

## **ANTI-PUBLIC-CORRUPTION COMPLIANCE**

*This document explains more fully what Section B.2 of the [Business Conduct Guidelines](#) means and what our company expects from all Siemens employees in order to ensure compliance with the Business Conduct Guidelines in dealings with government officials. Please note that this document does not address other types of business-related corruption or relationships with private parties, which are also addressed under the company's Business Conduct Guidelines.*

### **1. Policy**

It is the policy of Siemens AG and each of its affiliated companies (each of which is referred to, together with Siemens AG, as the "Company" as the context may require) to prohibit the offering or giving, either directly or indirectly, of money or anything else of value to a government official in order to influence official action or obtain an improper advantage. It is also the policy of the Company to keep books and records that accurately and fairly reflect all transactions.

### **2. Scope**

This policy applies globally to all of the Company's directors, officers and employees (each a "Company Person"). Its general principles and prohibitions also apply to agents, consultants and other third parties working on behalf of the Company. Neither the Company nor any Company Person may circumvent the requirements of this policy through the use of such agents, consultants or other third parties.

### **3. Background**

- 3.1.** Germany, the United States and nearly all other countries have adopted laws prohibiting the bribery of government officials. Not all bribery takes the form of cash payments or commissions. For example, providing gifts, travel or entertainment may be unlawful depending on the circumstances.
- 3.2.** Violations of the anti-bribery laws can lead to costly enforcement actions against the Company and the individuals involved, reputational damage to the Company and its employees, and criminal penalties against both the Company and the individuals involved. Persons found guilty of bribery face possible imprisonment as well as fines.
- 3.3.** It is not possible to formulate a set of guidelines that applies to every possible situation that may raise questions under the anti-bribery laws of countries around the world. Each Company Person must use common sense in identifying activity that may violate Siemens' anti-corruption policy or be subject to scrutiny by law enforcement officials. It is the responsibility of each Company Person to consult his or her respective Compliance Officer if he or she has any question about whether his or her action could potentially violate anti-bribery laws.

3.4. As necessary, the Company will issue additional anti-corruption guidance consistent with this general policy to address, among other things, the specific requirements of local law.

#### 4. Practices

4.1. General Practice. No Company Person may give, offer, promise or authorize the giving of *anything* of value to a **government official** (as defined below), directly or through an intermediary, such as an agent or business consultant, in order to influence official action or obtain an improper advantage. This prohibition bars the giving, offering, promising, or authorizing the transfer of not only cash but anything else of value including, for example,

- gifts or gratuities of any kind (see Section 4.2 below);
- inappropriate travel, meals or entertainment (see Section 4.3 below);
- contributions to a charity (even a legitimate one) specified by, or that would personally benefit, a government official; or
- offers of employment to family members of a government official,

in order to **influence official action** or obtain an **improper advantage**.

The term "**influence official action**" means to attempt to induce a government official to act or refrain from acting in any way in the performance of official duties.

An "**improper advantage**" is any advantage gained by Siemens not on the merits of its products but because a government official violated the public trust for Siemens' benefit. Such an improper advantage could include a new business award, a tax reduction, a regulatory approval or any other official action that is unwarranted.

Siemens policy requires using the definition of "government official" set forth below, regardless whether the law in a particular jurisdiction excludes a particular person from the definition of a "government official."

The term "**government official**" includes anyone working at or on behalf of a **government entity** (as defined below), as well as any candidate for political office, political party official or employee, or a political party. A government official also includes an officer, director, or employee of a non-governmental institution whose employees are treated, because of their status or other reasons, as government officials under applicable local law, German law or U.S. federal law.

The term "**government entity**" is defined broadly to include national, state or local governments or government departments, bodies, agencies and other government entities, as well as "public international organizations" and political parties. "Public international organizations" include any organization with two or more governments as members. "Government entity" also includes "government-controlled enterprises," meaning any entity, whether organized under public or private law, in which one or more government entities has a sufficient interest to give it control. Any entity that is at least 50% owned by any government entity would qualify as would any entity that is controlled in fact by any government entity.

Thus, for example, a government official could be any of the following:

- Employee of a state-owned hospital, utility or other enterprise;
- Local police officer;
- Military personnel;
- Customs official;
- Officer of the World Health Organization, Council of Europe, World Bank or United Nations;
- Mayoral candidate;
- Member of Parliament; or
- Judge, prosecutor or court clerk.

Added guidance as to who qualifies as a government official will be available on the [Corporate Compliance Office's](#) intranet site. Among other guidance, you will find:

- A list of non-governmental institutions whose employees are treated as officials under the US Foreign Corrupt Practices Act (FCPA) and the types of persons considered to be officials under the FCPA;
- A non comprehensive list of public authorities and governmental institutions compiled by the EU for all 27 Member States for purposes of public procurement.

If you have any doubts as to whether a person is a government official, assume that the person in question is a government official, or contact your Compliance Officer.

- 4.2. Gifts and Contributions.** Small gifts of nominal value (i.e., tokens) made or promised to a government official are permissible if they are not designed to influence official action or to obtain an improper advantage. Depending on local custom and other circumstances, and subject to local law, such permissible small gifts could include a fruit basket, flowers, a book or comparable items. For avoidance of doubt, any other gift or promise of a gift made to any government official is prohibited. If you have any questions as to whether a proposed gift fits within this exception, please contact your Group or Regional Compliance Officer, or the Corporate Compliance Office.

Donations for cultural, scientific or humanitarian purposes, as well as fees for membership in social and cultural organizations are governed by [ZV Circular, dated October 2, 2006, entitled "Company Donations."](#) The Company does not make political contributions (donations to politicians, political parties or political organizations). Employees in the United States may make political donations via the Siemens Corporation Political Action Committee without violating this principle.

- 4.3. Travel, Meals and Entertainment.** Providing travel, meals or entertainment to a government official is never permitted in order to influence official action or obtain an improper advantage. Meals, entertainment and local transportation that are (1) incident to business-related events, (2) reasonable in value, (3) given in good faith, (4) permitted under local laws and customs, and offered infrequently may be acceptable. In addition, reasonable and good faith expenditures for lodging or for

other types of travel and entertainment may be permitted with the prior approval of your Compliance Officer, but only if they are directly related to the promotion, demonstration or explanation of products or services or the performance of a contract with a government entity. Providing travel, meals or entertainment to a guest (including spouse) of a government official is not permitted. Consult your respective Compliance Officer for guidance if you have any doubts about the proper application of the above guidance.

**4.4. Agents, Consultants and Other Third Parties.** A Company Person may not give money or anything of value to any person if the circumstances indicate that it is probable that all or part of the money or other thing of value will be passed on to a government official to influence official action or obtain an improper advantage. In order to protect the Company against the risk of bribes given *indirectly*, it is imperative that the Company and each Company Person ensure that its agents, consultants and other third parties who will have contacts on behalf of the Company with government officials understand and abide by the Company's anti-bribery policies. It is also imperative that the Company investigate the qualifications and reputation of such third parties. Relationships with sales-related business consultants are governed by Z Circular 17/2007. Additional guidance concerning business consultant agreements will be issued.

**4.5. Books and Records.** The Company's books, records and accounts must be kept with reasonable detail and accuracy such that they fairly reflect all transactions and dispositions of assets. Company Persons must follow all internal controls, practices and procedures, as well as applicable standards and practices for accounting and financial reporting. False, misleading or other artificial entries are not to be made in the books and records of the Company for any reason, including to conceal the purpose or nature of payments. Such artificial entries could include the mischaracterization of an improper payment as a commission payment, customer development charge, processing fee or rebate.

Please refer to Section E.1 of the Business Conduct Guidelines for further information.

**4.6. Questions.** Any questions concerning this policy or the applicability of the anti-bribery laws to specific situations or practices should be directed to your respective Compliance Officer.

## **5. Reporting**

If you suspect that any Company Person, or any other person acting for or on behalf of the Company, may have engaged in conduct inconsistent with the Company's policies with respect to anti-corruption, please contact your supervisor, your respective Compliance Officer, the Corporate Compliance Office at [compliance\\_office.cp@siemens.com](mailto:compliance_office.cp@siemens.com), or the [Siemens Ombudsman](#) immediately. No employee will be penalized for merely reporting suspected misconduct.