

Siemens Integrity Initiative enters Third Funding Round

- **Latest funding round backed with US\$30 million**
- **Siemens Integrity Initiative promotes projects seeking to prevent and combat corruption and fraud**

The Siemens Integrity Initiative promotes projects around the world that seek to combat corruption and fraud, supporting educational and training programs as well as Collective Action, which is building alliances against corruption in a joint effort between business and institutions to establish clean markets and ensure fair competition. The selection process favors projects that have a direct impact on the private sector and strengthen compliance standards and legal systems.

The Siemens Integrity Initiative is open to applications from legal entities including non-governmental organizations, international organizations, business associations, and academic institutions. The Siemens Integrity Initiative is 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). The third tranche will see the selection of some 25 new projects receiving around US\$30 million of funding in total over a period of three to five years.

"We have made good progress with the Siemens Integrity Initiative. The projects from the first two funding rounds have demonstrated visible success, and have been

assessed by an external evaluator, the "Universal Management Group". I've been particularly heartened to see more and more committed and well-connected supporters joining us in our fight against corruption by rallying to the banner of "Collective Action". The external study has shown that commitment to clean markets pays off in economic terms, too. It's the key to success for sustainable business", said Sabine Zindera, who heads the Initiative within the Compliance organization at Siemens.

The World Bank has audit rights over the use of these funds (US\$100 million over 15 years, beginning in 2009). It also has veto rights over Siemens' selection of projects and organizations receiving funds. The agreement between Siemens and the European Investment Bank (€13.5 million over five years, beginning in 2013) gives the EIB the right to review and provide "no-objection" to the projects proposed.

The first two funding rounds with 55 projects and committed capital totaling more than US\$70 million have at the request of the World Bank undergone an external evaluation by the Universal Management Group, who conclude that "the overall findings of the Mid-term Review are positive".

The Third Funding Round will give preference to projects with activities in countries such as the Adriatic Region, Angola, Argentina, Brazil, China, Colombia, Egypt, India, Indonesia, Iran, Iraq, Ivory Coast, Kenya, Korea, Libya, Morocco, Mozambique, Myanmar, Nigeria, Pakistan, Russia, Saudi Arabia, Spain, South Africa, Syria, Tunisia, Turkey, United Arab Emirates, and the Ukraine in order to enhance the portfolio. Projects will be selected with a view to achieving a balanced portfolio of topics and ensuring the regional distribution of funding.

A summary of the results of the external evaluation will be included in the Siemens Integrity Initiative annual report 2017, and detailed information about the criteria for

selecting and supporting projects are available via the following link:

www.siemens.com/integrity-initiative

Contact for journalists:

Siemens AG

Yashar N. Azad, Tel.: +49 89 636 37970

E-mail: yashar.azad@siemens.com

Felix Sparkuhle, Tel.: +49 89 636 35180

E-Mail: felix.sparkuhle@siemens.com

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