of Project Activities for entire project period reported in Annual Report 2020 (2) = IACA, PEARL

<sup>5)</sup> Transfer from Eucomed to MedTech effective January 1, 2017

|  | Country of Implementation                                                                   | Total Funding Volume under the World Bank Group settlement in USD | Total Funding Volume under the European Investment Bank settlement in USD | Project Status                               |
|--|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------|
|  | Morocco                                                                                     | 0,55 M                                                            | -                                                                         | completed as of May 2018 <sup>2)</sup>       |
|  | Global                                                                                      | 4,00 M                                                            | -                                                                         | completed as of December 2018 <sup>3)</sup>  |
|  | China                                                                                       | 1,50 M                                                            | -                                                                         | completed as of September 2017 <sup>1)</sup> |
|  | India                                                                                       | 0,70 M                                                            | -                                                                         | completed as of March 2019 <sup>3)</sup>     |
|  | Turkey                                                                                      | 1,76 M                                                            | -                                                                         | completed as of November 2017 <sup>2)</sup>  |
|  | Egypt                                                                                       | 1,40 M                                                            | -                                                                         | completed as of June 2018 <sup>2)</sup>      |
|  | India                                                                                       | 0,73 M                                                            | -                                                                         | completed as of March 2019 <sup>3)</sup>     |
|  | Republic of Korea (South Korea)                                                             | 0,90 M                                                            | -                                                                         | completed as of March 2018 <sup>2)</sup>     |
|  | Global                                                                                      | -                                                                 | 4,98 M                                                                    | completed as of December 2019 <sup>4)</sup>  |
|  | Middle East and North Africa                                                                | 0,85 M                                                            | -                                                                         | completed as of May 2018 <sup>2)</sup>       |
|  | Morocco                                                                                     | -                                                                 | 0,70 M                                                                    | completed as of December 2018 <sup>3)</sup>  |
|  | Russia                                                                                      | 1,55 M                                                            | -                                                                         | completed as of June 2018 <sup>2)</sup>      |
|  | Africa                                                                                      | 0,93 M                                                            | -                                                                         | completed as of September 2017 <sup>1)</sup> |
|  | GCC countries (United Arab Emirates, Kingdom of Saudi Arabia, Bahrain, Qatar, Kuwait, Oman) | 0,88 M                                                            | -                                                                         | completed as of October 2020 <sup>4)</sup>   |
|  | Mozambique                                                                                  | 0,55 M                                                            | -                                                                         | completed as of September 2019 <sup>3)</sup> |

<sup>1)</sup> Summary of Project Activities for entire project period was reported in Annual Report 2017 (2) = NATC, PALU

<sup>2)</sup> Summary of Project Activities for entire project period was reported on in Annual Report 2018 (10) = Al Akhawayn University, MedTech, OECD (Russia), POLMED, TEID, TI Italy, TI Secretariat, UNGC Egypt, UNGC Korea, WU Vienna

<sup>3)</sup> Summary of Project Activities for entire project period reported in Annual Report 2019 (10) = Basel Institute on Governance, CII, Global Compact Network India, OECD (Morocco), TEI (Mozambique), TEI (South Africa), TI España, UNODC (Colombia), UNDP (Egypt, Morocco and Tunisia), UNDP (Iraq and Libya)

<sup>4)</sup> Summary of Project Activities for entire project period reported in Annual Report 2020 (2) = IACA, PEARL

<sup>5)</sup> Transfer from Eucomed to MedTech effective January 1, 2017

## Integrity Partner

The Ethics Institute, South Africa

The Polish Chamber of Commerce of Medical Devices (POLMED), Poland

Transparency International Secretariat (TI-S), Germany

Transparency International España (TI-España), Spain

Transparency International Italia (TI-It), Italy, in cooperation with the Centro Ricerche e Studi su Sicurezza e Criminalità (RiSSC), Fondazione Centro Studi Investimenti Sociali (CENSIS), Istituto per la Promozione dell'Etica in Sanità (ISPE-Sanità), Italy

United Nations Office on Drugs and Crime (UNODC), Austria

United Nations Development Programme (UNDP), USA

United Nations Development Programme (UNDP), USA

Wirtschaftsuniversität WU, Vienna University of Economics and Business Administration, Austria

## Total Funding Volume in USD

|  | Country of Implementation                        | Total Funding Volume under the World Bank Group settlement in USD | Total Funding Volume under the European Investment Bank settlement in USD | Project Status                               |
|--|--------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|----------------------------------------------|
|  | South Africa                                     | 0,80 M                                                            | -                                                                         | completed as of September 2019 <sup>3)</sup> |
|  | Poland                                           | 0,65 M                                                            | -                                                                         | completed as of September 2018 <sup>2)</sup> |
|  | Global                                           | 3,06 M                                                            | -                                                                         | completed as of September 2018 <sup>2)</sup> |
|  | Spain                                            | 1,27 M                                                            | -                                                                         | completed as of January 2019 <sup>3)</sup>   |
|  | Italy                                            | 1,12 M                                                            | -                                                                         | completed as of September 2018 <sup>2)</sup> |
|  | Colombia                                         | 1,20 M                                                            | -                                                                         | completed as of January 2019 <sup>3)</sup>   |
|  | Arab Region including Egypt, Morocco and Tunisia | -                                                                 | 2,27 M                                                                    | completed as of September 2019 <sup>3)</sup> |
|  | Arab Region including Iraq and Libya             | 1,52 M                                                            | -                                                                         | completed as of September 2019 <sup>3)</sup> |
|  | Africa                                           | 1,70 M                                                            | -                                                                         | completed as of March 2018 <sup>2)</sup>     |
|  |                                                  | 27,62 M                                                           | 7,95 M                                                                    |                                              |

Due to rounding differences, the figures as presented in the table above may not add up exactly to the total Funding Amount of USD 35,554 M for the Second Funding Round.



**List of projects funded under the Third Funding Round:**

| Integrity Partner                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|
| Basel Institute on Governance, Switzerland, in cooperation with the Organisation for Economic Co-operation and Development (OECD), France |
| Beijing New Century Academy on Transnational Corporations (NATC), China                                                                   |
| Business for Social Responsibility (BSR), USA, in cooperation with the Convention on Business Integrity, Nigeria                          |
| East China Normal University (ECNU), China                                                                                                |
| East-West Center, USA                                                                                                                     |
| Etik ve İtibar Derneği (TEİD), Turkey                                                                                                     |
| Eurocham, (Chambre de Commerce Européenne en Côte d'Ivoire), Ivory Coast                                                                  |
| Foundation for the Global Compact, USA                                                                                                    |
| Fundación Poder Ciudadano (Transparency International Argentina), Argentina                                                               |
| Global Compact Network Korea (GCNK), Korea, in cooperation with the Korea Sustainability Investing Forum (KoSIF)                          |
| International Anti-Corruption Academy (IACA), Austria                                                                                     |
| Kazakhstan Bar Association (KazBar), Kazakhstan                                                                                           |

|  | Country of Implementation | Total Funding Volume under the World Bank Group settlement in USD | Total Funding Volume under the European Investment Bank settlement in USD | Project Status         |
|--|---------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|------------------------|
|  | Global                    | -                                                                 | 2,86 M                                                                    | activities in progress |
|  | China                     | -                                                                 | 1,50 M                                                                    | activities in progress |
|  | Nigeria                   | 1,00 M                                                            | -                                                                         | activities in progress |
|  | China                     | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Indonesia                 | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Turkey                    | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Ivory Coast               | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Global                    | 1,70 M                                                            | -                                                                         | activities in progress |
|  | Argentina                 | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Korea                     | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Global                    | 1,50 M                                                            | -                                                                         | activities in progress |
|  | Kazakhstan                | 0,80 M                                                            | -                                                                         | activities in progress |

**Integrity Partner**

Organisation for Economic Co-operation and Development (OECD), France

The Ethics Institute, South Africa

The Ethics Institute, South Africa

The Polish Chamber of Commerce of Medical Devices (POLMED), Poland

Transparency International Bulgaria, Bulgaria

United Nations Office on Drugs and Crime (UNODC), Austria

United Nations Office on Drugs and Crime (UNODC), Austria

United Nations Office on Drugs and Crime (UNODC), Austria

United Nations Office on Drugs and Crime (UNODC), Austria

Wirtschaftsuniversität Wien (WU), Vienna University of Economics and Business, Austria

**Total funding volume in USD**

|  | Country of Implementation                                              | Total Funding Volume under the World Bank Group settlement in USD | Total Funding Volume under the European Investment Bank settlement in USD | Project Status         |
|--|------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------|------------------------|
|  | Regional - Bosnia and Herzegovina, Croatia and Serbia                  | -                                                                 | 1,70 M                                                                    | activities in progress |
|  | Mozambique                                                             | 0,80 M                                                            | -                                                                         | activities in progress |
|  | South Africa                                                           | 1,00 M                                                            | -                                                                         | activities in progress |
|  | Poland                                                                 | -                                                                 | 0,69 M                                                                    | activities in progress |
|  | Bulgaria                                                               | -                                                                 | 0,75 M                                                                    | activities in progress |
|  | Colombia                                                               | 1,10 M                                                            | -                                                                         | activities in progress |
|  | Global - with focus on Pakistan, Kenya, Mexico                         | 1,00 M                                                            | -                                                                         | activities in progress |
|  | Myanmar                                                                | 0,80 M                                                            | -                                                                         | activities in progress |
|  | Regional - Egypt, Iraq, Libya and UAE                                  | 2,40 M                                                            | -                                                                         | activities in progress |
|  | Regional - Nigeria, Ghana, Kenya, Rwanda, South Africa, Zambia, Uganda | 0,80 M                                                            | -                                                                         | activities in progress |
|  |                                                                        | 17,70 M                                                           | 7,50 M                                                                    |                        |

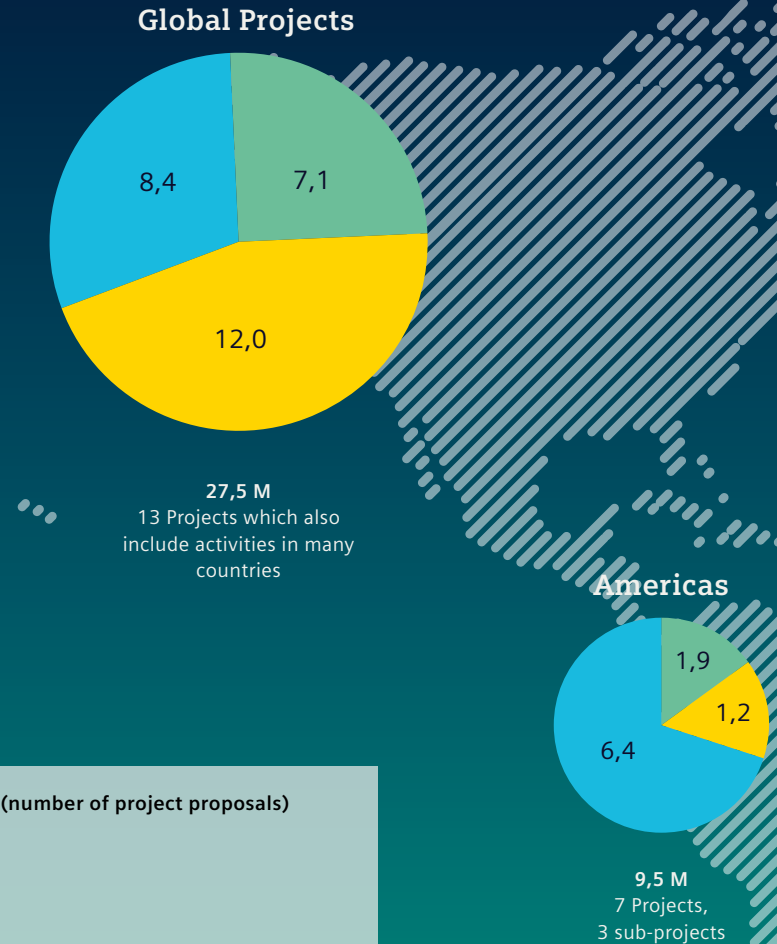
Due to rounding differences, the figures as presented in the table above may not add up exactly to the total Funding Amount of USD 25,2 M for the Third Funding Round.

# B.

## Siemens Integrity Initiative

Siemens Integrity Initiative covers all major growth regions and high-risk countries with 77 projects and a total committed funding of USD 98,5 M

The chart illustrates the regional spread and balance of the First, Second and Third Funding portfolio

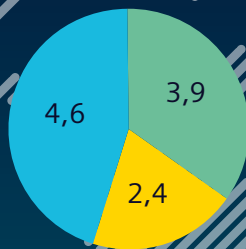


### Region/Country of implementation (number of project proposals)

- First Funding Round
- Second Funding Round
- Third Funding Round
- Bubble size = Approximate value of funding

**Note:** Schematic illustration only.  
Due to rounding, numbers presented may not add up precisely to the totals provided. Status: March 2, 2020

### Central & Eastern Europe



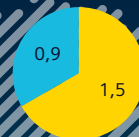
10,9 M  
10 Projects

### Kazakhstan



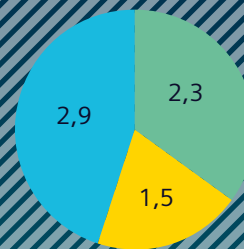
0,8 M  
1 Project

### Russia



2,4 M  
1 Project  
1 sub-project

### China



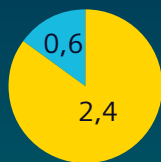
6,7 M  
5 Projects  
1 sub-project

### South Korea



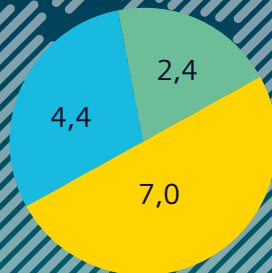
2,5 M  
3 Projects

### Southern Europe



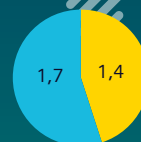
3,0 M  
3 Projects

### Middle East



13,8 M  
10 Projects,  
1 sub-project

### India



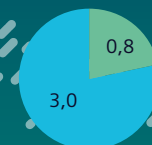
3,1 M  
2 Projects,  
3 sub-projects

### Myanmar



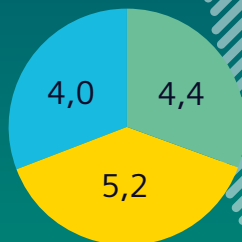
0,8 M  
1 Project

### Asia-Pacific



3,8 M  
4 Projects

### Africa



13,6 M  
13 Projects,  
3 sub-projects



- Project profiles and highlights of activities in 2020

# Project profiles and highlights of activities in 2020

The following pages contain project objectives and funding volumes as agreed with Integrity Partners in the respective funding agreements.

For ongoing projects under the Third Funding Round the descriptions of activities undertaken in this year (2020) were provided by the Integrity Partners in their respective Annual Progress Report 2020 and approved by the relevant Integrity Partners for external use.

Integrity Partners submitted the following documentation, which was the basis for the review of progress:

- Annual Progress Report, which provides an overview of activities undertaken and an assessment of progress made
- Annual Financial Report, which shows the utilization of funds per activity in comparison to the original budget set in the Funding Agreement
- Audit Statement by an external audit company, which verifies the financial report and provides an unqualified audit opinion on the use of funds
- Updated Work Plan and Updated Budget for 2021

For Second Funding Round Integrity Partners that have completed their activities, a Final Report including the following information was provided and used as the basis for review:

- Final Progress Report, which provides an overview of activities undertaken and an assessment of progress made
- Final Financial Report, which shows the utilization of funds per activity in comparison to the original budget set in the Funding Agreement
- Audit Statement by an external audit company, which verifies the financial report and provides an unqualified audit opinion on the use of funds
- Payment and expense overview
- External evaluation of impact



All **31** Siemens Integrity Initiative **First Funding Round** projects were completed by March 3, 2017. Key activities over the entire project period were reported on in one of our previous Annual Reports and therefore no First Funding Round Projects are included in this Annual Report 2020.

To obtain information on the thirty-one (**31**) fully completed projects please refer to the previous Annual Reports 2012, 2013, 2014, 2015, 2016 and 2017 of the Siemens Integrity Initiative.

The respective projects are: Basel Institute on Governance, Beijing New Century Academy on Transnational Corporations (NATC) I, Central European University (CEU), COCIR, Convention on Business Integrity (CBI), Federation of Korean Industries-International Management Institute (FKI-IMI), Foundation for the Global Compact (UN PRME), Foundation for the Global Compact (UNGC / 5 countries), Fundación Universidad de San Andrés (FUdeSA), Humboldt Viadrina School of Governance, International Anti-Corruption Academy (IACA), Austria, International Business Leaders Forum (IBLF), Instituto Ethos – Ethos Institute for Business and Social Responsibility, Brazil, Maala Business for Social Responsibility, Israel, Makati Business Club (MBC), Organisation

for Economic Co-operation and Development (OECD) - MENA, Oživení, Partnership for Governance Reform (PGR) – Kemitraan, The Polish Chamber of Commerce of Medical Devices (Polmed) I, Sequa, Transparency International Bulgaria, Transparency International Italy, The Ethics Institute, South Africa, Transparency International Mexico, Transparency International USA, United Nations Development Programme (UNDP), University of Cairo, three UNODC I projects, and VCCI.

All **24** Siemens Integrity Initiative **Second Funding Round** projects have completed their activities by March 2, 2021.

In this Annual Report 2020, information on key activities over the entire project period for **2** projects is included, namely the International Anti-Corruption Academy (IACA) and the Pearl Initiative (PEARL).

Information on key activities over the entire project period for **22** projects were already reported in the Annual Report 2017 (2 projects), Annual Report 2018 (10 projects) and Annual Report 2019 (10 Projects).

The respective projects are: Al Akhawayn University in Ifrane (AUI), Basel Institute on Governance, Beijing New Century Academy on Trans-

national Corporations (NATC), Confederation of Indian Industry (CII), Etik ve Itibar Dernegi (TEID), Foundation for the Global Compact, Global Compact Network India (GCNI), Global Compact Network Korea (GCNK), MedTech Europe, Organisation for Economic Co-operation and Development (OECD) Morocco project, Organisation for Economic Co-operation and Development (OECD) Russia project, Pan African Lawyers Union (PALU), The Ethics Institute (TEI) Mozambique project, The Ethics Institute (TEI) South Africa project, The Polish Chamber of Commerce of Medical Devices (POLMED), Transparency International Secretariat (TI-S), Transparency International España (TI-España), Transparency International Italia (TI-It), United Nations Office on Drugs and Crime (UNODC), United Nations Development Programme (UNDP) Egypt, Morocco and Tunisia project, United Nations Development Programme (UNDP) Iraq and Libya project and Wirtschafts-universität Wien (WU).

Further information is provided on [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative).

For all projects the Project Profiles in Section C were provided by the Integrity Partners and approved by them for external use.



# C1.

## First Funding Round Projects: Project profiles and highlights of activities up to 2017

For projects under the First Funding Round the descriptions of activities undertaken over the entire project period were provided by the Integrity Partners in their respective Final Progress Reports and approved by the relevant Integrity Partners for external use.

All 31 First Funding Round projects have been fully completed and reported on in the Annual Reports of 2011, 2012, 2013, 2014, 2015, 2016 and 2017.

No First Funding Round projects are covered in this Section C1.



# C2.

## Second Funding Round Projects: Project Profiles and highlights of activities in 2020

For projects under the Second Funding Round the descriptions of activities undertaken in 2020 were provided by the Integrity Partners in their respective Annual Progress Report 2020 or Final Report as the case may be, and are approved by the relevant Integrity Partners for external use.

Of the twenty-four (24) Second Funding Round projects, twenty-two (22) have been fully completed and reported on in the Annual Reports of 2017 (2 projects), 2018 (10 projects) and 2019 (10 projects) respectively.

Two (2) remaining projects are covered in this Section C2.



## DESCRIPTION OF INTEGRITY PARTNER

**The International Anti-Corruption**

**Academy** (IACA) is a pioneering institution that aims to overcome current shortcomings in knowledge and practice in the field of anti-corruption and compliance. The organization intends to empower and enable professionals for the compliance challenges of tomorrow.

The Academy provides a new, holistic and collective approach to anti-corruption education and research, delivers and facilitates anti-corruption training courses for practitioners from all sectors of society, and provides technical support and assistance to a wide variety of stakeholders. International cooperation, the sharing of knowledge and experiences, and mutual support are fundamental aspects of IACA's mandate.

The IACA became an international organization on March 8, 2011. To date, it comprises a constituency of 80 Parties, including four international organizations. In addition, IACA seeks broad partnerships with states, private sector institutions, international and non-governmental organizations, as well as civil society.

Name of Integrity Partner:

## International Anti-Corruption Academy (IACA)

## PROJECT:

**Professorship on Collective Action, Compliance and (Private Sector) Anti-Corruption & grants for IACA participants from Least Developed Countries and Emerging Markets**

COUNTRY OF IMPLEMENTATION: DURATION:

Global

4 years

USD (MILLION):

4,98 M

REGISTERED IN:

International  
Organizaton, Austria

The IACA is dedicated to overcoming current shortcomings in knowledge and practice in the field of compliance and anti-corruption. The organization's holistic and collective research and training programs for the private and public sectors as well as civil society strive to enhance the understanding of each other's approaches, intentions, and methodologies, while also providing the opportunity to explore common problems from different angles with joint academic rigor.

Compliance, private sector anti-corruption programs, and especially Collective Action are relatively new areas in the fight against corruption. The "Professorship on Collective Action, Compliance and (Private Sector) Anti-Corruption"

will contribute to meeting the demand for in-depth analysis in these fields. It will develop and offer an academic two-year Master's degree program, seminars and conferences focusing on the needs of the private sector in order to promote fair market conditions.

Grants for students and participants from Least Developed Countries and Emerging Markets:

In accordance with the inter-regional approach of IACA, students and participants from all over the world should have the opportunity to study and work at the Academy. In order to be able to provide training to those participants who would otherwise not be able to afford it and enable them to attend courses, grants and tuition fees will be provided.

#### PROJECT AT A GLANCE:

IACA's "Professorship on Collective Action, Compliance and (Private Sector) Anti-Corruption" will research, lecture, train, and provide technical assistance in these fields in order to promote fair market conditions

#### KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2015 – DECEMBER 2019):

- The Professorship on Collective Action, Compliance and (Private Sector) Anti-Corruption (PCAC) Team reached an audience of more than 6,100 professionals through numerous academic activities, lectures, presentations at international conferences and supervision. These activities provided research findings and practical insights and promoted the principles of business ethics, corporate integrity and transparency in various regions of the world
- The PCAC Team developed and implemented the [International Master in Anti-Corruption Compliance and Collective Action \(IMACC\) programme](#). 12 students graduated with the MA degree in AC Compliance and Collective Action, and 15 new students enrolled in the second class of the programme
- Four seminars and three workshops were conducted for compliance professionals which increased their awareness of modern trends in anti-corruption compliance
- [The Overview of Anti-Corruption Compliance Standards and Guidelines](#) as a practical tool for organizations and Collective Action initiatives was published
- The project provided scholarships to 230 students from Least Developed Countries and Emerging Markets. These scholarships have far-reaching outcomes in reducing corruption and leveling the playing field
- [Eight articles](#) of research fellows were published to enhance the knowledge of readers on current developments in anti-corruption, compliance and Collective Action
- Three Regional Summer Academies (RSAs) were successfully implemented in China (2018), Korea (2019), and Brazil (2019), all contributing to the understanding and implementation of anti-corruption policies and compliance
- [The Competition Event](#) for the RSAs 2018-2019 participants and IACA Alumni was successfully implemented and provided a platform for exchange of knowledge between participants and lecturers on ideas and experiences related to anti-corruption and compliance

#### Impact

- Academic activities by the PCAC team, such as lecturing, conference contributions, compliance seminars and article publications reached a large audience, raised awareness and provided practical insights
- Participants of IACA's activities are using their newly acquired knowledge and skills to prevent corruption and to stimulate clean business environments in their home countries

## DESCRIPTION OF INTEGRITY PARTNER

**The Pearl Initiative** is the only independent, not-for-profit, by-business for-business organization working across the Gulf Region of the Middle East to improve corporate accountability, governance and transparency.

With over 40 regional and international partners, the Pearl Initiative brings together business, government, and civil society decision-makers to share best business practices and to help maximize the economic opportunities available to companies within the region. The Pearl Initiative also supports Gulf-based university students to identify and embrace strong ethics as they embark on their careers.

Founded in 2010, the Pearl Initiative carries out its objectives through:

- Regional Insights, Case Studies and Research-based Reports
- Task Force Initiatives and Interactive Roundtable Forums
- University Collaborations to enhance the capabilities of future business leaders

Name of Integrity Partner:

## Pearl Initiative

## PROJECT:

### Implementing integrity practices in Gulf Cooperation Council (GCC) private and public businesses

## COUNTRY OF IMPLEMENTATION: DURATION:

United Arab Emirates,  
Kingdom of Saudi Arabia,  
Bahrain, Qatar, Kuwait, Oman

3 years

## USD (MILLION):

0,88 M

## REGISTERED IN:

United  
Arab Emirates

The project aims to influence the behavior of business leaders, government representatives and students across the Gulf Region through education, and Collective Action. Knowledge sharing is a key means to meeting this objective, and the Pearl Initiative is building a local community that is sharing and promoting good integrity practices, while actively encouraging others to lead the way in the implementation of improved standards.

To facilitate higher levels of integrity and transparency in businesses in the Gulf Region, practical tools are being developed as part of the project to support companies, in benchmarking their policies against best practices, while also facilitating the implementation of higher levels of integrity and transparency.

The project has three key objectives:

- Develop a Gulf Region focused diagnostic tool to measure and benchmark integrity practices

in businesses operating in the Gulf Region. The results are intended to be shared with the participating organizations to identify areas for improvement while the results of the benchmarking exercises are intended to contribute to a wider body of data surrounding integrity practices in the Gulf Region

- Facilitate the creation of a Collective Action community, and enhance dialogue between the business community, civil society and government, highlighting and promoting the business benefits to aligning interests in implementing higher standards
- Engage future business leaders by encouraging universities in the region to include the practical angle through respect to the implementation of integrity practices in their curricula and by actively reaching out to students with activities such as projects and case study competitions



#### PROJECT AT A GLANCE:

The aim of the project is to incentivize and support business leaders (and future leaders) in the Gulf Region towards implementing more rigorous integrity practices, while recognizing the direct business benefits for doing so

#### KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (SEPTEMBER 2015 – OCTOBER 2020):

- Based on the market needs assessment and input from stakeholders at the beginning of the project, the Pearl Initiative built and piloted the Gulf Integrity Indicator to serve as a framework for companies to measure their performance against international benchmarks and regional best practices. In total, 25 companies undertook the assessment
- 582 business professionals were trained to raise the level of integrity practices within their organizations in 25 events (14 in-person and 11 virtual)
- 4000 students from 40 Universities across the Gulf region and 163 private sector companies were engaged in several case study competitions to bridge the gap between students and business leaders. Unique to the region, the competitions led to 25 student-authored case studies that showcased the integrity best practices of the participating companies
- 4 guides on Anti-Corruption practices and the Gulf Integrity Indicator that shed light on the efforts undertaken by Gulf regional firms to address business integrity in the region were published
- In light of the COVID-19 pandemic, 11 webinars shed light on integrity practices in key business functions including Marketing and Communication, Human Resources, Finance and Procurement
- Pearl Initiative was invited to participate in international forums such as the World Economic Forum's Partnering Against Corruption Initiative (PACI) and the B20 Saudi Arabia Integrity and Compliance taskforce to add the Gulf region perspective in the global conversations on anti-corruption

#### Impact

The Pearl Initiative has seen amongst private sector companies, students and academia in the Gulf Region increased awareness on the importance to benchmark and self-assess integrity practices, increased knowledge on integrity related topics, integration of anti-corruption topics in academic curricula, increased multi stakeholder engagement, an increase in the motivation of business leaders to adopt anti-corruption best practices to reduce business risks, and an increase of business leaders embedding new frameworks and policies to enhance their internal practices



# C3.

## Third Funding Round Projects: Project Profiles and highlights of activities in 2020

For the 22 projects under the Third Funding Round the descriptions of activities undertaken in 2020 were provided by the Integrity Partners in their respective Annual Progress Report 2020 and are approved by the relevant Integrity Partners for external use.

All 22 projects are active and implementation of activities are in progress.



## DESCRIPTION OF INTEGRITY PARTNER

Established in 2003, the **Basel Institute on Governance** is an independent and international non-profit organisation working around the world with public and private partners to prevent and combat corruption and strengthen governance.

- The Collective Action team supports companies and multi-stakeholder groups with advice on Collective Action initiatives and hosts the B20 Collective Action Hub.
- Compliance advisors help organisations strengthen governance systems and implement effective anti-corruption compliance programmes.
- The International Centre for Asset Recovery (ICAR) assists countries in tracing and returning stolen assets with training, case and legal advice, and digital tools including the Basel AML Index and Basel Open Intelligence.
- The Public Governance team researches the root causes of corruption and develops evidence-based anti-corruption approaches.
- The Green Corruption team works across the Basel Institute's divisions to apply anti-corruption and governance approaches to issues of environmental crime and degradation.

Name of Integrity Partner:

## Basel Institute on Governance in cooperation with the Organisation for Economic Co-operation and Development

PROJECT:

### Positioning Collective Action as a Compliance Norm

COUNTRY OF IMPLEMENTATION: DURATION:

USD (MILLION):

REGISTERED IN:

Global

5 years

2,86 M

Switzerland

This project implemented by the Basel Institute on Governance and the Organisation for Economic Co-operation and Development aims to embed Collective Action in compliance by developing a global norm, bolstering its application, and innovating Collective Action to address demand-side bribery and human rights synergies through three objectives.

First, the project seeks to position Collective Action as a norm by key standard-setting and enforcement institutions. Through strategic awareness-raising and advocacy, the project will encourage targeted institutions to create stronger incentives for more private sector and other actors to engage in Collective Action.

Second, it will equip compliance professionals and Collective Action practitioners with effective methodologies for launching and sustaining Collective Action initiatives through peer-learning and best-practice sharing.

Third, the project will generate innovation in anti-corruption Collective Action in two areas. To address the demand side of bribery the project will scale up the use of High Level Reporting Mechanisms (HLRM). In response to corporate demands for increased effectiveness of compliance systems, the project will identify ways to capitalise on synergies between bribery prevention and human rights protection through Collective Action.

#### PROJECT AT A GLANCE:

To embed Collective Action in compliance by developing a global norm, bolstering its application, and innovating to address demand-side bribery and human rights synergies

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- Participation in the B20 process as Knowledge Partner led to Collective Action being a prominent recommendation in the [B20 Saudi Arabia Integrity & Compliance Policy Paper](#)
- Support for the revision of [Malawi's National Anti-Corruption Strategy](#) led to the inclusion of Collective Action in the strategy
- Governments in Malawi, Morocco, Tunisia, Mexico and Indonesia are considering the [High Level Reporting Mechanism](#) (HLRM) for high-value procurement projects
- Outreach to explore [human rights and anti-corruption compliance synergies](#) triggered a surge of interest and discussions with 52 different companies
- 37 Integrity Partners from 22 countries participated in a practitioner workshop series, and the knowledge shared was published on the [B20 Collective Action Hub](#)
- New research and strategic thinking includes papers on [Mainstreaming Collective Action](#) and [G20 responsiveness to B20 anti-corruption recommendations](#)
- The [B20 Collective Action Hub](#) was upgraded and expanded, now featuring a database of 260+ initiatives plus practical resources and publications
- Outreach via dedicated [Twitter](#) and [LinkedIn](#) accounts, plus [news and blogs](#) from Basel Institute staff and guest authors
- In its role as a knowledge centre, the Basel Institute supported government agencies, practitioners and business representatives with targeted guidance on Collective Action

#### Impact

- Increased engagement and knowledge-sharing among the Collective Action community and private-sector partners, contributing to the critical mass needed to make Collective Action a compliance norm
- Fresh impetus to efforts to apply Collective Action approaches to business-critical areas including human rights and procurement

## DESCRIPTION OF INTEGRITY PARTNER

**NATC** is a non-profit independent legal entity specialized in researching the global and China's strategy of Transnational Corporations (TNCs), corporate governance, management structure, and corporate philosophy and culture with a focus on corporate social responsibility.

NATC has gained recognition from government agencies and from foreign and domestic companies for its research work. Drawing upon its research capability, NATC submits policy recommendations for the Ministry of Commerce and other government agencies, and at the same time offers consulting advice to Chinese and foreign TNCs.

Since 2011, NATC has conducted two rounds of Siemens Integrity Initiative projects, which provides a platform for practice and promotion as well as communication and exchange on the subjects of corporate governance, compliance and anti-commercial corruption for every aspect of governments, industries, scholars and media to further improve the corporate governance and compliance of domestic and overseas enterprises.

Name of Integrity Partner:

## Beijing New Century Academy on Transnational Corporations (NATC)

## PROJECT:

### Improving the Effectiveness of Compliance Programs of Chinese Enterprises

COUNTRY OF IMPLEMENTATION:

DURATION:

USD (MILLION):

REGISTERED IN:

China

3 years

1,50 M

China

NATC will improve effective compliance management of Chinese enterprises and push compliance Collective Action in China through making efforts in the following three objectives.

Firstly, through submitting policy recommendations to government departments, unifying key driving partners and building an alliance in the target industries to address key compliance issues, publishing compliance books and conducting compliance forums to promote tools and best practices for effective compliance management, NATC will support enterprises in three target industries (energy, industry and healthcare) to improve the effectiveness of compliance management.

Secondly, NATC will promote a "Belt and Road" initiative with emphasis on compliance and integrity by enhancing commitment from relevant Chinese departments, unifying pilot enterprises to address key compliance risks, as well as capacity building and best practices sharing for the enterprises.

Lastly, NATC will contribute to bringing up compliance talents through developing a training curriculum for compliance practitioners at different levels and conduct trainings accordingly. NATC will also have dialogue with relevant Chinese departments to push them to list compliance professionals as an official profession in China.

PROJECT AT A GLANCE:

Promoting effective compliance management and enhancing compliance and integrity culture of Chinese enterprises

**KEY ACTIVITIES  
(OCTOBER 2019 – SEPTEMBER 2020):**

NATC enhanced compliance commitments from administration authorities and national ministries by

- Supporting the All-China Federation of Industry and Commerce (ACFIC) to strengthen compliance management in private enterprises
- Supporting the compliance pilot program initiated by State-owned Assets Supervision and Administration Commission (SASAC) of Beijing and conducting an evaluation of the maturity of the compliance programs for 5 municipal pilots

- Initiating a pilot program in the industry sector and drafting a Code of Conduct template, an Anti-corruption Compliance Manual, a Cyber & Information Security Manual and a Personal Data Protection Manual to help strengthen compliance capacity in key compliance fields and push Collective Action within the targeted sector
- Promoting the assessment tool for effective compliance management and best practices through “The Evaluation of Effectiveness of Compliance Management Systems” book and the Annual Compliance Forum in Qingdao with over 160 participants
- Participation in the drafting and refining of the policy recommendation report “Compliance Professionals as a New Profession” aimed at promoting the certification of compliance professionals in China. The recommendation report was expected to be submitted to the Ministry of Human Resources and Social Security in November 2020

**Impact**

A broadened communication platform with widened stakeholder reach has further promoted compliance on a larger scale, strengthened compliance awareness of enterprises in different regions and target sectors and strengthened compliance professional capacity and recognition to enhance effective compliance management and culture

## DESCRIPTION OF INTEGRITY PARTNER

**BSR** (Business for Social Responsibility) is the secretariat and lead facilitator of the Maritime Anti-Corruption Network (MACN). BSR is a global non-profit organization that works with its network of more than 250 member companies to build a just and sustainable world.

MACN is a global business network working towards the vision of a maritime industry free of corruption that enables fair trade to the benefit of society at large. Established in 2011, MACN is comprised of companies within the main sectors of the maritime industry. With over 130 companies from the maritime industry represented, MACN members own or manage over 8 000 ships and operate more than 25 percent of the total global tonnage in the maritime industry. Since its inception, MACN has become one of the preeminent examples of an industry led Collective Action network.

Name of Integrity Partner:

## Business for Social Responsibility (BSR) in cooperation with the Convention on Business Integrity

PROJECT:

### MACN Nigeria - Business Action Against Corruption (BAAC)

| COUNTRY OF IMPLEMENTATION: | DURATION: | USD (MILLION): | REGISTERED IN: |
|----------------------------|-----------|----------------|----------------|
| Nigeria                    | 3 years   | 1,00 M         | USA            |

This project will scale-up the Maritime Anti-Corruption Network's (MACN) Collective Action program in Nigeria, with the aim of improving efficiency of seaports and terminals services in Nigeria and enabling effective corruption prevention through improved compliance and create a culture of integrity.

The project will lead to clean business and fair market conditions for seaports and terminals users in Nigeria, by enabling stronger business Collective Action amongst port users in Nigeria, stronger government compliance environment, proving public-private arrangements for oversight of compliance.

The project will be facilitated over three years by BSR and The Convention on Business Integrity (CBI). Through this new project we are expanding to multiple agencies and port users, enabling inter-industry and public-private sector dialogue on integrity issues, and equipping local players with proven Collective Action methodologies to drive change.



#### PROJECT AT A GLANCE:

To establish more effective seaports and terminals services in Nigeria and adopt corruption prevention practices via improved compliance with Standard Operating Procedures

#### KEY ACTIVITIES (FEBRUARY 2020 – SEPTEMBER 2020):

Since inception in February 2020, the Convention on Business Integrity (CBI) and the Maritime Anti-Corruption Network (MACN) have taken decisive steps to scale-up MACN's Collective Action program in Nigeria, with the aim of improving efficiency of services and enabling effective corruption prevention at seaports and terminals.

#### These include

- Launching the project in June 2020 through [international](#) and [national](#) media channels, a [virtual launch](#) event and the [website](#)

- Hosting two private-public sector roundtables on cargo clearance and related [corruption risks](#). Key stakeholders including the Nigerian Customs Service, the Nigerian Ports Authority and industry representatives participated
- Launching an [online HelpDesk](#) allowing companies to report challenges during cargo clearance. The HelpDesk provides for contact with a dedicated agent from CBI who's role is to help resolve the case in real time through dialogue with relevant government authorities
- [Requesting a Presidential Pronouncement on the appropriate agency to coordinate compliance with the Standard Operating Procedures \(SOP\) in ports and terminals](#) with support from the President's Office
- Securing partnerships with the Anti-Corruption Academy's Independent Corrupt Practices and Other Related Offences Commission, the Aspen Leadership Initiative West Africa, and the Compliance Institute in Nigeria to conduct the training of Government Compliance Officers

#### Impact

- Roundtables enable public-private sector dialogue on SOPs. This is a first step to increase utilization of SOPs
- The Lagos Chamber of Commerce is creating a maritime group. This will help the Collective Action Alliance building
- By using the [User Experience Diary](#), companies can demand adherence to SOPs. This enables evidence-based engagement on corruption in ports (based on Experience Diary evidence data)



## DESCRIPTION OF INTEGRITY PARTNER

Founded in Shanghai in October 1951, the **East China Normal University** (ECNU) is one of the most prestigious universities in China and is sponsored by the national programs "Project 211" and "Project 985". ECNU offers doctoral programs in 30 of its first-level disciplines and master's programs in 37 first-level disciplines, and is authorized to confer 20 professional master's degrees and doctoral degree in education. The university sponsors or supervises the publication of 23 academic journals and periodicals, as well as four English-language academic journals.

The Research Center for Corporate Compliance (RCCC) of ECNU is the first non-profit research organization in China that provides platforms for researchers, compliance practitioners and policymakers to communicate. The orientation of the research center is to achieve the combination of the research on law and other fields with close practices of compliance and to train people so that they become experts on corporate compliance.

Name of Integrity Partner:

## East China Normal University

## PROJECT:

### Great China Compliance

COUNTRY OF IMPLEMENTATION:

DURATION:

USD (MILLION):

REGISTERED IN:

China

3 years

0,80 M

China

The project seeks to develop a compliance education program for college students and professionals. Companies and universities will be able to benefit from our project and its positive outcomes.

Furthermore, group work on compliance R & D and annual meetings for Collective Action will be launched as one aspect of the project.

The project will be divided in two parts. The first part covers the compliance education program. The higher education of corporate compliance will be integrated as a subject in the system of higher education.

A short-term Corporate Compliance Program will be launched as a simple version of compliance education for students and professionals (one step at a time from the city of Shanghai

to the region of Shanghai, and then countrywide).

The second part of the program refers to Collective Action in the form of publications, working groups, and annual meetings. These activities seek to share compliance knowledge and techniques.

An annual meeting of the healthcare sector in Shanghai will be planned to summarize the healthcare compliance development.

At the end of the project, the standards of corporate compliance higher education will be established, the first experiences of which will have been undertaken; thus, the compliance awareness and compliance techniques of compliance professionals in the healthcare sector in China will be enhanced.



#### PROJECT AT A GLANCE:

The project will address the lack of higher education for compliance professionals and promote Collective Action Initiatives in the healthcare sector to raise skills and competence of compliance professionals, improve compliance standards and reduce corruption

#### KEY ACTIVITIES

(JANUARY 2020– SEPTEMBER 2020):

##### In promoting higher education of Corporate Compliance

- a total of 41 college students and 99 in-service professionals participated in the training courses and obtained a certificate for compliance education and training
- students and trainees improved their compliance skills and deepened their understanding of compliance

- the course design for the creative “compliance as a subject in China” concept was completed
- a compliance handbook and research papers were completed and shared with students, professionals and policy makers in the field of anti-bribery compliance and antitrust compliance

##### In promoting Collective Action initiatives in the healthcare sector

- over 70 participants interacted on the development of compliance in the Chinese market at the annual compliance seminar held in Shanghai, China on September 12, 2020
- industry compliance professionals, local prosecutors, compliance researchers and local enforcement authorities shared best practices and discussed policy recommendations and compliance trends, especially new trends related to the COVID-19 pandemic

#### Impact

- Through training and education, a new generation of compliance management will become facilitators of a culture of compliance in the Chinese healthcare sector and have influence in their future places of work
- On-the-job professionals in business, law and academia can join hands in promoting a culture of compliance in Shanghai and the Chinese market through Collective Action

## DESCRIPTION OF INTEGRITY PARTNER

The **East-West Center** (EWC) was established by the United States Congress in 1960 and serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options. Headquartered in Honolulu with an office in Washington, DC, the EWC is a non-profit organization that promotes better relations and understanding among the people of the Asia-Pacific region through cooperative study, research, and dialogue.

The EWC's 21-acre Honolulu campus, adjacent to the University of Hawaii at Manoa, is located midway between Asia and the United States mainland and features research, residential and international conference facilities. The EWC brings together more than 3 000 individuals per year from around the world to participate in its programs and has 65 000+ alumni.

Name of Integrity Partner:

## East-West Center in cooperation with the Indonesian Institute for Independent Judiciary (LeIP)

## PROJECT:

### Advancing the Indonesian Fight Against Corruption

COUNTRY OF IMPLEMENTATION:

Indonesia

DURATION:

4 years

USD (MILLION):

0,80 M

REGISTERED IN:

USA

This project addresses three of the most pressing issues in the ongoing efforts to combat endemic corruption in Indonesia:

1. uneven performance of the new regional Anti-Corruption Courts (ACC) that were created to re-place a single centralized ACC
2. a confused and inadequate legal framework for the protection of whistle-blowers and justice collaborators in corruption cases, and
3. ineffective measures to address widespread corruption in the private sector and, more specifically, shortcomings in compliance regimes and internal protection for the whistleblowers

This is an opportune time to address these issues because the Indonesian government has identified "effective prevention and eradication of corruption" as a national priority, beginning in 2019.

To begin to achieve this goal, the Government enacted the National Strategy for the Prevention and Eradication of Corruption and announced that the Corruption Eradication Commission (KPK) will lead its implementation.

The project's three objectives will respond directly to the Indonesian need for support in a broad range of anti-corruption activities.

#### PROJECT AT A GLANCE:

To enhance the capacity of Indonesian judiciary, governmental institutions, the National Anti-Corruption Commission and private enterprises to combat corruption more effectively

#### KEY ACTIVITIES (FEBRUARY 2020 – SEPTEMBER 2020):

- Laws and literature reviews were conducted including the laws on Anti-Corruption Court, Court's internal regulations and Government Regulations on the organization of the Anti-Corruption Court. The review found issues inherent in legislation that contributed to problems in its implementation
- 18 people consisting of judges, advocates, government officers, former parliament members, and Non-Government Organizations in Indonesia participated in a Focus Group Discussion on problems and

challenges facing the Anti-Corruption Court. The participants provided constructive input and support for the project

- 20 key individuals were interviewed representing various backgrounds, including judges, registrars, court managers, prosecutors, Anti-Corruption Commission, advocates, parliament members, government officials, and Non-Governmental Organizations. The findings present some issues on the court administration including uneven workload, inefficiency and lack of supervision which hinder the effective functioning of the courts
- 964 Anti-Corruption Court decisions of the first instance courts and the Supreme Court from 2016-2019 were collected and are currently being analyzed in a quantitative study
- 14 participants representing 5 business associations, companies and Non-Governmental Organizations in Indonesia participated in a Focus Group Discussion, which aimed to introduce the project and to discuss anti-corruption measures in the private sector

#### Impact

- Engagement and substantial discussions with the key stakeholders of the Anti-Corruption Courts have contributed to the increase of knowledge and recognition from stakeholders about the systemic problems that hinder the effective functioning of the Anti-Corruption Courts in Indonesia
- Involvement of the key stakeholders particularly from the business associations has contributed to the increased support and commitment from the private sector to the project, particularly in the development of tools and measures to address corruption in private sector

## DESCRIPTION OF INTEGRITY PARTNER

The **Ethics and Reputation Society** (Etik ve İtibar Derneği – TEID) is a not-for-profit NGO founded in 2010 with competence in integrity risk management and anti-corruption aiming to develop and encourage adherence to internationally recognized business ethics principles within the Turkish business environment. TEID acts as a point of reference for private sector companies to implement the principles of business ethics and with the public sector in the pursuit of a socio-economic environment that incentivizes compliance with these principles.

TEID has over 145 corporate members with a total yearly income exceeding 15% of Turkey's GDP, employing more than 250.000 persons.

All corporate members are signatory of TEID Integrity Pledge, which is Turkey's biggest cross-sectoral Collective Action initiative. TEID has also several roles and memberships in international anti-corruption initiatives.

Name of Integrity Partner:

## Etik ve İtibar Derneği – TEID

## PROJECT:

### Leveling the Playing Field with the Turkish Integrity Center of Excellence - TICE

COUNTRY OF IMPLEMENTATION:

Turkey

DURATION:

3 years

USD (MILLION):

0,80 M

REGISTERED IN:

Turkey

Since 2014, the **Turkish Integrity Center of Excellence** (TICE) has been working on elevating the awareness on corruption effects and developing tools to combat corruption in the private sector while also setting an example for the public sector with its content development and capacity building activities.

With this project at hand, TICE aims now to take its efforts to the next level and elevate the integrity risk management abilities of local companies to match the high "extended enterprise integrity risk management" standards of multinational companies. TICE will contribute with two specific objectives:

1. provide practical solutions that transform companies' intent into impact by leveraging behavioral and institutional dimensions of integrity to therefore be in better accord with the extended enterprise integrity risk management priorities of Multi-National Companies (MNCs)
2. develop Collective Action to disseminate and incentivize standardized sustainable and responsible business conduct by building alliances against corruption

TICE's priority is to reach out to local companies in selected sectors and cities. Large companies and MNCs operating in Turkey will play a leveraging role to help their supplier Small and Medium Enterprises (SMEs) to establish their own anti-corruption compliance program.

#### PROJECT AT A GLANCE:

To level the playing field by increasing the extended enterprise risk management capabilities of multi-national corporations (MNCs) and local conglomerates by building alliances against corruption

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- Published the “Ethics and Compliance Professionals’ Role in Turkey” survey [report](#) as well as the survey [report](#) on the “Difficulties of Big Corporations in Third-party Integrity Risk Management in Turkey”
- Developed several partnerships with local, sectoral, regional and professional organizations in order to expand TEID’s field of action
- Extended the project outreach through a series of 14 webinars organized in under 6 months with 1 000 online attendees participating and more than 1 300 views on the [TEID YouTube channel](#)
- Raised awareness on third-party integrity risks through several events and training sessions and developed tools to manage risks more efficiently
- Organized sectoral, regional and mixed focus group meetings with corporate members to understand their needs on ethics and compliance matters. A total of 21 companies and 36 representatives joined the focus group roundtables
- Developed products such as a [due diligence](#) form, the [selfIN](#) checklist for SMEs, an [ethics glossary](#), training module contents on third-party risk management and the minimum implementation requirements on ethics and compliance for complying with the expectations of big corporations
- Launched the first online edition of TEID Academy’s Corporate Ethics and Compliance Management Certification Program which allowed for a wider geographic reach with 37 participants from 23 companies
- Participated in international events such as the B20, the Basel Institute on Governance workshops and the [OECD Panel](#)

#### Impact

- As a center of reference through [surveys](#), focus groups, events, online webinars, tools and increased stakeholder engagement, awareness was raised and knowledge shared on third-party integrity risks

## DESCRIPTION OF INTEGRITY PARTNER

The **European Chamber of Commerce** (Eurocham) in Ivory Coast (IC) was created in 2009 at the initiative of businesspeople and leaders, mostly companies and multinational groups established in Côte d'Ivoire.

The main activities of Eurocham aim at the following objectives:

- Representing the European business community in the Republic of Ivory Coast vis-à-vis the public authorities, corporate organizations and European bodies
- Facilitating the development of business activities originating from European countries
- Promoting industrial and commercial exchanges between the EU and the IC as well as European investments in IC
- Contributing to the improvement of the business climate and the use of good practices through constructive dialogue with the Ivorian authorities, in collaboration with other consular chambers and professional organizations
- Contributing to the economic integration of the sub region, the West African Monetary and Economic Union (UEMOA) and the Economic Community of West African States (ECOWAS), in terms of trade and free movement of goods and services and sustainable development
- Being a source of information and networking for member companies,
- Providing technical and practical services to its members
- Carrying out concrete actions of advocacy and lobbying in support and defense of the interests of its members, as part of their specific common concerns

Name of Integrity Partner:

## Eurocham (Chambre de Commerce Européenne en Côte d'Ivoire)

## PROJECT:

### African certification of corporate governance

COUNTRY OF IMPLEMENTATION:

DURATION:

USD (MILLION):

REGISTERED IN:

Ivory Coast

5 years

0,80 M

Ivory Coast

This project aims to support the efforts of the Ivorian Government and specialized agencies by encouraging and providing support to Small and Medium Enterprises (SMEs) in the implementation of good corporate governance measures.

The first objective of this project is to raise awareness about the importance and benefits of implementing good corporate governance measures. Examples of good practices and ways to implement these practices will be presented to participating SMEs through a year-long training scheme and the dissemination of a monthly newsletter.

The second objective, after the training period, aims to provide support to 60 SMEs for three years. During this time, at least three good corporate governance measures will be implemented in each SME (one per year) with the help and support of an Expert Consultant.

At the end of the three years, by March 2024, all SMEs who have successfully implemented at least three good corporate governance measures will receive the Certificate of Good Governance.

This certificate will serve as a competitive and commercial advantage for SMEs. The certification will be guaranteed by the private sector itself through the promotion of the Certificate to Eurocham's members and partners.

#### PROJECT AT A GLANCE:

Encouraging the implementation of at least three good corporate governance measures by SMEs through the attribution of a Good Governance Certification

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- More than 4 000 companies were reached and awareness was raised on the African Certification of Corporate Governance (ACCG) project through e-mail campaigns, newsletters and 20 meetings with stakeholders including all the main employer organizations and the Ministry in charge of promoting SMEs
- The general public was also reached and informed of the existence of the ACCG project through several press releases and social media
- Consequently, 113 companies applied to participate in the project, of which 100 were selected as final participants
- Training sessions started in July 2020. Two seminars covering “Governance and Strategic Planning” and “Governance and isolation of the Manager” were conducted for 90 company managers. Attendance of these sessions enabled participants to raise their awareness of good corporate governance practices, build their capacity and share their experience with other SME managers. Feedback from participants is highly positive
- To maintain contact and flow of information to participants and to promote good governance practices to the larger public, 3 newsletters were drafted and widely shared to participants, shareholders and the general public. The newsletter that includes all topics covered during the training sessions with additional in-depth material can be viewed [here](#) as an example
- WhatsApp groups for training participants were set-up to allow participants to share experiences and information, to maintain a strong relationship between governance experts and participants, and to easily and regularly disseminate documentation on good corporate governance practices

#### Impact

- Participants, stakeholders and the general public developed an awareness of topics related to good corporate governance, a topic that is very rarely discussed in Ivory Coast
- Although the training sessions are not yet completed, we have noticed a strong interest for good corporate governance practices from programme participants. Feedback showed us that some participants have already started implementing new measures to improve their company’s governance



## DESCRIPTION OF INTEGRITY PARTNER

The **Foundation for the Global Compact** was established in 2006 and registered as a 501(c) (3) non-profit organization under New York State law. The Foundation is based on the principle that transparency, integrity and public-private collaboration is essential to finding lasting solutions to pressing global problems.

The Foundation supports the activities of the United Nations Global Compact including fundraising, outreach and engagement with business stakeholders. This is a policy and engagement platform for businesses that are committed to aligning their operations and strategies with the Global Compact's ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

Name of Integrity Partner:

## Foundation for the Global Compact

## PROJECT:

### Scaling up Anti-Corruption Collective Action within Global Compact Local Networks

| COUNTRY OF IMPLEMENTATION: | DURATION: | USD (MILLION): | REGISTERED IN: |
|----------------------------|-----------|----------------|----------------|
| Global                     | 4 years   | 1,70 M         | USA            |

The project titled "Scaling up Anti-Corruption Collective Action within Global Compact Local Networks" aims to:

1. mainstream Collective Action and enhance its understanding and implementation locally
2. mobilize multi-stakeholder efforts to identify and develop plans to address corruption challenges within a country/sector, and
3. engage with governments and other stakeholders to enhance public-private cooperation in fighting corruption

To this end, the project will adopt a three-pronged approach:

1. development of an Anti-Corruption Collective Action Playbook for Global Compact Local Network(s) (GCLN) to mainstream

the understanding and uptake of Collective Action

2. global launch and roll-out of the Playbook to enable Local Networks in understanding and using the Collective Action methodology to identify and address corruption issues
3. support select GCLNs in their Collective Action initiatives. Underlying this approach will be an overarching goal of facilitating public-private cooperation on Collective Action through policy dialogue and engagement with governments and non-business stakeholders

The project will endeavor to mainstream Anti-Corruption Collective Action and enable GCLNs to engage the private sector and other stakeholders in understanding, initiating and supporting Collective Action.



#### PROJECT AT A GLANCE:

---

To enable Local Networks to engage the private sector and other stakeholders in Anti-Corruption Collective Action and to facilitate public-private cooperation through policy dialogue and engagement with governments and non-business stakeholders

---

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

The Anti-Corruption Collective Action Working Group composed of Local Network representatives was launched in April 2020.

Through consultations the Working Group contributed to the development of a draft Anti-Corruption Collective Action Playbook focused on developing, implementing and sustaining Collective Action initiatives.

4 Local Networks launched Collective Action initiatives in June 2020.

#### Global Compact Network Brazil

- Coordinated and contributed to [guidelines](#) for companies to face the pandemic including Collective Action related recommendations
- Launched the Anti-Corruption Collective Action Advisory Committee with 21 high level specialists
- Carried out an “Ideation Meeting” with 35 participants

#### Global Compact Network India

- Organized a series on “[Shaping a Sustainable Business Post COVID](#)” that encouraged business to maintain integrity and strengthen Collective Action during the crisis
- Organized a webinar on “[Transparency, Ethics and Integrity in the Healthcare and Pharmaceuticals Sector](#)”

#### Global Compact Network Kenya

- Held meetings with stakeholders leading to two [public petitions](#) and a press conference to demand transparency and accountability from government related to COVID-19
- Developed [database](#) of Code of Ethics signatories and contributed to an [op-ed](#) and news releases on anti-corruption published in mainstream media

#### Global Compact Network Ukraine

- Conducted interviews and research and introduced the Network as a new actor in the topic of anti-corruption
- Carried out a Kick-Off Workshop with 12 participants

## DESCRIPTION OF INTEGRITY PARTNER

**Fundación Poder Ciudadano**, the Argentine chapter of Transparency International, has almost 30 years of experience leading the fight against corruption and promoting transparency in Argentina.

Our mission: to promote citizen participation, transparency and access to public information to strengthen the institutions of democracy through Collective Action.

Our "Integrity in the Private Sector" Program together with our expertise in public procurement, position us as a technical and legitimate voice to interact and mediate between the State and its suppliers in order to improve the integrity environment.

We are pioneers in working with Integrity Pacts and Multisector Integrity Agreements in the country, and recognized as a proactive organization aimed at promoting reform processes that uphold the principles of integrity, transparency and ethics in the state and business relationship.

Name of Integrity Partner:

## Fundación Poder Ciudadano

## PROJECT:

**Virtuous alliance: SMEs and public enterprises Co-creating environments of integrity for sustainable and inclusive growth**

COUNTRY OF IMPLEMENTATION:

**Argentina**

DURATION:

**3.5 years**

USD (MILLION):

**0,80 M**

REGISTERED IN:

**Argentina**

This proposal aims to contribute to the development of a virtuous alliance between Small and Medium Enterprises (SMEs) and Public Enterprises and will focus on the co-creation of integrity environments for sustainable and inclusive growth.

### We propose

- 1) to raise awareness about the importance of integrity as a condition for improving the competitiveness of SMEs and public companies in the energy sector in Argentina
- 2) to strengthen SMEs and public companies, through the incorporation and elevation of compliance standards; and

- 3) to promote preferential public policies and regulations in order to improve SMEs participation in public procurements, such as decartelization mechanisms and fight against corruption

We will evaluate the levels of integrity of SMEs and public companies in the energy sector, allowing us to create a training and support system for SMEs that enables them to adapt their structures to current legal obligations and access to good practices and international standards in terms of compliance.

We will build a broad alliance between civil society, sector representatives and specialists to influence decision makers to generate preferential public policies and increase the participation of SMEs in public procurement processes and improve their competitiveness

#### PROJECT AT A GLANCE:

---

To improve integrity environments in the State-Market relationship, strengthening SMEs and Public Enterprises in the energy sector, in Argentina

---

#### KEY ACTIVITIES (JANUARY 2020 – SEPTEMBER 2020):

- A [Project Advisory Council](#) was created to strengthen project activities, generate advocacy strategies and build alliances by bringing together various specialists and high-level stakeholders such as anti-corruption specialists, academia, energy sector representatives, chambers of commerce and promoters
- To establish comprehensive and in-depth knowledge of the energy sector and create strategic alliances to achieve the project goals, 27 meetings were held with energy multinational companies, small and medium enterprises, state-owned enterprises from different provinces, [energy business associations](#), chambers of commerce, specialists in the energy sector, and compliance or anti-corruption civil society organizations
- [4 Collaboration Agreements](#) were signed with various organizations to promote the initiative and reach more beneficiaries
- Using an adaptation of Transparency International's methodology which takes into account the Argentinian legal framework together with Advisory Council recommendations on sustainable integrity and corporate responsibility, a study is in progress on the development and implementation of integrity programs and transparency policies in 250 energy sector companies and its value chain

#### Impact

- Through the engagement with business associations, companies and stakeholders, the first steps were taken to raise awareness about the importance of integrity and transparency in the energy sector to achieve greater sustainability and competitiveness of the companies in the sector, especially small and medium enterprises and state-owned enterprises

## DESCRIPTION OF INTEGRITY PARTNER

**The Global Compact Network Korea**

(GCNK), is the Local Network of the UN Global Compact (UNGC) operating in Korea, and aims to promote the UNGC Ten Principles in the areas of Human Rights, Labor, Environment and Anti-corruption. The GCNK has played a key role in disseminating those values to the UNGC participants in Korea from the public, private and non-profit sectors by holding various workshops, conferences, conducting Corporate Social Responsibility (CSR) projects, translating UNGC & CSR related materials, and promoting social dialogue since its establishment in 2007.

The GCNK specializes in developing cooperative partnership among various stakeholders, and one of the key activities of GCNK is to gather, shape and develop collective voices of private and public sector organizations for further collaborative dialogue to advance corporate responsibility in the areas of Human rights, Labor, Environment and Anti-corruption.

Name of Integrity Partner:

## Global Compact Network Korea in cooperation with the Korea Sustainability Investing Forum (KoSIF)

## PROJECT:

### Business Integrity Society (BIS)

| COUNTRY OF IMPLEMENTATION: | DURATION: | USD (MILLION): | REGISTERED IN:    |
|----------------------------|-----------|----------------|-------------------|
| Republic of Korea          | 3 years   | 0,80 M         | Republic of Korea |

An enabling environment accompanied by rule of law and enhanced compliance capacity of market players must go hand in hand to promote a high level of corruption-free society. Business Integrity Society (BIS) aims to achieve the overall project goal by addressing the following two key objectives during its project years from October 1, 2019 to September 30, 2022.

The first objective is to create an enabling environment through legislation revision and policy proposal on Environmental, Social, Governance (ESG) disclosure, Stewardship Code Guideline and Procurement Act that will lead to increase in transparency and integrity of Korean companies when doing business.

The second objective is to incorporate effective compliance systems and enlarge anti-corruption capacity in all levels of management including CEOs, executives and working levels by effective training, tool and guidance. The anti-corruption training programs will cover cross sectors as well as focus on healthcare and energy industry.

This project will invite key players in the market including National Assembly, Government Ministries, National Pension Funds, Companies, Business Associations, Civil Society and Academia to successfully implement activities and maximize the project impact.

#### PROJECT AT A GLANCE:

An enabling environment accompanied by rule of law and enhanced compliance capacity of market players must go hand in hand to promote a high level of corruption-free society

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- The Business Integrity Society (BIS) launching ceremony took place on October 24, 2019, at the Grand Ballroom of the Federation of Korean Industries, as part of the Korea Leaders Summit 2019. More than 350 representatives and delegates from the Korean government, international organizations, civil society, academia, and UNGC member companies attended the event
- A policy dialogue roundtable was held with Environmental Social Governance (ESG) experts from pension funds, data providers, and non-profit organizations to discuss the adoption of the Stewardship Code and the inclusion of anti-corruption considerations in key management issues of the pension funds
- A total of 113 National Assembly candidates participated in the policy inquiry questionnaire and anti-corruption pledge, 48 of whom were elected
- Official Engagement Letters were sent to the four major pension funds followed by bilateral meetings to encourage more active engagement and leadership on the part of the pension funds
- The BIS team held multiple briefing sessions, seminars, and bilateral meetings with UNGC member companies to encourage participation in the project and to raise awareness of anti-corruption issues among Korea's business leaders
- 18 global trends posts, 16 research papers, 5 event and outcome reports and 35 news articles were posted on the BIS website

#### Impact

- The Teachers Pension and Government Employees Pension adopted the [Stewardship](#) in January and February 2020 respectively
- With the participation of 113 National Assembly candidates in the policy inquiry questionnaire and pledge, the BIS team fostered meaningful conversation and engagement for promoting ESG disclosure and bills in the legislature
- The three major pension funds that adopted the Stewardship Code fully acknowledge the importance of anti-corruption elements in corporate management and are committed to its implementation

## DESCRIPTION OF INTEGRITY PARTNER

The International Anti-Corruption Academy (IACA) is a pioneering institution that aims to overcome current shortcomings in knowledge and practice in the field of anti-corruption and compliance. The organization intends to empower and enable professionals for the compliance challenges of tomorrow.

The Academy provides a new, holistic and collective approach to anti-corruption education and research, delivers and facilitates anti-corruption training courses for practitioners from all sectors of society, and provides technical support and assistance to a wide variety of stakeholders. International cooperation, the sharing of knowledge and experiences, and mutual support are fundamental aspects of IACA's mandate.

The IACA became an international organization on March 8, 2011. To date, it comprises a constituency of 80 Parties, including four international organizations. In addition, IACA seeks broad partnerships with states, private sector institutions, international and non-governmental organizations, as well as civil society

Name of Integrity Partner:

## International Anti-Corruption Academy

## PROJECT:

### "GEAR UP" to fight corruption

COUNTRY OF IMPLEMENTATION: DURATION:

Global

5 years

USD (MILLION):

1,50 M

REGISTERED IN:

Austria

Within the five years of the project, IACA will train and educate participants in its academic degree programmes, Summer Academy trainings at IACA, Regional Summer Academy (RSA) and Regional Alumni Conference.

Students and participants will be provided with a neutral platform for learning with innovative curricula in a unique, international, interdisciplinary, and inter-sectoral setting. Educational activities during academic studies, trainings as well as the RSA and Regional Alumni Conference, will include practice oriented techniques which will drive incremental change and impact, including compliance and AC labs, panels and roundtable debates, field trips, ethical dilemma trainings, simulation games, industry specific assessments, and Collective Action workshops.

World class practitioners and academics will be involved.

The RSA and the Regional Alumni Conference will be organized in parallel in Africa, in a region of high impact.

These two activities will contribute to increasing the anti-corruption and Collective Action initiatives in the region as well as to growing and strengthening the existing alumni network.

The project will place particular emphasis on enhancing the impact of participants' activities. For this purpose impact driven academic activities will be used together with incentives, and follow-up or monitoring mechanisms.

Building upon IACA's institutional strengths, the ultimate goal of the Project is to put theory and knowledge into practice with real impact.

#### PROJECT AT A GLANCE:

To empower professionals to fight corruption, improve compliance, pursue Collective Action initiatives, and strengthen the anti-corruption alumni network

#### KEY ACTIVITIES

##### (FEBRUARY 2020 – SEPTEMBER 2020):

- The admission process for the 2020 intake was finalized with both academic programmes starting in October 2020
- In the first academic year, the project provided 6 full scholarships and 6 partial scholarships for the Masters in Anti-Corruption

Studies (MACS) 2020 programme, and 5 full scholarships and 5 partial scholarships for the International Master in Anti-Corruption Compliance and Collective Action (IMACC) 2020 programme

- All scholarships were awarded to highly qualified students from Least Developed Countries and Emerging Markets on a merit-based selection process
- 68 tuition fee waivers were awarded to highly qualified participants from Least Developed Countries and Emerging Markets
- The International Anti-Corruption Summer Academy 2020 was successfully implemented in an online format with 98 participants from all over the world taking part in the programme

#### Impact

- By making the IMACC and MACS programmes available to students and professionals from Least Developed Countries and Emerging Markets through scholarships and tuition fee waivers, enhanced knowledge and skills will lead to the initiation of activities to fight corruption in their home countries and help to create level playing fields
- Impact stories show that participants of IACA's Summer Academy are using their newly acquired skills in preventing corruption and generating positive outcomes for clean business environments in their home countries



## DESCRIPTION OF INTEGRITY PARTNER

The Chamber of Legal Consultants "**Kazakhstan Bar Association**" is a self-regulated organization established on the basis of compulsory membership for the purpose of regulating the activity to provide legal assistance and control over the activities of their members with respect to their compliance with the requirements of the legislation of the Republic of Kazakhstan on advocacy and legal assistance, rules and standards of the Chamber, the Code of Professional Ethics included in the Register of the chambers of legal consultants.

Name of Integrity Partner:

## Kazakhstan Bar Association in cooperation with the Legal Policy Research Centre

## PROJECT:

**Implementation of a systematic, structured and effective policy of improving business integrity and developing corporate governance in Kazakhstan according to OECD standards**

COUNTRY OF IMPLEMENTATION: DURATION:

Kazakhstan

3 years

USD (MILLION):

0,80 M

REGISTERED IN:

Kazakhstan

The Project activities are aimed at achieving 2 objectives:

1. Creating an enabling favorable legal environment and implementing international anti-corruption obligations by encouraging the Government to incorporate international anti-corruption standards into the laws of Kazakhstan by amending certain provisions of its anti-corruption legislation
2. Promoting international anti-corruption standards and clean business practices in corporate and academic circles by bringing draft amendments before the Government to introduce additional legislative requirements for companies to develop, adopt and implement anti-corruption standards and internal control, ethics and compliance systems

Representatives of the private sector, public administration, academia and students will be trained through online and offline project training.

Findings made as a result of diagnostics and OECD reporting will be used for promotional materials on the implementation of anti-corruption standards in business, the development of a culture of integrity and ethics and compliance in business.

Owing to the project, 40% of companies in piloted sectors will implement and actively use a complete and high-quality compliance system.

#### PROJECT AT A GLANCE:

The project goal is to reduce the level of corruption in Kazakhstan by implementing a systematic, structured and effective policy of improving business integrity and developing corporate governance according to OECD standards

#### KEY ACTIVITIES (FEBRUARY 2020 – SEPTEMBER 2020):

- A concept package on the draft Law of the Republic of Kazakhstan on Amendments to Legislative Acts on Combating Corruption in Business was developed, including draft text and a Comparative Table for promotion in the Government and Parliament of the Republic of Kazakhstan
- A report on Kazakhstan's performance in 13 key areas based on the new OECD methodology for the 5th Round of Monitoring under the Istanbul Action Plan and an alternative report on business integrity in Kazakhstan was prepared
- These 2 reports not only assess the state of Kazakhstan's legislation and law enforcement practice in combating corruption in the public and private sectors, but also inform the international community and the national government about the current state of affairs in the country, the efforts of the Government and civil society, and recommendations aimed at improving legal policy and practical tools
- A Facebook page was created as a platform to exchange views and information on compliance issues in Kazakhstan's business sector
- The development of analytical and informative material was initiated to create understanding of anti-corruption standards in business, to promote internal controls, business ethics and compliance in business, and to develop a broad-based culture of integrity

#### Impact

- At this early stage of the project, constructive dialogue was opened with the Anti-Corruption Agency and the National Chamber of Entrepreneurs, who are the main drivers of change in business integrity, business ethics and compliance
- Some proposals and recommendations for legislative change found understanding and support from the Anti-Corruption Agency

## DESCRIPTION OF INTEGRITY PARTNER

The **Organisation for Economic Co-operation and Development** (OECD) is an international organisation that works to build better policies for better lives. OECD's goal is to shape policies that foster prosperity, equality, opportunity and well-being for all. The OECD draws on almost 60 years of experience and insights to better prepare the world of tomorrow. Together with governments, policy makers and citizens, the OECD works on establishing international norms and finding evidence-based solutions to a range of social, economic and environmental challenges.

The OECD has been working with South East Europe since 2000. Governments, business leaders and civil society have worked together under the leadership of the OECD to meet economic challenges, including weathering the global economic and financial crisis and preparing for European Union accession. The OECD has supported the region to design and implement reforms to foster private sector development and competitiveness, attract more and better investment and raise living standards.

Name of Integrity Partner:

## Organisation for Economic Co-operation and Development

PROJECT:

### Fair Market Conditions for Competitiveness in the Adriatic Region

| COUNTRY OF IMPLEMENTATION:                    | DURATION: | USD (MILLION): | REGISTERED IN: |
|-----------------------------------------------|-----------|----------------|----------------|
| Bosnia and Herzegovina,<br>Croatia and Serbia | 3 years   | 1,70 M         | France         |

The project intends to support the creation of a level-playing field and fair market conditions in three pilot countries from the Adriatic Region (Bosnia and Herzegovina, Croatia and Serbia) in order to enhance competitiveness and integrity in a sustainable and inclusive way. It aims to gather government officials, business representatives, civil society and academia to form a "Collective Action" to address country-specific drawbacks by applying international standards, by:

- Raising awareness about OECD standards and good practices of anti-corruption, integrity and fair competition for competitiveness with governments, business and civil society
- Building capacity and foster the implementation of concrete OECD recommendations with regard to the transparency and efficiency of anti-corruption and competition authorities
- Promoting the latest knowledge on international standards and practices in the area of anti-corruption and integrity for competitiveness in academic curricula

#### PROJECT AT A GLANCE:

Help create fair market conditions in the Adriatic Region by promoting OECD standards via a Collective Action community, by supporting the design and implementation of actionable policy recommendations

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- The [OECD Project on Fair Market Conditions for Competitiveness in the Adriatic Region](#) made use of various tools to ensure the implementation of key events and meaningful engagement with project stakeholders on essential topics
- Most prominently, a comprehensive webinar event on [Collective Action – Building Alliances Against Corruption in South East Europe](#) brought together over 200 participants and allowed for an insightful exchange between experts, government practitioners, the private sector and academia on best practices in using Collective Action to fight corruption
- Furthermore, the Project has aligned its substantive work with the assessment processes under the OECD flagship [Competitiveness Outlook for South East Europe](#), in particular with regard to insights and recommendations under the Anti-Corruption, State-owned Enterprises and Competition Policy Dimensions
- Moreover, 6 insightful [Policy Briefs](#) were published on the project website and shared with policy makers across the Adriatic Region
- Throughout its first year, the project established a strong engagement with the academic community in the Adriatic Region. Nine pilot Universities are formally part of the project implementation network and a comprehensive stocktaking exercise of how corruption and integrity issues are addressed in academic curricula in the Adriatic region has been conducted to form the base for future engagement between the OECD and academia in the context of this Project

#### Impact

- Despite the inherent challenges due to the COVID-19 pandemic, a Collective Action community for the purposes of the Project was created. Policy makers, businesses and civil society have a clear understanding of the benefits of Collective Action and how OECD instruments can support creating fair market conditions
- The proactive outreach campaign by the OECD to key universities in the Adriatic Region allowed to develop from the ground up a brand new and fully operational network of engaged university contact points, thus successfully institutionalizing the collaboration with academia
- Government officials and academics have gained insights of best practices and how to efficiently and effectively address the issues of Public Procurement, Education for Integrity, Anti-Bribery, Anti-corruption in State-owned Enterprises and Competition Assessment

## DESCRIPTION OF INTEGRITY PARTNER

**The Ethics Institute** is an independent institute producing original thought leadership and offering a range of services and products related to organizational ethics.

Vision: Building an ethically responsible society

Mission: Enabling and supporting the cultivation of ethical organisations

What we do: We pursue our vision and mission through thought leadership and an organizational ethics-related offering, including training offerings, advisory services, assessments, audit services, products and videos

Name of Integrity Partner:

## The Ethics Institute (TEI)

## PROJECT:

### Collective Action to advance business integrity in South Africa

COUNTRY OF IMPLEMENTATION: DURATION:

USD (MILLION):

REGISTERED IN:

Mozambique

5 years

0,80 M

South Africa

This project focuses on interventions using a Collective Action approach. The purpose is to strengthen business integrity capacity, contributing to reducing corruption in business activities, resulting in enhanced business practices in Mozambique.

The first objective is to initiate and maintain the formation of a Coalition for Organisational Integrity (COI) in Mozambique.

The second objective aims to strengthen ethics management capacity of the participants of the COI by training its representatives on institutionalising business integrity.

The third objective is focused on the development and implementation of an ethics and anti-corruption training program for small-and-medium enterprises (SMEs).

In sum, this project aims to establish an effective Collective Action platform to affect significant change in business conduct, as thought-leaders engage in the sharing of best practices. This could result in improved procurement, stakeholder management and relations between business and the public sector.

#### PROJECT AT A GLANCE:

To enhance the ease of doing business by forming a coalition for organizational integrity and expanding business ethics management capacity in Mozambique

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- 48 discussions with large or multinational companies were conducted to introduce a Collective Action platform for organizational integrity in Mozambique, with positive responses from executives
- The [Coalition for Organisational Integrity](#) launch was hosted virtually on June 30, 2020 with 57 attendees
- To advance the prominence of the Coalition, a logo with the slogan “Together for Business Integrity” was developed and communicated on its [website](#) and other social media platforms like [Facebook](#), [Linked-In](#) and [YouTube](#)
- To elevate capacity advancement and align with the Coalition’s purpose, two best practice sharing sessions were hosted, with discussions focused on Conflicts of Interests and Ethics and Compliance
- Ethics awareness training conducted for the Beira Municipal Recovery and Resilience Plan team is a direct outcome of the formation of the Coalition, resulting in heightened awareness of organizational responsibility and accountability to the citizens of Mozambique
- Supporting the extension of knowledge resources, a Portuguese Codes of Ethics Handbook was launched
- The first ever Ethical Culture Maturity Indicator in Portuguese was implemented
- Ordem dos Contabilistas e Auditores de Moçambique continues to strengthen ethics management capacity for accountants and auditors and implemented a Code of Ethics for Professional Accountants
- A total of 6 delegates attended TEI’s Ethics Officer Certification Programme, resulting in an additional five certified ethics officers and potential trainers

#### Impact

- Engagements with company representatives continue to be positive. Business leadership repeatedly share their belief that the intervention is timely
- Coalition organizations appear to have a desire to acquire ethics management skills. This may be interpreted as a strong indicator that the private sector in Mozambique embraces the objectives of the project
- Continued requests from representatives to be considered for the ethics officer certification programme are received

## DESCRIPTION OF INTEGRITY PARTNER

**The Ethics Institute** is an independent institute producing original thought leadership and offering a range of services and products related to organizational ethics.

Vision: Building an ethically responsible society

Mission: Enabling and supporting the cultivation of ethical organisations

What we do: We pursue our vision and mission through thought leadership and an organizational ethics-related offering, including training offerings, advisory services, assessments, audit services, products and videos

Name of Integrity Partner:

## The Ethics Institute (TEI)

## PROJECT:

### Collective Action to advance business integrity in South Africa

COUNTRY OF IMPLEMENTATION: DURATION:

South Africa

5 years

USD (MILLION):

1,00 M

REGISTERED IN:

South Africa

Based on TEI's experience with local government, it was established that ethical challenges at municipal level will not be solved without an intervention on the ethics of political leadership. TEI and relevant national government structures conceptualised an intervention for developing a national code of ethical governance in municipalities. The code should be the outcome of a structured national dialogue and consultation, should have broad societal legitimacy, and should give practical guidance on the ethical intricacies faced by political and administrative leaders in municipalities.

The second objective is the implementation of an Ethically Aware Supplier Induction (EASI) training and accreditation programme that will allow small-and-medium enterprises (SMEs) to

be accredited as 'Ethically Aware Suppliers'. The aim is to create a network of large organisations that are committed to utilising ethically aware suppliers, and a network of trainers who will continue to train suppliers in their organisations resulting in a culture of ethical business and co-accountability escalating across all procurement relationships.

The third objective aims to build capacity in the Gauteng Provincial Government to support municipalities' ethics initiatives. The development of an ethics management monitoring and reporting tool will assist ethics officers structure interventions and improve reporting to oversight structures. This will ensure external oversight of ethics remains a drive of improved governance.

#### PROJECT AT A GLANCE:

### Using strategic levers of ethical change to combat municipal and procurement corruption in South Africa

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- The Local Government Ethical Leadership Initiative has kicked off with the purpose of developing and institutionalizing a Code for Ethical Governance in Local Government over the next 5 years
- The technical Working Group was formed with members from the relevant government and civil society organizations on-board, and the Advisory Committee is on the verge of being established
- The Ethically Aware Supplier Induction [programme](#) was launched at an Ethics in the Supply Chain webinar on July 25, 2020 where it was promoted to more than 80 business representatives
- Under the funding of this project, 97 participants were given access to the programme. Of these, 79 were from SMEs and 18 were from large organizations
- In the Gauteng Province collaboration was formalized for capacitating the Gauteng Provincial Government to assist the Gauteng municipalities with improving their ethics management capacity
- In 12 virtual capacity building sessions much progress has been made to capacitate the 17 provincial relationship managers
- Together with these relationship managers, 26 virtual meetings were held with the municipalities, cementing relationships between the province and the municipalities, and progressing the implementation of the ethics and anti-corruption strategies of the municipalities
- Two learning forums were held on Ethics in Municipal Procurement and Ethics in the Municipal Appointment Process

#### Impact

- The project expands spheres of influence and creates a collective platform to solve challenges
- The Local Government Ethical Leadership Initiative is a rallying point for all spheres of society to solve local ethical leadership
- The Ethically Aware Supplier Induction programme helps businesses expand their ethics impact into their supply chains
- The Gauteng Municipal Integrity Project is building a community of ethics practitioners and improving ethics initiatives in the province



## DESCRIPTION OF INTEGRITY PARTNER

**POLMED** is the biggest and the most recognized organization representing manufacturers and distributors of medical devices in Poland. It represents the common interests of its members, offers support in all matters regarding the functioning of the Polish medical devices market, legal solutions etc.

POLMED acts as a source of information for its members, protects their interests and conveys their views to the decision makers in the industry and the government. POLMED has been involved in the promotion of ethical business conduct among medical devices market participants since 2010. It strongly emphasizes the importance of the medical devices industry's Code of ethics, which is to be respected by all member companies. POLMED is a member of MedTech Europe.

Name of Integrity Partner:

## The Polish Chamber of Commerce of Medical Devices (POLMED)

PROJECT:

| MedKompas III              |           |                |                |
|----------------------------|-----------|----------------|----------------|
| COUNTRY OF IMPLEMENTATION: | DURATION: | USD (MILLION): | REGISTERED IN: |
| Poland                     | 4 years   | 0,69 M         | Poland         |

The project with its objectives and activities is the result of POLMED's experience in the market and its observation of the healthcare system and participants needs.

The MedKompas III project is highly innovative in respect of its size and impact on the healthcare system. It foresees numerous trainings on anti-corruption law and ethical standards of cooperation with 1200 participants, several public debates, many anti-corruption system implementations where each implementation will have an impact on around 700 individuals employed in a given hospital.

The MedKompas III project focuses on two main objectives which are:

Objective 1: Creating fair market conditions by reducing the susceptibility to corruption among the Polish healthcare system participants

Objective 2: Prevention of illusory implementation of anti-corruption procedures in hospitals which will contribute and lead to creation standards for fair market conditions

Both objectives are crucial in fighting corruption and raising the importance of compliance in healthcare systems.

#### PROJECT AT A GLANCE:

To create fair market conditions and reduced susceptibility to corruption among the Polish healthcare system participants by providing education on new planned anti-corruption legislation as well as guidelines already implemented by the Healthcare sector

#### KEY ACTIVITIES

(OCTOBER 2019 – SEPTEMBER 2020):

- 8 in-person training sessions on anti-corruption and ethical issues were held in Oleśnica, Wrocław (2 groups), Warsaw (4 hospitals) and Zakopane
- In response to the COVID-19 pandemic, online training sessions were developed and implemented with the added benefit of making recorded training sessions available to hospital employees who could not participate in the scheduled live sessions
- A further response was the development of updated training content covering new compliance risks in healthcare associated with the pandemic, such as simplified public tender procedures
- 198 healthcare employees including hospital directors, hospital management, doctors and nursing staff participated in the training
- 62% of employees trained indicated in their feedback a reduced susceptibility to corruption which would in turn result in a change in behaviour
- A comprehensive set of updated model documents for healthcare facilities suitable for adaptation and implementation of anti-corruption compliance systems in target healthcare facilities were developed
- An adaptation of the model documents was used to implement a full compliance system in the Warszawski Szpital dla Dzieci hospital in Warsaw, with over 400 employees and healthcare professionals now governed by these internal anti-corruption procedures
- The project and the associated compliance system for healthcare facilities was actively promoted on the MedKompas website, at conferences and through various publications

#### Impact

- By increasing knowledge on the risks associated with corruption through training and education, and by implementing anti-corruption tools and systems into healthcare facilities, the susceptibility to corrupt behavior in the Polish healthcare system is reduced which helps in creating fair market conditions and a clean business environment

## DESCRIPTION OF INTEGRITY PARTNER

**Transparency International (TI)** – Bulgaria, being part of Transparency International – the global coalition against corruption, is a non-profit organization working on promotion of integrity and fighting corruption in Bulgaria for more than 20 years.

TI's mission is to unite the efforts of government institutions, local authorities, private sector and media in order to carry out systematic reforms and take concrete action against the spread of corruption in the country.

TI's vision is a world where governments, politics, business, civil society and the daily lives of people are free of corruption.

TI's values are transparency, accountability, integrity, solidarity, determination, justice and democracy.

Name of Integrity Partner:

## Transparency International (TI) Bulgaria

## PROJECT:

### Setting the Ground for Business Integrity in Bulgaria

COUNTRY OF IMPLEMENTATION:

Bulgaria

DURATION:

4 years

USD (MILLION):

0,75 M

REGISTERED IN:

Bulgaria

The project "Setting the Ground for Business Integrity in Bulgaria" ultimately aims at encouraging the adoption of voluntary anti-corruption and compliance standards and fostering a culture of integrity in business in Bulgaria.

The initiative will target the development and promotion of high-quality sectoral integrity standards in the key sectors of Energy, Industry and Healthcare, ensure pioneers to adopt and distribute them through their supply chains, and establish a better understanding of the need for business integrity in Bulgaria.

The proposed set of activities includes a participatory approach that includes all relevant stakeholders. TI will develop the sectoral integrity standards and ensure their endorsement by key business associations.

The project will map the targeted sectors and secure buy-in from at least three businesses that possess the potential to become pioneers of successful change.

TI will work with them to make sure the standards are adapted to their needs and will engage actively in the development of a model for the further promotion of the same principles and procedures through the pioneers' supply chain.

Finally, the project will advocate the importance of the topic towards relevant institutions and provoke a more targeted dialogue with them.

#### PROJECT AT A GLANCE:

Encourage the adoption of voluntary anticorruption and compliance standards and foster a culture of integrity in business in Bulgaria, ultimately ensuring fair competition

#### KEY ACTIVITIES

(OCTOBER 2019 – SEPTEMBER 2020):

##### Analytical and preparatory activities

- The project team conducted a comprehensive analysis of the deficiencies in Bulgarian legislation, existing integrity initiatives, failures and good practices in the 3 targeted sectors (Energy, Industry and Healthcare)
- Initial desk research was conducted to map key players in the 3 targeted sectors

##### Development of sectoral integrity standards

- The project implementation team started drafting sectoral integrity standards to be adopted on company level

##### Advocacy actions

- TI-Bulgaria initiated and implemented over 10 advocacy meetings with business associations, trade unions and consulting companies
- Strategic cooperation between TI-Bulgaria and the Bulgarian Chamber of Commerce and Industry was established
- TI-Bulgaria engaged in advocacy meetings with key administrations and provided input on business integrity for the future anti-corruption strategy

##### Impact

- Early impact of the project is mainly in raising awareness on a clean business environment
- Although the core activities had not yet started, during the first project year every opportunity was used within and beyond the project to advocate for business integrity
- The project strategy is to maintain and widen the group of stakeholders targeted by pushing the topic and creating a snowball effect

## DESCRIPTION OF INTEGRITY PARTNER

The **United Nations Office on Drugs and Crime** (UNODC) is a global leader in combatting illicit drugs, transnational organized crime and corruption. It is committed to achieving health, security and justice for all by tackling such global threats, and by delivering legal and technical assistance to prevent terrorism.

Established in 1997, the Office fulfils a three-fold mission: research and analysis to produce authoritative reports on mandated areas; technical assistance to States in ratifying and implementing international treaties on drugs, crime and terrorism, which includes developing domestic legislation consistent with these treaties; and training judicial officials.

Name of Integrity Partner:

## UN Office on Drugs and Crime (UNODC)

## PROJECT:

### On the Level: Business and Government against Corruption in Colombia (Phase II)

COUNTRY OF IMPLEMENTATION:

Colombia

DURATION:

4 years

USD (MILLION):

1,10 M

REGISTERED IN:

Austria

Since 2015, UNODC has led “On the Level”, a Collective Action project in Colombia that brought together the public and private sectors to enhance corruption prevention and enforcement, supported by the UN Global Compact Colombian Network and the Secretary of Transparency of the Presidency.

Building on that, the new project will promote a culture of integrity and a better understanding of corruption in public procurement.

It will focus on two industries vulnerable to corruption: energy and healthcare.

In particular, the project will review existing legislation and public policy to identify corruption risks and typologies and provide recommendations on improving public procurement

in Colombia. Beneficial ownership will be addressed in this context.

The project will also promote the signing and implementation of Integrity Pacts involving representatives from public sector, energy and healthcare industries, guilds, small and medium sized enterprises (SMEs), as well as civil society organizations (CSOs).

The Pacts will underline the importance of transparency in public procurement and raise awareness on corruption’s impact on the Sustainable Development Goals.

The project will have a strong online communication strategy to promote knowledge sharing and the dissemination of relevant tools on anti-corruption.

#### PROJECT AT A GLANCE:

---

To promote a culture of lawfulness in public procurement in the energy and healthcare sectors in Colombia as a mechanism to prevent and fight corruption

---

#### KEY ACTIVITIES (FEBRUARY 2020 – SEPTEMBER 2020):

- Launched "On the Level (Phase II)" on August 18, 2020 in a joint online event convened by the United Nations Office on Drugs and Crime and the Colombian Secretariat of Transparency to commemorate the National Day of the Fight against Corruption. The Vice President of the Republic of Colombia and ~300 representatives from the public sector, private sector and civil society participated
- Conducted 2 focus groups in June 2020 to learn about implementation difficulties and challenges relating to corruption risks. Representatives from public entities responsible for public policy on public procurement, the

Secretariat of Transparency of the Presidency of the Republic, and public officials responsible for public procurement in healthcare and energy sector entities were in attendance

- Conducted 2 focus groups with company representatives from the energy and healthcare sector to discuss public procurement policy in Colombia
- Developed a diagnosis document on corruption in public procurement with a focus on the healthcare sector in making an important contribution towards fighting corruption in the COVID-19 response plan
- Held three sessions of the Network of Compliance Officers with ~100 compliance officers participating in each session. Compliance officers from companies in the project focus sectors were trained on strategies to prevent and fight corruption. The participants also shared good practices and learned from each other
- Worked on the update of the ["On the Level" website](#) and the dissemination of good practice and tools to build capacities of stakeholders to prevent and fight corruption

#### Impact

- Increased awareness of corruption in public procurement, enhanced capacity of small and medium-sized enterprises in the healthcare and energy sectors, and increased acknowledgment of the importance of Collective Action in preventing and fighting corruption

## DESCRIPTION OF INTEGRITY PARTNER

The **United Nations Office on Drugs and Crime** (UNODC) is a global leader in combatting illicit drugs, transnational organized crime and corruption. It is committed to achieving health, security and justice for all by tackling such global threats, and by delivering legal and technical assistance to prevent terrorism.

Established in 1997, the Office fulfils a three-fold mission: research and analysis to produce authoritative reports on mandated areas; technical assistance to States in ratifying and implementing international treaties on drugs, crime and terrorism, which includes developing domestic legislation consistent with these treaties; and training judicial officials.

Name of Integrity Partner:

## United Nations Office on Drugs and Crime (UNODC)

## PROJECT:

### UNODC Global Integrity Education

COUNTRY OF IMPLEMENTATION: DURATION:

Global (with focus on  
Pakistan, Kenya, Mexico)

3 years

USD (MILLION):

1,00 M

REGISTERED IN:

Austria

The project will establish and implement an effective integrity education programme that fosters ethical decision-making in the private sector and empowers employees to serve as “ethics ambassadors” in companies.

The project’s most innovative aspects are: integrity education modules co-created by academics and business practitioners; student-focused teaching methods; and graduates who join the private sector as key ethics players.

The project will increase ethical commitment in the private sector by involving business managers in localizing education materials for universities and implementing on-the-job ethics courses that fit the work environments

of industries vulnerable to corruption (e.g. law firm, banks). It utilizes bottom-up and top-down approaches for the highest impact. Significantly, the project will establish a link between university education and practical training, ensuring that ethics education is an ongoing process continuing from the formation to the career stage. Impact studies aimed at monitoring, evaluating and learning (MEL) will be carried out periodically to ensure goal attainment.

The project will be implemented in Pakistan, Kenya and Mexico, and will inform a global audience of educators and practitioners connected through UNODC’s worldwide networks.

#### PROJECT AT A GLANCE:

---

To equip young graduates with ethical mindsets and strategies at the start of their careers in the private sector and empower them to become a driving force for ethical business

---

#### KEY ACTIVITIES

(OCTOBER 2019 – SEPTEMBER 2020):

- Established business-academia working groups in Kenya, Mexico and Pakistan
- Created contextualized and UNODC-validated university integrity modules through the business-academia working groups
- Developed a methodology for virtual and blended training of trainers for lecturers, which includes an interactive discussion forum to facilitate exchange between lecturers
- Conducted a first virtual and blended training of trainers on the contextualized university integrity modules for 48 lecturers in Pakistan
- Organized a soft launch event at 8th Conference of the States Parties to the United Nations Convention against Corruption in Abu Dhabi in December 2019
- Organized a virtual booth at the United Nations Global Compact Leaders' Summit in June 2020 with two sessions specifically dedicated to business integrity and education

#### Impact

- Enhanced dialogue and sharing of knowledge between academia and business representatives aimed at promoting integrity in the private sector through the working groups in Kenya, Mexico and Pakistan
- Increased knowledge and capacity of 48 lecturers in Pakistan on how to effectively teach integrity and ethics to students
- Increased awareness around education as a means to promote business integrity



## DESCRIPTION OF INTEGRITY PARTNER

The **United Nations Office on Drugs and Crime** (UNODC) is a global leader in combatting illicit drugs, transnational organized crime and corruption. It is committed to achieving health, security and justice for all by tackling such global threats, and by delivering legal and technical assistance to prevent terrorism.

Established in 1997, the Office fulfils a three-fold mission: research and analysis to produce authoritative reports on mandated areas; technical assistance to States in ratifying and implementing international treaties on drugs, crime and terrorism, which includes developing domestic legislation consistent with these treaties; and training judicial officials.

Name of Integrity Partner:

## United Nations Office on Drugs and Crime (UNODC)

## PROJECT:

**Strengthening the Integrity and Anti-Corruption Efforts of the Private Sector in Myanmar**

COUNTRY OF IMPLEMENTATION:

DURATION:

USD (MILLION):

REGISTERED IN:

Myanmar

3 years

0,80 M

Austria

Reducing opportunities for corruption and creating a culture of integrity by enhancing public-private dialogue and improving the legal framework against corruption.

Corporate integrity is rarely at the top of the agenda in the private sector and most private companies in Myanmar have not yet adopted codes of conduct or guidelines on corporate integrity. The lack of anti-corruption standards is slowing down development in most of the important economic sectors. For example, the licensing system in the extractive industries is open to corruption and risk of conflict of interest.

Bribery, particularly involving public officials, is reported as common in daily business and civilian interactions. Public-private dialogue and collaboration to design incentives for strengthening corporate integrity and cooperation have started recently but are only at early stages and are only concentrated in specific sectors.

To address the defined gaps, this project will promote the adoption of anti-corruption legislation; the development and adoption of codes and guidelines in the private sector; as well as the development of a culture of integrity in businesses in Myanmar.

#### PROJECT AT A GLANCE:

---

To reduce opportunities for corruption and to create a culture of integrity by enhancing public-private dialogue and improving anti-corruption legal frameworks

---

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- Held a series of webinars and regional exchanges on responsible business practices to strengthen the dialogue between the private sector, public sector and civil society as well as to engage stakeholders on both the supply and demand side of corruption
- Promoted the creation of a working group on business integrity through policy advocacy with the Anti-Corruption Commission in the framework of the consultation on the national anti-corruption strategy. The working group includes representatives from the private sector, public sector and civil society

- Engaged with government authorities, the private sector and civil society on corruption risks in the context of COVID-19 and raised awareness for corruption risks in different sectors including the health sector
- Furthermore, the UNODC Country Office in Myanmar developed [Guidelines on Prevention of Corruption](#) during the Covid-19 Pandemic

#### Impact

- Increased awareness of the private sector's vital role in preventing and fighting corruption and the significant impact that corruption has on the private sector and society as a whole
- Increased knowledge of anti-corruption laws and standards designed to promote integrity
- Enhanced public-private sector dialogue and the prioritization of anti-corruption on the Myanmar Government Agenda

## DESCRIPTION OF INTEGRITY PARTNER

The **United Nations Office on Drugs and Crime** (UNODC) is a global leader in combatting illicit drugs, transnational organized crime and corruption. It is committed to achieving health, security and justice for all by tackling such global threats, and by delivering legal and technical assistance to prevent terrorism.

Established in 1997, the Office fulfils a three-fold mission: research and analysis to produce authoritative reports on mandated areas; technical assistance to States in ratifying and implementing international treaties on drugs, crime and terrorism, which includes developing domestic legislation consistent with these treaties; and training judicial officials.

Name of Integrity Partner:

## United Nations Office on Drugs and Crime (UNODC)

## PROJECT:

### Strengthening the private sector capacity to prevent corruption and enhance integrity in the Arab Countries

COUNTRY OF IMPLEMENTATION: DURATION:

Egypt, Iraq, Libya and  
United Arab Emirates

4 years

USD (MILLION):

2,40 M

REGISTERED IN:

Austria

Reducing corruption by strengthening anti-corruption frameworks, public-private sector dialogue, and private sector capacity to enhance integrity.

The UNODC project on “Strengthening the private sector capacity to prevent corruption and enhance integrity in the Arab Countries” aims to reduce opportunities for corruption by strengthening public sector anti-corruption frameworks, private sector capacity to enhance integrity, and by stimulating public-private sector dialogue.

Project implementation will be guided by the United Nations Convention against Corruption (UNCAC) which represents the only legally binding universal anti-corruption instrument and covers many different forms of corruption.

The project will assist six Arab countries (Egypt, Iraq, Libya, United Arab Emirates and two additional countries to be selected during the project implementation) to introduce legislative improvements to combatting corruption in the private sector; improve communication between the public and private sectors by providing a common venue for further interaction, dialogue and knowledge sharing; and provide guidance to companies and Small and Medium Enterprises (SMEs) to develop their anti-corruption code of ethics and compliance programmes.

#### PROJECT AT A GLANCE:

---

To reduce corruption by strengthening countries' anti-corruption frameworks, public-private sector dialogue, and private sector capacity to enhance integrity

---

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

- Conducted an assessment study of the legal framework for combatting and preventing corruption in the private sector in Iraq
- Provided recommendations to the Kurdistan Regional Government on the Draft Anti-Corruption Strategy
- Proceeded with the development of a corruption risk assessment toolkit to support small and medium-sized enterprises to pin-point corruption risks in their area of operations
- Formed a subject-matter expert group to guide the corruption risk assessment toolkit development process
- Conducted the first online Expert Group Meeting to discuss the first draft of the risk assessment toolkit
- Organized a workshop in collaboration with the Egyptian Anti-Corruption Academy to increase the private sector's awareness on anti-corruption measures and the channels to report corrupt practices and business challenges
- Held a virtual session at UNODC booth at the United Nations Global Compact Leaders' Summit in June 2020 with the aim of increasing the knowledge participants on the MENA region project and how companies can benefit from its activities

#### Impact

- Increased the awareness of SMEs in the region of the project objectives and activities
- Increased knowledge of a number of SMEs about integrity standards and channels to report corruption
- Established a dialogue among anti-corruption private sector experts within and outside the region on means to support SMEs to conduct corruption risk assessment and develop compliance programmes

## DESCRIPTION OF INTEGRITY PARTNER

**WU** (Vienna University of Economics and Business) is Europe's largest Business and Economics University offering degree programs as well as a wide range of specialization areas and research opportunities. Project responsibility will be undertaken by the Institute for Austrian and International Tax Law.

The Institute for Austrian and International Tax Law is one of the world's largest academic institutions engaged in the research and teaching of the tax law. The Institute has a longstanding tradition in organising international conferences and trainings both for practitioners and tax administrations.

Name of Integrity Partner:

## Wirtschaftsuniversität Wien (Vienna University of Economics and Business)

## PROJECT:

### Tax Transparency and Corruption

COUNTRY OF IMPLEMENTATION:

Nigeria, Ghana, Kenya, Rwanda,  
South Africa, Zambia, Uganda

DURATION:

4 years

USD (MILLION):

0,80 M

REGISTERED IN:

Austria

The project aims to change the dynamics of the interaction between business and tax administrations and to deepen the cooperation between tax authorities and other law enforcement agencies in countering tax evasion and other financial crimes.

The project would promote the concepts of good tax governance and the importance of a transparent tax system for economic development and how law enforcement agencies and tax authorities can cooperate to counter the misuse of beneficial ownership and client-attorney privileges to counter evasion and money laundering.

The project will be developed with the view of attaining the following objectives:

1. Identifying and mobilizing stakeholders in national tax administrations and private sectors and setting out a research agenda
2. Drafting model national tax legislation and international tax agreements with an aim of strengthening country specific anti-avoidance rules, improving the effectiveness of the tax administrations to get access to information and fostering better cooperation between tax authorities and Multi-National Enterprises (MNE's)
3. Creating a network of "ambassadors" of key institutions in Africa who will be able to disseminate and promote the outcomes from the project

#### PROJECT AT A GLANCE:

The project aims to change the dynamics of the interaction between business and tax administrations and to deepen the cooperation between tax authorities and other law enforcement agencies in countering tax evasion and other financial crimes

#### KEY ACTIVITIES (OCTOBER 2019 – SEPTEMBER 2020):

##### In response to Covid-19

- 5 digital thematic focus groups were established for Beneficial Ownership, Client-Attorney Privilege, Cooperative Compliance, Inter-agency Cooperation, Unexplained Wealth Orders
- these virtual groups held 13 meetings as a lead up to the first virtual conference on September 23-24, 2020
- a high-level steering group of 7 focus countries was created and now meets quarterly

- a brain-storming group was established with UNODC which met on October 21, 2019 and November 13, 2020
- a researchers group was created with the African Tax Institute
- a series of online conferences between May and July 2019 with African Tax Institute, International Chamber of Commerce and Commonwealth Association of Tax Administrators on cooperative compliance

##### Main achievements were

- Bringing together over 200 officials from financial intelligence units, tax and customs, ministries of finance, justice and academics from 25 African countries, as well as the World Bank, African Tax Administration Forum, UNODC, African Union and businesses
- Developing first draft focus group reports on the 5 priority issues
- Building strategic partnerships for Collective Action with key international organizations including the UNODC, World Bank and the IMF, African Tax Administration Forum, African Union and African Development Bank

- Reinvigorating discussions on cooperative compliance in Zambia, Kenya and Ghana

##### Impact

- Reinforced the network established during the previous project and established an open and trustful relationship between Vienna University of Economics and Business and focus countries
- South Africa and Uganda indicated that they are considering legislation on Unexplained Wealth Orders

# D1.

• Annex –  
Additional Siemens Reports

## Annex – Additional Siemens Reports



### Annual Report 2020

Siemens has published the Annual Report for the fiscal year 2020. It provides detailed information about the business development of the company, its earnings, assets, and finances.



## Siemens Sustainability Information 2020 as Addendum to the Siemens Annual Report

The Sustainability Information 2020 provides on 144 pages a wealth of information about Siemens and its activities and includes:

1. Siemens at a glance
2. Our sustainability management
3. Governance – responsible business practices
4. Environment – preserving nature and resources
5. Social – Contribution to people and society
6. Our sustainability indicators
7. Annex



More information on Collective Action is available on [www.siemens.com/collective-action](http://www.siemens.com/collective-action)

In addition to this report, Siemens publishes information on its activities in this field in its comprehensive Annual Report at the end of the fiscal year. This Siemens Integrity Initiative Annual Report 2020 has been compiled to the best of our knowledge and includes information that has been submitted to the Siemens Integrity Initiative Project Office through March 02, 2021.

Information provided in Section C is created and approved for external use by each Integrity Partner. This document contains links to other websites. Siemens is not responsible for the privacy practices or the content of other websites or information provided by its Partners.

Copyright Notice:

© Siemens AG 2021, all rights reserved, without prior written consent of Siemens AG, Legal and Compliance, LC CO RFC CA, it is in particular, but not limited to, prohibited to modify, copy, reproduce, republish, upload, post, transmit or distribute in any way any material, including graphics of this Annual Report 2020.

**Siemens AG**

**Legal and Compliance**

**LC CO RFC CA**

**Werner-von-Siemens-Str. 1**

**80333 Munich**

**Germany**

**Email: [office.integrityinitiative@siemens.com](mailto:office.integrityinitiative@siemens.com)**

#### **About Siemens**

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 170 years. Active around the world, the company focuses on intelligent infrastructure for buildings and distributed energy systems and on automation and digitalization in the process and manufacturing industries. Siemens brings together the digital and physical worlds to benefit customers and society. Through Mobility, a leading supplier of intelligent mobility solutions for rail and road transport, Siemens is helping to shape the world market for passenger and freight services. Via its majority stake in the publicly listed company Siemens Healthineers, Siemens is also a world-leading supplier of medical technology and digital health services. In addition, Siemens holds a minority stake in Siemens Energy, a global leader in the transmission and generation of electrical power that has been listed on the stock exchange since September 28, 2020. In fiscal 2020, which ended on September 30, 2020, the Siemens Group generated revenue of €57.1 billion and net income of €4.2 billion. As of September 30, 2020, the company had around 293,000 employees worldwide.

Further information is available on the Internet at [www.siemens.com](http://www.siemens.com)

