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Joint press release by Siemens AG and the World Bank

## **Siemens launches US\$100-million initiative for anti-corruption**

Non-profit organizations can immediately apply to Siemens for funding

**Siemens AG will distribute funds totaling US\$100 million, over 15 years, to nonprofit organizations worldwide that promote business integrity and fight corruption. Applications for support from the Siemens Integrity Initiative can be submitted as of today. “Siemens stands for clean and sustainable business,” said Peter Y. Solmssen, Member of the Managing Board and General Counsel of Siemens AG. “This initiative will boost our efforts for more business integrity and fair market conditions globally. We are looking forward to making this a joint success with the World Bank and other partners.”**

The Siemens initiative is part of the World Bank-Siemens AG comprehensive settlement that was agreed on July 2, 2009. “We welcome the company’s initiative in support of fair and equal conditions in a highly competitive global market,” commented Leonard McCarthy, World Bank Integrity Vice President. “This initiative can help spread the word and change expectations of the business environment particularly in parts of the world where governance and integrity remain a challenge to development effectiveness.”

The Siemens Integrity Initiative supports projects that prevent and fight fraud and corruption. These include training and education projects as well as collective action, in which companies and institutions build alliances to achieve clean markets and fair competition. The selection process will favor projects having a direct impact on the private sector and that aim, among others, to strengthen compliance standards and legal systems.

Those eligible for funds include non-government organizations (NGOs), international organizations, associations and universities. Applications for funding must be submitted to Siemens at latest by January 31, 2010. The World Bank Group will have audit rights over the use of these funds and

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veto rights over the selection by Siemens of anti-corruption groups or programs receiving funds. Additional information on financing eligibility is available at: [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative)

**Background:**

The comprehensive settlement with Siemens arose out of a World Bank investigation and the company's acknowledgment of past misconduct in its global business. As part of the settlement, Limited Liability Company Siemens (OOO Siemens), a Russian subsidiary of Siemens AG, has been debarred for four years in connection with violations committed prior to 2007. The findings resulted from an investigation by the World Bank's Integrity Vice Presidency into fraudulent and corrupt practices under the Bank-financed "Moscow Urban Transport Project".

**Siemens AG** (Berlin and Munich) is a global powerhouse in electronics and electrical engineering, operating in the industry, energy and healthcare sectors. For over 160 years, Siemens has stood for technological excellence, innovation, quality, reliability and internationality. The company is the world's largest provider of environmental technologies, generating €23 billion – nearly one-third of its total revenue – from green products and solutions. In fiscal 2009, which ended on September 30, 2009, revenue totaled €76.7 billion and net income €2.5 billion. At the end of September 2009, Siemens had around 405,000 employees worldwide. Further information is available on the Internet at: [www.siemens.com](http://www.siemens.com).

The **World Bank Group** is one of the world's largest sources of funding and knowledge for developing countries. It comprises five closely associated institutions: the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), which together form the World Bank; the International Finance Corporation (IFC); the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). Each institution plays a distinct role in the mission to fight poverty and improve living standards for people in the developing world.

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