Siemens and its Compliance Program
Compliance Mission

The mission of the Regional Compliance Office is to act as a trusted advisor of the organization in order to allow it to prevent non-compliance behavior and to enable the development of a culture based on values.

The Regional Compliance Office is mainly focused on prevention on compliance issues but also supports and advise on detection and response on non-compliance behavior.
Compliance is one integral part of Siemens’ Risk and Internal Control System.

Risk and Internal Control

Enterprise Risk Management (ERM)

- Risk identification highlights gaps in internal controls
- Control monitoring may result in identifying risks.

Sources
- Corporate Circulars
- SOA 404 Annex 4
- ICS Self Assessment Catalogue
- ICS Task Force Output
- Others

Quarterly

Categories
- Strategic
- Operations
- Financial
- Compliance

Update
We have progressed significantly implementing a comprehensive Compliance Program

Prevent

- Training
- Policies, Procedures and Compliance Tools
- Program communication
- Centralization

Detect

- Compliance investigations
- Compliance reviews
- Compliance controls

Respond

- Consequences for misconduct
- Global case tracking
- Monitoring effectiveness

"Tone from the Top"

Compliance Organization

Continous improvement

Compliance Helpdesk ¹)

- Integration in personnel processes

¹) Incl. Global Ombudsman function

DoJ/SEC have appointed a Monitor who is watching our compliance program

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There is more than just anti-corruption, which needs to comply with external laws and internal policies.
... however, ultimately, controls are not enough. We need to continue fostering an integrity culture.

Questions to guide Siemens employees towards compliant and responsible behavior:

1. Is it the right thing for Siemens?
2. Is it consistent with Siemens core values and mine?
3. Is it legal? Is it ethical?
4. Is it something I am willing to be held accountable for?

If the answer is YES to all of those questions, DON'T WORRY, BE CONFIDENT!
Siemens needs to go beyond internal programs in order to become a recognized leader in compliance.

"Collective Action" can have a key role fostering equal compliance standards for all market players and thus reducing the risk of corruption.

- Siemens Compliance Program
  - Prevent
  - Detect
  - Respond

Collective Action

Reach out to industry peers via neutral facilitators (such as Transparency International) and initiate joint activities to fight corruption.

Siemens achieved best score in the 2008 Dow Jones Sustainability Index (Electronic Equipment industry) regarding category code of conduct / compliance.
Siemens is a Member of the World Bank Initiative on "Collective Action"

The Collective Action Guide and the comprehensive web portal [www.fightingcorruption.org](http://www.fightingcorruption.org) was successfully launched on June 19, 2008 in London.

### Results of World Bank Institute Initiative

- Published pragmatic guide on how to implement Collective Action
  - Written 'by business for business'
  - Decision trees and process descriptions
  - Based on real life experiences
  - Templates available

Launched Web-Portal [www.fightingcorruption.org](http://www.fightingcorruption.org) (hosted by World Bank)
- Providing guide download, country specific information, updated case stories, background info, etc...
- Pilot implementation ongoing

### Working Group

- **WORLD BANK INSTITUTE**
  - Promoting knowledge and learning for a better world
- **Global Advice Network**
- **CIPE**
- **SIEMENS**
- **Grant Thornton**
- **United Nations Global Compact**
- **TRANSPARENCY INTERNATIONAL**

**Supporting partners:**
- InWEnt Capacity Building International, Germany
- Transparency International, USA

**Advice & Feedback from:**
- BDI, Germany
- Microsoft, USA
- Pacto Ético Comercial, Paraguay
- Sanlam, South Africa
- Prince of Wales International Business Leaders Forum, UK
- ThyssenKrupp AG, Germany