Siemens Integrity Initiative

Siemens again provides funds to support fight against corruption

- Siemens announces projects to be supported in the Third Funding Round
- Up to US$ 30 million in funding to be awarded
- Siemens Integrity Initiative's funding volume exceeds US$ 100 million

As part of the Siemens Integrity Initiative, which has a funding volume of more than US$ 100 million, Siemens AG has named new projects to receive funding in order to promote corruption-free markets.

Support is being provided to projects that are committed to joining forces to fight corruption under the "Collective Action" banner. Collective Action is attracting more and more committed and well-connected supporters around the world and is playing a key part in ensuring clean business.

The new project partners will receive between US$ 800,000 and US$ 2.9 million in funding. As a result, initiatives will receive funding of up to US$ 30 million in total over a period of three to five years. More than 140 highly regarded non-profit organizations from about 50 countries have applied for funding.

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 current funding round continues the successful work from the first two rounds, in which 55 projects have already been funded with a volume in excess of US$ 70 million. It reflects key findings from the mid-term review conducted at the request of the World Bank with the independent Canadian evaluator Universalia Management Group. We have been impressed by the large number of applications
and the quality of the interesting project proposals received from many different countries. We are delighted to be able to present another portfolio of projects for promoting fair competition and fighting corruption – a portfolio that is well balanced in terms of topics and regions," said Sabine Zindera, head of the initiative and Vice President Legal and Compliance at Siemens.

The application and selection criteria were set out transparently at www.siemens.com/integrity-initiative and published in a press release. An interdisciplinary team of experts from different regions conducted a careful due diligence exercise before making the final selection.

Funding will go to international initiatives and organizations such as:
- the United Nations Global Compact (UNGC)
- the United Nations Office on Drugs and Crime (UNODC)
- the Organisation for Economic Co-Operation and Development (OECD).
These international initiatives and organizations will cover various countries and regions.

In addition, funding will be provided to local organizations such as:
- the Basel Institute on Governance, Switzerland
- the Beijing New Century Academy on Transnational Corporations (NATC), China
- the Ethics Institute with a focus on South Africa and Mozambique, South Africa
- the Eurocham, Ivory Coast
- the Polmed Association, Poland
- the TEID Ethics & Reputation Society, Turkey
- the Bulgarian Chapter of Transparency International, Bulgaria
- the Vienna University of Economics and Business with a focus on tax law, Austria.

Both the balance of the range topics covered and the regional distribution of funding were considered when selecting projects. To further diversify the portfolio, the Third Funding Round has focused on projects with activities in the Adriatic region, Angola, Argentina, Brazil, China, Colombia, Egypt, India, Indonesia, Iraq, Iran, Ivory Coast, Kenya, Korea, Libya, Morocco, Mozambique, Myanmar, Nigeria, Pakistan, Russia, Saudi Arabia, Spain, South Africa, Syria, Tunisia, Turkey, Ukraine and the United Arab Emirates.
As part of the settlement between Siemens and the World Bank, the World Bank has the right to audit the use of US$ 100 million in funding over a period of 15 years, beginning in 2009. It can also use its veto right over Siemens' selection of projects and organizations receiving funds. As part of the agreement between Siemens and the European Investment Bank (€13.64 million over five years, beginning in 2013), the EIB has the right to review and provide a “no-objection” to the projects proposed.

The First Funding Round, which committed a sum of around US$ 37.7 million, was launched in December 2009, followed by the Second Round with US$ 35.554 million in March 2013.

In the period extending into 2020, Siemens AG will be announcing further projects selected in the Third Funding Round. These projects will also be published at www.siemens.com/integrity-initiative. In addition to the Annual Reports for the First and Second Funding Rounds, this website also provides access to the independent 2017 mid-term review and to the profiles of all promoted projects and to further information about the selection process.

Further information about the Siemens Integrity Initiative can be found at www.siemens.com/integrity-initiative

This press release is available at sie.ag/34byFjp
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. The company is active around the globe, focusing on the areas of power generation and distribution, intelligent infrastructure for buildings and distributed energy systems, and automation and digitalization in the process and manufacturing industries. Through the separately managed company Siemens Mobility, a leading supplier of smart mobility solutions for rail and road transport, Siemens is shaping the world market for passenger and freight services. Due to its majority stakes in the publicly listed companies Siemens Healthineers AG and Siemens Gamesa Renewable Energy, Siemens is also a world-leading supplier of medical technology and digital healthcare services as well as environmentally friendly solutions for onshore and offshore wind power generation. In fiscal 2019, which ended on September 30, 2019, Siemens generated revenue of €86.8 billion and net income of €5.6 billion. At the end of September 2019, the company had around 385,000 employees worldwide. Further information is available on the Internet at www.siemens.com.