

Siemens Stiftung Annual Report 2009



The inception of the Siemens Stiftung

Continuity in responsibility – new perspectives for the future



Dear readers,

The Siemens Stiftung is off to a successful start. Siemens AG, by establishing and endowing the charitable foundation in September 2008, has once again given tangible expression to its long-term commitment to good corporate citizenship. Endowed with a capital of €390 million, the Siemens Stiftung is one of Germany's largest corporate foundations.

At the same time, Siemens took an important step toward consolidating its corporate citizenship activities and defining the strategic direction of those activities to meet the global needs of the future.

You have before you the Siemens Stiftung's first activity report, covering fiscal 2009. The foundation commenced its operations on January 1, 2009. On these pages you will find comprehensive information about the diverse projects undertaken by the foundation as well as its goals and strategies for the future.

The Siemens Stiftung builds upon the successful corporate citizenship activities of Siemens AG while further substantially developing the core project lines. Its man-

date is to formulate international responses to global social challenges, help the disadvantaged to discover new opportunities and promote self-reliance. The key focal areas, such as the promotion of integrated development and science education, are designed to create a lasting impact. The work of the foundation centers on education, technology, innovation, art and culture, and social and community involvement. The Siemens Stiftung ensures continuity in the quality of the projects and offers new, trendsetting ideas. This report provides detailed information on how the foundation will fulfill this mandate.

This inaugural annual report is unique in two ways: It covers the period from January to September 2009, as the foundation did not commence operations until January 1, 2009. The foundation's normal fiscal year runs from October 1 through September 30 of the following year.

In addition, it covers only Education & Welfare projects, since the other two principal sections – Society & Technology and Art & Culture – were first established at the start of the new fiscal year on October 1, 2009. The foundation was still in its development stage during the first nine months of 2009.

Throughout this period, the Board of Trustees fulfilled its duties as defined by law and set forth in the foundation charter. It advised the Board of Directors on the management of the foundation and supervised that body's activities. In its meeting of September 23, 2009, the Board of Trustees appointed Ulrike Wahl to the foundation's Board of Directors. She is responsible for the Siemens Stiftung's operations and communications. The Board of Directors now has three members: In addition to Ulrike Wahl, who is a full-time employee, it includes Georg Bernwieser, who is responsible for finance, and the chairman, Stephan Heimbach. These two individuals serve on a voluntary basis.

In two regular sessions, the Board of Directors delivered to the Board of Trustees a comprehensive report on the progress of the foundation's establishment, the strategic planning and development, and the results of ongoing projects. After thorough review and discussion, the Board of Trustees adopted the resolutions of the Board of Directors.

The Board of Trustees thanks the members of the Board of Directors and the employees for their work above and beyond the efforts involved in the transition and start-up phase. Together they have enabled the new Siemens Stiftung to get off to an excellent start.

On behalf of the Board of Trustees

Peter Löscher

President of the Siemens Stiftung Board of Trustees
Chief Executive Officer of Siemens AG

Munich, January 29, 2010

Charting a new course

Strategies to enhance opportunities, quality of life, development

Dear partners and friends of the Siemens Stiftung,

Our first fiscal year was understandably one of transition, development and the establishment of our identity. The work of the Board of Directors as we entered 2009 – and also in the previous months – was focused on clarifying numerous organizational, legal and administrative issues as well as on making decisions about the transition of projects as we prepared for the Siemens Stiftung to commence operations on January 1, 2009. We needed to establish the foundation's structure – which included establishing an appropriate administrative framework for the foundation's substantial endowment – and ensure a smooth, uninterrupted transition of the educational and social projects that we would take over from Siemens AG. This was particularly important in order to continue to meet the needs of our partners and target groups.

The initial Education & Welfare team began its work within the foundation at the beginning of January 2009, as scheduled.

In the months that followed, the foundation expanded further. The Board of Directors repeated the tasks outlined above as they prepared to transition the Siemens Arts Program and a team from Siemens Corporate Communications into the Siemens Stiftung. These formed the Society & Technology and Art & Culture sections, which began their work at the start of the new fiscal year on October 1, 2009.

A new organizational structure was adopted for the three principal sections and the centralized functions. The administrative processes, which were defined at the time the foundation commenced operations and are now being utilized, were reviewed and further optimized.

The appointment of Ulrike Wahl to the Board of Directors enabled the Board to step up its work significantly.

Ms. Wahl took charge of operations and communications on June 15, 2009, relieving the burden on the two voluntary Board members, Stephan Heimbach and Georg Bernwieser.

The Board of Directors focused considerable effort on the task of charting the foundation's course: developing its content, defining its long-term positioning, formulating a common mandate for all the sections and planning a strategy guided by the principle of sustainability. Input was gathered during numerous workshops and team meetings, where active and future employees (those who started in October 2009) as well as outside stakeholders engaged in intensive discussions and critical reflection.

The ideas and findings coalesced into the strategic guidelines for the three sections, as outlined in detail in section 8 of this report. When it comes to the development of future projects, the Board of Directors attaches particular importance to focusing commitments on the foundation's specific areas of emphasis and further internationalizing the projects.

It was also necessary to clarify and allocate activities and objectives between the nonprofit Siemens Stiftung and Siemens AG to eliminate project overlaps and harness potential synergies for the target groups. Another important goal is to systematically and productively link the operations of the Siemens Stiftung to powerful external partners and the five Siemens foundations currently in place around the world.

The results of this strategy-building session were presented to and approved by the Board of Trustees.

From a financial perspective, the results achieved were also positive, despite the difficult current environment stemming from the global financial and economic crisis.



Overall, fiscal 2009 was characterized by startup work and establishing processes designed to enable the foundation to develop its strategy and positioning. We want to express our appreciation to the Board of Trustees for its constructive consultation and support. We also want to thank our employees for their tireless commitment and efforts. The Siemens Stiftung can work with confidence as it strives to achieve its defined objectives.

Representing the Board of Directors,

Dr. Stephan Heimbach
CEO of the Siemens Stiftung

Munich, January 29, 2010

Dr. Stephan Heimbach
Chairman of the Board of Directors, Siemens Stiftung
Head of Corporate Communications and
Government Affairs, Siemens AG

Ulrike Wahl
Member, Board of Directors, Siemens Stiftung
Head of Operations and Communications

Georg Bernwieser
Vice Chairman of the Board of Directors, Siemens Stiftung
Head of Finance

Contents

	The inception of the Siemens Stiftung	1
	Charting a new course	3
1.	Establishing the Siemens Stiftung	6
2.	Work in transition – cooperation and demarcation	7
3.	Commencing operations at the Stiftung	8
4.	Education & Welfare	9
4.1	Education: continuity and new directions	9
	Preschool	
	Primary school	
	Secondary school	
4.2	Welfare: urgent need for action	19
	Water and health	
	Disaster relief	
	Social business: new directions for new projects	
5.	Society & Technology	23
6.	Art & Culture	25
7.	Identity and positioning	27
8.	Strategy and overall objectives	29
9.	Personnel and executive bodies	31
10.	Financial report	33

1.

Establishing the Siemens Stiftung



Corporate citizenship has been a consistent element in Siemens' culture since the company was founded. For more than 160 years, Siemens has embraced its social responsibility. The social causes supported by Siemens crystallized early on: technological progress, fostering education and science, the promotion of art and culture, and public welfare initiatives. Siemens' activities were characterized by strategic considerations, long-term thinking and a focus on results – well before "sustainability" became a buzzword.

The Siemens Stiftung will continue this tradition on behalf of the company and further refine the content of the projects. The corporate citizenship activities formerly managed at the corporate level have been consolidated in the Siemens Stiftung to enhance the long-term effectiveness and visibility of the initiatives and achieve maximum transparency.

The founding of the Siemens Stiftung represents the culmination of the work of many years, during which Siemens refined and reoriented its corporate citizenship activities and adapted them to the global challenges of the future. The guiding principles of this strategy:

- Further strengthen the efficiency and long-term effectiveness of the initiatives
- Run the projects in an environment unencumbered by the volatility of Siemens' business operations
- Clearly separate business from social responsibility in the interest of transparency and acceptance, and thus
- Present to the public and the many stakeholders clearer, more visible communications depicting our social activities

It is the mandate of the Siemens Stiftung to find answers to the challenges facing societies worldwide, identify opportunities, put forward ideas, promote self-reliance and provide assistance in disaster situations. The focus is on social responsibility, education, research, innovation, technology, the arts and culture.

The Siemens Stiftung, headquartered in Munich, was founded in September 2008 as a charitable foundation organized under the German Civil Code and is subject to supervision by the state of Bavaria. The foundation has been vested with an endowment of €390 million from Siemens AG. It commenced operations at the beginning of calendar year 2009.

The Siemens Stiftung is active largely at an operational level – that is, it primarily initiates and implements its own projects, sometimes in cooperation with partners.

More information:

www.siemens-stiftung.org/en/siemens-stiftung/about-us.html

2.

Work in transition – cooperation and demarcation

The relationship between the foundation and its sponsor

The long-standing tradition of corporate citizenship at Siemens AG was firmly established in the company's global structure and – in keeping with the standards of committed corporate responsibility – has become increasingly aligned with the company's strategy in recent years.

Separating one key element of these corporate citizenship activities – the projects administered centrally at the corporate level – from the company and transferring it to a charitable foundation represented somewhat of a change in strategy and raised a number of issues that had to be thoroughly discussed and resolved during the preparatory phase.

First were the issues of content: What falls clearly within the realm of the company? Which programs should remain a part of Siemens AG – because they are more closely aligned with the business interests, for example, or are an important part of the company's public relations activities? Which projects might be better handled by a charitable foundation?

Next came the many legal issues, including those pertaining to our partners: Are there any issues in transferring the contractual agreements of various projects to the foundation? Which rights are retained by Siemens? Which rights remain with outside partners?

Finally, we had to consider the interests of our target groups and partners: How can we ensure continuity during the transition and thus avoid jeopardizing the long-term impact of our work? Which programs do we need to change, and how, in order to continue their operation? What is the appropriate way to phase out projects that we are unable to continue?

The challenge for the foundation's (future) employees was the shift in perspective in transitioning from corporate topics and interests to charitable interests: fulfilling the foundation's mandate without calling into question its independent status through too close an alignment with the company.

3.

Commencing operations at the Stiftung

Following extensive organizational and legal preparations, the Siemens Stiftung charitable foundation commenced operations on January 1, 2009.

For the launch, projects from corporate citizenship programs administered **centrally** at the corporate level (Siemens Generation21 and Siemens Caring Hands) were spun off and transferred to the foundation.

On the other hand, the **regional** activities focusing on education and social welfare remain within the Siemens companies in the respective countries, where they continue to run under the program names Siemens Generation21 and Siemens Caring Hands.

Principal sections of the Siemens Stiftung

The projects reassigned to the Siemens Stiftung were consolidated under **Education & Welfare**, the first of the foundation's three sections to be established. Education & Welfare is responsible for continuing the current projects in these fields and further refining the concepts behind the activities.

The other two sections, **Society & Technology** and **Art & Culture**, did not come into being until the start of the new fiscal year in October 2009, as the social dialog communication team and the former Siemens Arts Program were formally transferred from Siemens AG to the foundation.

4.

Education & Welfare

The activities and projects of the Siemens Stiftung, in keeping with its international mandate, are distributed throughout many countries according to need or the availability of partnership opportunities.

4.1

Education: continuity and new directions

Our global commitment to education brings together programs in the areas of preschool, primary and secondary school with a focus on strengthening the interest of children and young people in science and technology and providing early support to gifted youth. Mathematics, natural sciences and technology are essential, both for the success of the individual and for the greater social and economic good. The objective of our activities is to ensure that children and youth experience these learning areas positively and with a feeling of success, and are thus attracted to them as a career path.

That's why the Siemens Stiftung supports educators with contemporary and practice-oriented teaching materials, offers an attractive competition for committed students, promotes trendsetting educational concepts and plays an active role in targeted initiatives and networks that can achieve these goals across the board, at least at the regional level.

Preschool projects of the Siemens Stiftung

Forscherkiste and Discovery Box

Learning through discovery: Children of preschool age are especially curious and learn by "playing"; never again are they so open-minded about the laws of nature and so willing to experiment as during this stage of their development. To help them approach the natural sciences and technology in a manner appropriate to their age, the Siemens Stiftung donates *Forscherkiste* (research kits) to preschools and kindergartens according to specific criteria. The project was launched in 2005 by Siemens AG, and by the end of 2008, more than 3,000 kits had been donated to preschools in Germany. The Siemens Stiftung is now carrying on this program. The *Forscherkiste* continues to enjoy great popularity:

Between January and September 2009, the Siemens Stiftung donated an additional 150 kits in Germany. At the same time, 300 early childhood educators received instruction in how to integrate the *Forscherkiste* into the curriculum. Overall, this effort reached an additional 7,500 children.

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/preschool/discovery-box/general-information.html



Water experiments with the *Forscherkiste*

Forscherkiste – experiments in preschool

The *Forscherkiste* was developed by Science Lab, a nonprofit educational institution in Feldafing, Germany. It gives children from three to six years of age the opportunity to take a closer look at scientific and technological correlations and phenomena. The kit contains all the materials for 45 experiments that help children unlock the mysteries of water, air, colors, electricity and sound.

In addition to materials such as cables, batteries, light bulbs, crystals, rulers, test tubes and much more, the *Forscherkiste* also includes a voucher for two educators to visit the training programs that Science Lab conducts throughout Germany.

Discovery Box – the international version

Since the concept of allowing children to approach science and technology through play was soon in demand outside Germany as well, Siemens AG internationalized the project in 2007, and the Siemens Stiftung is now also continuing and expanding the project.

The Discovery Box is the international version of the *Forscherkiste*. The basic educational idea is the same, but it has been adapted to local conditions in other countries. Comprehensive DVDs in the local language replace live training by the instructors. By the end of 2008, Siemens companies in over 20 countries around the world had donated 2,000 Discovery Boxes.

Discovery Boxes have been produced in Germany since 2007 in the Caritas production facility for the disabled in Munich (1,500) and under license in many other countries, including Brazil (150), China (700), Colombia (550), Slovakia (100), Taiwan (30) – resulting in a total of over 3,000 Discovery Boxes by September 2009.

In the first nine months of 2009, the Siemens Stiftung in southeastern Europe launched a regional project to introduce the Discovery Box in Bulgaria, Croatia, Romania, Slovenia and Hungary, with the Siemens AG Regional Companies acting as “ambassadors” for the Siemens Stiftung.

From January to September 2009, 40 Discovery Boxes were donated upon request.

Forscherkiste and Discovery Box donations to preschools by the Siemens Stiftung to date:

(January – September 2009)	
<i>Forscherkiste</i> (Germany)	150
Discovery Boxes (international)	40

Project goals for fiscal 2009/2010:

- Science curriculum in preschools and kindergartens must become just as much a matter of course as music or athletics are, with the *Forscherkiste* and Discovery Box making a lasting contribution to this effort
- The Siemens Stiftung will continue to promote science and technology in preschools – among children and their teachers – while donating additional experimentation kits and advocating for this educational concept
- Expand the use of or familiarity with the Discovery Box, reaching preschool institutions in a total of over 30 countries; projects in Argentina and possibly Saudi Arabia are in preparation for 2010

More information:
www.siemens-stiftung.org/discoverybox



Naturwissenschaften und Technik für Mädchen und Jungen

Tiny Tots Science Corner

Science and technology for girls and boys



The "Tiny Tots Science Corner"

In addition to the aforementioned activities, the Siemens Stiftung has also continued the commitment of Siemens AG by supporting the preschool initiative "Tiny Tots Science Corner" in collaboration with the Helmholtz-Gemeinschaft Deutscher Forschungszentren, McKinsey consultants and the Dietmar Hopp Stiftung. Under the sponsorship of Dr. Annette Schavan, Germany's Federal Minister for Education, the initiative also receives support from the Federal Ministry of Education and Research.

The "Tiny Tots Science Corner" has developed into a successful institution with a broad impact in the area of early childhood education. By the end of September 2009, some 8,300 childcare facilities in 121 regional networks throughout Germany were involved. The "Tiny Tots Science Corner" conducts regular workshops to ensure that teachers and specialists have a thorough understanding of the educational concept and the experiments, which deal with themes such as air, water, carbonation and astronomy. The initiative includes developing and distributing free instructional materials. All participating childcare facilities are invited to take part in the annual "Tiny Tots Science Day."

The result is that many preschools and childcare facilities have been able to integrate science and technology into their daily program as a matter of course, thereby expanding children's minds as they play.

Project goal for fiscal 2009/2010:

- The Siemens Stiftung continues to support the expansion of the initiative throughout Germany so that the "Tiny Tots Science Corner" can grow and more children can experiment.

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/preschool/tiny-tots-science-corner.html

Shared language – shared future: promoting language with KIKUS

According to United Nations statistics, Germany ranked third after the United States and Russia in absolute numbers of immigrants in 2005. Today, one in three children under the age of five have an immigrant background. The Siemens Stiftung is working to ensure the effective integration of people of diverse origins. Learning the language is the key to integration: adequate language skills form the basis for personal and educational opportunities and for equality and opportunity in the interaction with others. Language is thus a critical prerequisite for cohesion in societies.

The PISA study has reaffirmed this: the development and performance of children depend largely on their language skills. Youth from immigrant families make up a disproportionate share of those who drop out of school without graduating. Children with inadequate knowledge of German have a learning handicap compared to their classmates as early as when they enter primary school. There is an urgent need for action, especially in early education, to forestall such setbacks altogether.

That's why Siemens was already supporting the nonprofit Center for Multilingualism in Children (ZKM). The multi-year collaboration, started in 2008, is being continued by the Siemens Stiftung. The KIKUS ("Children in Cultures and Languages") language instruction initiative of ZKM is aimed at children aged three and up whose first language is not German. Through this partnership, the Siemens Stiftung and ZKM seek to spread the language learning methodology and give more children the opportunity to learn German in a playful environment. KIKUS consciously supports multilingualism by involving the parents.



KIKUS: children learn German through play



Playful learning – the KIKUS method

Play, sing, have fun and learn a language in the process – this is the core idea of KIKUS (Children in Cultures and Languages). The method was developed especially for the needs of early language education for children aged three and up by Dr. Edgardis Garlin, a linguist and a member of the ZKM Board of Directors.

The focus is always on the world as experienced by children: subjects such as family, clothing and food become objects of playful interaction with the new language. Vocabulary, grammar and socio-linguistic behavior are taught and practiced in a way children can understand. Supervised parent-child instruction encourages a role for the child's native language in the family. Acknowledging the native language strengthens the children's self-confidence and supports their multilingualism.

ZKM instructors teach German classes based on the KIKUS method in childcare facilities and primary schools throughout Germany to systematically encourage the work in small groups. One class unit per week is held through the school year for up to eight children. Up to two education specialists from the school also sit in on the class, thereby learning the method. The goal, after all, is for the school to continue the German classes on its own after this introduction. The partnership among the program directors, the school and the education specialists is intended to help as many children as possible to benefit from the method.

The KIKUS language method was introduced in 1998 and is now in use at a number of schools across Germany; more than 20,000 children have already benefited from it. And this number will continue to grow, thanks to the long-term partnership between ZKM and the Siemens Stiftung.

In the past school year, this partnership led to nine language courses for six to eight children each in childcare facilities in a number of German cities. In seven basic seminars, up to 20 teachers received instruction in the KIKUS method. These teachers can now implement the KIKUS language method in their own schools. The Siemens Stiftung continues to support language courses and teacher training sessions throughout the 2009/10 school year.

Project goals for fiscal 2009/2010:

- Scientific evaluation of activities in partnership with a university or research institution to improve the methods for measuring success
- Expansion of the method to German metropolitan areas where there is a high need for language instruction
- Testing of the method in another European country

More information:

www.siemens-stiftung.org/en/education-and-welfare/education-and-integration/kikus-early-language-acquisition/general-information.html

Overview of activities from January to September 2009:

Programs	Participants	Location
9 KIKUS language courses for children	66	Berlin, Hamburg, Munich, Nuremberg, Wiesbaden
6 KIKUS training seminars for teachers	~100	Berlin, Hamburg, Cologne, Munich, Nuremberg, Frankfurt-Kelsterbach
Partnership in "Bilder-Buch-Zeit mit KIKUS" in collaboration with Munich city libraries and "Lesefüchse e.V." for employee training	20	Munich

Primary school projects of the Siemens Stiftung

The aforementioned principle of the Siemens Stiftung – to awaken in children and young people an early interest in science and technology in a manner they can understand – is continued at the primary school level through the initiatives “NaWi – How does that work?” and “KiTec – Children discover technology.” The target audience for both programs is children aged six to ten and their teachers. Here, too, the Siemens Stiftung is continuing work begun by Siemens AG.

NaWi – How does that work?

This project was initiated by the “Wissensfabrik” corporate alliance, whose current membership comprises some 70 companies, and also includes the Siemens Stiftung. The aim of the project is to help teachers provide children with the most interesting lessons possible that introduce them to the natural sciences through experiments with simple phenomena of inanimate nature. “NaWi – How does that work?” offers the necessary equipment, along with a carefully designed manuscript that explains the background in a way that even people with little knowledge of the field can understand. The primary school teachers who have taken part in the program rank it very favorably, with 98 percent expressing praise and recognition for the concept: “If NaWi didn’t already exist, we’d have to invent it.”

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/elementary-school/nawi-how-does-that-work.html

KiTec – Children discover technology

This project is also the brainchild of the “Wissensfabrik” corporate alliance. The focus here is on introducing children to the fascinating world of technology – for example, through the construction of bridges, towers and automobiles. KiTec offers the toolbox and the accompanying material for instructors. KiTec helps to alleviate the stubbornly persistent tendency among primary schools and their teachers to distance themselves from technology.

Since the project was launched in 2008, we have donated some 40 toolboxes in eight locations, with a new location added in 2009.

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/elementary-school/kitec-children-discover-technology.html

To achieve better long-term teaching results, the experimentation kits and toolboxes for the two projects are donated only after instructors have been trained. This training is conducted largely by the Senior Expert Service, a group of retired specialists. This is always based on a binding partnership agreement between the school and the Siemens Stiftung.

The evaluation and exchange of information for the project “NaWi – How does that work?” is conducted in collaboration with the University of Frankfurt. The evaluation of the project “KiTec – Children discover technology” is carried out in collaboration with the Transferzentrum für Neurowissenschaften und Lernen in Ulm.

Project goal for fiscal 2009/2010:

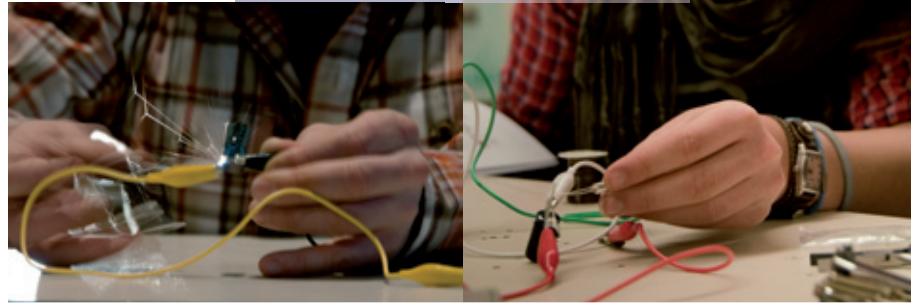
- Both projects are being constantly expanded to include additional locations, often at the request of primary schools and teachers.

Status of projects as of September 30, 2009:

Project	Project launch	Experiment kits / toolboxes ¹	Locations
NaWi – How does that work?	2006	440	20
KiTec – Children discover technology	2008	40	8

¹ Donated through 12/31/2008 by Siemens AG, from 1/1/2009 by the Siemens Stiftung

Exciting experiments
with the Electro-Lab Kit



Secondary school projects of the Siemens Stiftung

Electro-Lab Kit

What might an exciting and successful physics class look like? Two didactic elements inevitably play a critical role:

- Experiments that illustrate physical phenomena
- Hands-on research by the students themselves

But dedicated physics teachers must also have the proper equipment. This includes appropriate, up-to-date materials for experiments.

With the Electro-Lab Kit – a toolbox for 27 different experiments in the fields of electronics and electrical engineering – the Siemens Stiftung helps instructors enhance their lessons with real-world experiments.

The Electro-Lab Kit is suitable for physics instruction in the 10th grade and up. The booklets that accompany the kits include the necessary information, an illustrated description of the experiments, warnings and additional information. Children can perform the experiments on their own during class or under the guidance of the teacher.

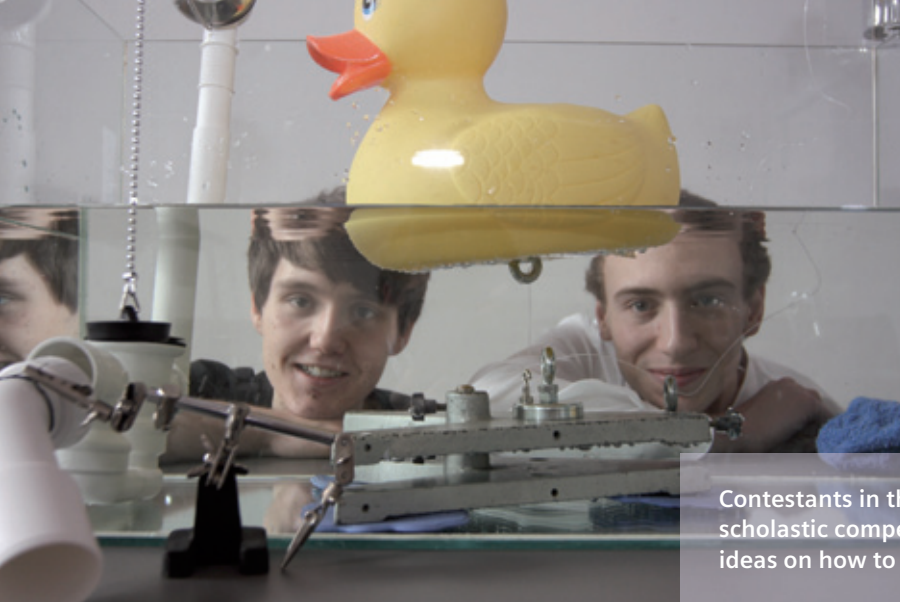
The Electro-Lab Kit is still in the test phase: in June 2009 it was evaluated by the department of physics education at Ludwig-Maximilians-Universität in Munich, with very good results. A second pilot phase, from October 2009 to February 2010, tested its real-life usefulness in four schools in the German states of Bavaria, Hamburg, Hesse and North Rhine–Westphalia.

Since then, schools have been able to apply through the Siemens Stiftung Web site to receive an Electro-Lab Kit. The Electro-Lab Kit is produced and packaged in the Caritas factories for the disabled in Berlin and Munich.

The Electro-Lab Kit will also be available in English for international use. Outside of Germany, it will be donated only in conjunction with teacher training, however. Concrete interest has already been signaled in South Africa, Peru, Argentina, Colombia and Costa Rica.

Project goals for fiscal 2009/2010:

- Successful completion of test phase
- Successful implementation in Germany



Contestants in the regional finals of the 2009 scholastic competition in Berlin present their ideas on how to save water

Siemens Stiftung scholastic competition in math, science and technology

The scholastic competition is open to students in grades 11 and above. The complex challenge consists of a scientific paper from a mathematical, scientific and technological perspective on a socially important theme, with a different theme each year. Urbanization, climate change and water have been the themes in the years since Siemens AG launched the competition in 2007. The competition is held in Germany in partnership with the universities RWTH Aachen, TU Berlin and TU Munich, which are responsible for the scientific adjudication. Winners receive substantial cash prizes for higher education, and the teachers whose students win also receive additional prizes for their departments.

The competition – sponsored by the German Federal Minister for the Environment, Nature Conservation and Nuclear Safety – transitioned from Siemens AG to the Siemens Stiftung in early 2009. The national finals were held in March 2009 in Munich. The competition with the theme “Auf H₂Ochturen forschen?” (“H₂Ope in Research?”) attracted 409 entrants and 103 submissions by the deadline of January 15, 2009.

As in years past, the feedback forms returned by the participating students, teachers and partner universities at the end of the competition ranged from positive to very positive.

The 2010 scholastic competition was announced in July 2009 – for the first time as an initiative of the Siemens Stiftung. The topic: “Energy Geniuses of the Future – Ideas for Greater Efficiency.” The entrants included 350 students supported by 150 teachers working on 175 research projects; 102 submissions were received. This seems to confirm that the transition of the competition from Siemens AG to the Siemens Stiftung has gone smoothly.

Similar scholastic competitions are also held in the U.S. (Siemens Competition in Math, Science and Technology, run by the Siemens Foundation since 1998) and in Russia (Siemens Russia, since 2007).

Project goal for fiscal 2009/2010:

- Expand the competition to German-speaking countries and regions within Europe

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/school/student-competition.html

Participants in scholastic competition in Germany:

Competitions	Year	Participants	Submissions
Lebens(T)Raum Stadt (urbanization)	2006/2007	245	107
Klimawandel (climate change)	2007/2008	782	379
Auf H ₂ Ochturen forschen (water) ¹	2008/2009	409	103
Energie-Genies der Zukunft – Ideen für mehr Effizienz (energy efficiency) ¹	2009/2010	350	102

¹ Under the responsibility of the Siemens Stiftung beginning Jan. 1, 2009

A quick search of appropriate teaching materials in the media portal helps educators prepare their lessons

Media portal

Educators can quickly find just the media and information they're looking for, based on their own individual needs, sorted by keywords or educational-didactic criteria such as course of study, learning object type or grade level. From physics to chemistry and biology, from language to music to ethics, from social sciences to computer science, the media provide links to many subjects and project ideas. The media related to energy range from basic technical knowledge to energy production and conversion, regenerative energies and energies of the future. The media on the subject of hearing deal with the structure and function of the ear, the hearing process in humans and animals, hearing loss, hearing impairment and much more.

The portal contains individual media such as interactive graphics, animations, films, audio files and fact sheets as well as media packages that address a common theme.



From media collections to media portal

Since 2004, Siemens AG has offered schools free access to media collections containing a wealth of accumulated knowledge in the areas of science and technology. In close cooperation with teachers and the educational partner Lokando AG, digital teaching materials have been developed on subjects such as energy, light and hearing. The media collections, which have received many awards (including the Comenius-Edu-Media award from the Gesellschaft für Pädagogik und Information e. V.), are a true success story: more than 65,000 CD-ROMs are being used in Germany and abroad.

In assuming responsibility for the project, the Siemens Stiftung enhanced the attractiveness of the collection and employed state-of-the-art Web technologies for a contemporary presentation of instructional materials. On May 11, 2009, the new media portal went live, offering teachers more than 600 free downloadable media related to the topics of energy and hearing. Additional media on the subjects of water and light as well as English-language materials were successively integrated through the end of fiscal 2009.

The implementation of the media portal offers important advantages:

- Elimination of restrictions (size, number of copies) imposed by CD-ROMs
- Ability to quickly update media content
- Greater interaction with target groups, informative user statistics
- Greater internationality through an expanded selection of different language versions
- Opportunity for interaction with other educational servers through metadata standard

We receive in-depth feedback from teacher workshops that Lokando conducts on behalf of the foundation and systematically evaluates. In 25 training sessions, nearly 380 participants discussed scenarios for using the media portal in preparing and teaching lesson plans with digital media. The findings are integrated back into the project as suggestions for improvements.

The media portal is off to a successful start. This is borne out by statistics on page hits and users in the period from May 11 through October 15, 2009:

Registered users	2,659
Search queries	28,773
Media accesses	69,383
Downloads	21,253 with 180,151 media

Project goals for fiscal 2009/2010:

- The content will be continuously expanded
- Internationalization of the media portal with English-language information and media will be a priority

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/school/media-portal.html

Siemens partner school program

Through its school partnership program, Siemens AG is maintaining a long and proven tradition. At the end of 2008, Siemens was cooperating with about 150 partner, contact and name-bearer schools (those bearing the Siemens name) in Germany, reaching some 150,000 students and 7,000 educators. On the international front, Siemens had established 30 school partnership programs in 15 countries by the end of 2008.

The objective of the partner school program is to support schools in the so-called MINT subjects (math, IT, natural sciences, technology) and in economic issues. Students also gain real-life insight into the functions of a global enterprise and receive valuable information on current and future career prospects, especially in technical and scientific fields, along with information on the appropriate courses of study.

Because the nature and intent of the school partnerships was linked to Siemens AG and not a foundation, the Siemens Stiftung could not simply take over and continue the central administration of the partner schools as a project. Nor can a charitable foundation define how Siemens as a company works together with schools.

On the other hand, the Siemens Stiftung has a mandate to promote school education in these very same subjects. A legally unambiguous, businesslike approach is currently being developed that will allow the foundation to properly support the company's partner schools while avoiding unnecessary duplication of administration.

A service contract will be drawn up to clearly delineate which responsibilities fall to the company and which to the foundation. Siemens AG is contracting the foundation to take over coordination of the partner school program. For schools already taking part in the Siemens partner school program, the partnership will continue unchanged. The Siemens Stiftung, as a contractor, will provide the same coordination, and the schools will still receive support from the local Siemens regional offices, which will remain responsible for implementing regional activities such as tours of the company's facilities, workshops, presentations and training seminars. The Siemens Stiftung is responsible for communication with the partner schools and for centrally managed events such as conferences for school administrators, trade fair visits and workshop series.

Project goal for fiscal 2009/2010:

- Call for submissions for multi-day project workshops for partner schools on a technical subject

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/school/school-networks/siemens-partner-school-program.html



Support of MINT-EC

Too few young people in Germany opt for careers in technology and the sciences. University dropout rates in these fields are too high, compared to other countries. Above all, too few girls and women choose the MINT subjects (math, IT, natural sciences, technology) in schools and universities, which is why women are underrepresented in technical and scientific career fields. As a member of the MINT Excellence Center on Schools (MINT-EC), the Siemens Stiftung supports schools that focus particularly on math and science. The idea is to help address the shortage of young professionals in these fields in Germany.

MINT-EC is dedicated to making math and science education in Germany better and more attractive over the long term to mitigate the traditional reservations young people harbor and motivate them to tackle the challenges of these demanding fields.

The Siemens Stiftung supports the association's network of 115 schools in Germany and a German school in Turkey with various activities, including the annual call for proposals for multi-day project workshops and a bi-annual competition among MINT-EC schools. The association's activities currently benefit approximately 110,000 students and 9,500 teachers.

Project goal for fiscal 2009/2010:

The Siemens Stiftung

- Supports the quantitative and qualitative expansion of the MINT-EC network
- Promotes multi-day project workshops for MINT-EC schools
- Sponsors the Siemens Stiftung Award 2010 for MINT-EC schools (biannual competition among schools)

More information:

www.siemens-stiftung.org/en/education-and-welfare/math-and-science-education/school/school-networks/mint-ec-partnership.html



Ethiopia: improved drinking water supply for the people of Afar

Northeastern Ethiopia is among the most barren areas of human settlement on Earth. Hot, arid conditions define the life of the people who live there. The Afar people have adapted to these extreme conditions with a semi-nomadic lifestyle. The availability of potable water is one critical element in the existence of families whose sustenance depends largely on livestock. Many wells have run dry, however. Sanitary conditions are poor, and women and children must travel long distances each day to fetch water. Water-related conflicts are a recurring problem. To ameliorate the situation, the Siemens Stiftung has teamed up with UNESCO and its partner, the international initiative HOPE'87 (*Hundreds of Original Projects for Employment*), to construct a water and sewage system adapted to the local environment. Tapping into groundwater and constructing wells and reservoirs along the migratory routes of the Afar give them better access to this vital resource.

Nine SkyHydrant water purification units are also being installed to help stem the spread of water-borne illnesses. The local population assumes responsibility by forming water committees that assume responsibility for the long-term maintenance of the water stations. Training the recipients in hygiene and the protection of their water sources ensures that the aid will have a lasting impact. Guaranteeing clean drinking water to the Afar helps reduce potential water conflicts with the residents of neighboring regions. Moreover, "peace clubs" in schools are intended to address interethnic conflicts.

4.2

Welfare: urgent need for action

The social welfare program includes the areas of water, health and disaster relief that were transitioned from Siemens AG. Preparations have begun on a new "social business" project approach.

Water and health

The need for clean drinking water is growing along with the world population. According to World Health Organization estimates, nearly 900 million people currently lack adequate access to this vital element. Some 2.2 million people die each year of illnesses transmitted through contaminated water, including many children under the age of five. For this reason, the industrialized nations committed to a common purpose in the United Nations Millennium Development Goals: to halve by 2015 the percentage of people forced to live without safe access to clean drinking water and basic sanitation.

The need for action is of the utmost urgency in the poorest and most underdeveloped regions of the world: 43 percent of the population in sub-Saharan Africa must subsist without clean drinking water. Uncontaminated water is also a valuable commodity in rural areas of Asia and not infrequently the source of local conflicts. Inadequate hygiene among the population and a lack of basic sanitation are the main causes of pathogens in the water system and thus for recurring waves of epidemics. But the

remoteness of such regions makes it difficult to realize or maintain large technological solutions.

This is where the Siemens Stiftung can make an effective contribution to improving local drinking water situations. The Siemens Stiftung provides life-saving mobile water purification units that function without electricity, thereby supporting local aid projects in collaboration with partner organizations. Our objective in helping is always to make a sustainable difference by helping people help themselves and assume personal responsibility: training the local population to use the water purification units, entrusting local water committees with day-to-day operation and providing health and hygiene education must lead to a sustainable approach to using and maintaining this vital resource.

To ensure efficient implementation of the projects, the Siemens Stiftung has partnered with UNESCO, the aid organization CARE, the Save the Children organization and the Australian SkyJuice Foundation, which produces the water purification units.

In fiscal 2009, the Siemens Stiftung took over and, in collaboration with UNESCO, successfully completed three water projects started by Siemens AG in Ethiopia, Burkina Faso and Kenya.

New projects have begun in Angola in cooperation with Save the Children and in Indonesia in partnership with CARE.



The Siemens Stiftung implements projects to decentralize drinking water supplies in developing nations.

The goal we set for ourselves in fiscal 2008/2009 – to provide approximately 10,000 people with clean drinking water – has been achieved.

Project goals for fiscal 2009/2010:

- More closely link water projects with locally adapted hygiene instruction
- Continue the Ethiopia project (scheduled until 2011) by installing the additional filtration units and carrying out other water and sanitation projects
- Systematically integrate the approach of “helping people help themselves” into new project concepts in the interest of long-term impact

More information:

www.siemens-stiftung.org/en/education-and-welfare/water-and-health/drinking-water-for-developing-countries/general-information.html

Activities from January to September 2009 – Overview of project status:

Country	Number of purification units, concept	Training	Location	Partner
Kenya	Three purification units installed for Bethesda orphanage for 330 HIV orphans and 270 foster children in families	Yes	Kisumu, Lake Victoria	UNESCO
Burkina Faso	Five purification units donated: four for a primary school and one for a women’s shelter	Yes	Ouagadougou	UNESCO, HOPE’87
Ethiopia	Four purification units installed for a primary school, a health station, a water station and a village	Yes	Northeastern Ethiopia	UNESCO, HOPE’87
Angola	Project for 10 schools and health centers for some 6,000 children with families; 10 purification units delivered, installation under way	Scheduled	Huambo province, Kwanza Sul province	Save the Children
Indonesia	Project for ~2,000 people; contract signed for five purification units, to be implemented in fiscal 2009/2010	Scheduled	West Timor	CARE



The German Red Cross is a solid partner
of the Siemens Stiftung in disaster relief

Disaster relief

When basic standards of sanitation are lacking, the risk of disease being transmitted through drinking water, especially in hot tropical or subtropical regions, is great. There is nothing to prevent viruses and bacteria from entering the water system, where they typically affect those who are already weak. Unfortunately, the cholera epidemic that broke out in Zimbabwe in December 2008 demonstrated once again the catastrophic consequences of contaminated water. By March 2009, nearly 90,000 people were infected, and many died. The Siemens Stiftung donated €20,000 in immediate financial aid to the German Red Cross for its efforts to stem the epidemic. In addition to water purification, a key element in the mission of local aid workers is to educate the population about hygiene. Thanks to the collaboration of aid organizations, it was possible to reduce the number of cholera cases in the areas of the projects.

Clean water is at the center of aid work, especially following major natural disasters such as earthquakes, tornadoes and floods, when efforts are necessarily focused on preventing or limiting the threat of epidemics. Projects designed to provide clean drinking water have grown in importance within Siemens disaster relief efforts as a result of this experience with the disasters of recent years and the acute need for fast, effective aid.

Together with financial and technical support from Siemens AG, the aid programs were consistently able to effectively reduce the threat of water-related emergencies through the use of water purification units.

Project goal for fiscal 2009/2010:

- The Siemens Stiftung will continue to work with Siemens AG to complement disaster relief aid: Siemens AG will concentrate on immediate aid in acute catastrophes, while the Siemens Stiftung will focus its projects on medium- to long-term approaches to preventing future disasters.

More information:

www.siemens-stiftung.org/en/education-and-welfare/water-and-health/natural-disaster-relief.html



One goal of the Siemens Stiftung is to help people help themselves over the long term. That's why we support social entrepreneurship in developing countries.

Social business: new directions for new projects

In the interest of the long-term effectiveness of its projects and the associated costs, the Siemens Stiftung will give priority to the approach of "helping people help themselves" in future project concepts. The solutions developed as part of the projects must continue to function and be effective after the foundation can no longer offer direct support.

The concept of establishing social businesses enables us to pursue this goal: the project should be run like a business while at the same time maintaining the social purpose and creating employment opportunities for the poor. By involving the people more closely in the projects (through training, for example) and promoting greater local responsibility, we seek to achieve more lasting results – through more solid structures and longer-term, more reliable perspectives for the people.

We seek collaboration with partners to support and in some cases establish social businesses. The focal point of such projects will clearly be in the developing countries. The projects will focus primarily on simple technologies and corresponding vocational training to allow people to assume responsibility for improving their own local living conditions.

With this new approach in mind, proposals were developed and initial inquiries made to potential partners in the period from January to September 2009.

Project goal for fiscal 2009/2010:

- Develop and optimize pilot projects that can be replicated as models for other projects operating under a variety of different conditions

5.

Society & Technology

In contrast to the Siemens Stiftung's other two sections – Education & Welfare and Art & Culture – the content of the Society & Technology section required a re-evaluation. There was no counterpart in the corporate citizenship activities of Siemens AG whose projects the Siemens Stiftung could have taken over. The team, which moved to the Siemens Stiftung only at the start of the new fiscal year on October 1, 2009, formerly worked in social dialog communication at Siemens AG.

Although the corporate citizenship activities of Siemens AG also included support for volunteerism projects, it was not possible to transfer the structural environment to the charitable foundation. Volunteerism projects must be established under the conditions of the foundation from a different perspective. For this reason, it was necessary to rethink the content of Society & Technology and first define its objectives, strategy and future projects. The groundwork for this was laid in fiscal 2009.

The mandate of Society & Technology is to unite technology and social responsibility in various international projects, promote real-world discourse at the intersection of social and technical issues, promote interdisciplinary exchange and encourage new types of cooperation. The aim is to generate ideas and to initiate and coordinate projects based on responsible citizenship, especially in the area of global challenges such as urbanization, environmental issues and climate change.

Objectives of future projects:

- The projects improve the local quality of life – for example, by ensuring a safe drinking water supply, protecting the environment or improving healthcare
- Experts such as engineers, architects, technicians and students volunteer as technical consultants
- Volunteers provide long-term assistance through transfer of their expertise

The Siemens Stiftung's partners in implementing the projects include:

Global Nature Fund (GNF), University of Botswana, Friedrich-Alexander-Universität Erlangen-Nuremberg, Ingenieure ohne Grenzen e.V. (Engineers Without Borders), various volunteer exchange services and local Siemens employees.

The strategic principles envisioned for the future can be outlined as follows:

Technical volunteering – solving urgent problems through engineering expertise

Voluntary personal involvement is a must in any society. Developing and emerging countries need a great deal of engineering and technical expertise just to solve their most pressing problems, but this is often not available locally. Through technical volunteerism projects, the Siemens Stiftung works with well-known partners on concrete solutions while sharing its expertise with the local population, thereby contributing to the long-term betterment of their living conditions. The emphasis is always on helping people help themselves.



There is much work to be done in the cities of developing and emerging countries. Experts lend a hand as project volunteers.

Young volunteers – young people take on social responsibility

People should be motivated from an early age to use their skills and expertise for the common good and to contribute as “young volunteers” to improving the quality of life of people in Germany and around the world. Interns, students and young employees from various companies help out in selected projects with a technical, social or cultural orientation, including projects they develop themselves. Part of the goal is to generate social awareness and an intercultural exchange.

Urban perspectives – sustainable solutions for medium-sized cities in southern Africa

Urbanization is on the rise around the world, but nowhere is the pace so frenzied as in Africa. Medium-sized cities in particular are forced to deal with this nearly uncontrollable trend. The Siemens Stiftung is responding by partnering with universities in Africa and Germany to initiate a constructive dialog and build up a sustainable network of experts to develop possible solutions for the specific challenges facing these cities. The focus here is on involving the local players and winning their support by bringing in people with varying levels of experience and from a range of different disciplines. The Siemens Stiftung also initiates and supports the implementation of selected projects developed from within this network.

More information:

www.siemens-stiftung.org/en/society-and-technology.html

6.

Art & Culture

Support for art and culture has a long tradition at Siemens. Through its ongoing commitment, Siemens emphasizes the special role that art and culture play in society. In 1987, Siemens consolidated its cultural activities in the Siemens Arts Program, which had a clear programmatic focus. In keeping with the Siemens corporate identity as an innovative, future-oriented high-tech company, the Siemens Arts Program focused on promoting experimental, contemporary art. In the years that followed, the Siemens Arts Program earned an excellent reputation and was honored with notable awards, most recently the Deutscher Kulturförderpreis 2009.

The sponsorship activities of the Siemens Arts Program in fiscal 2008/2009 are still included in the 2009 Sustainability Report of Siemens AG. The Siemens Arts Program was transferred to the Art & Culture section of the Siemens Stiftung only at the start of the new fiscal year on October 1, 2009. The preparations for this were made in fiscal 2009. The team of the former Siemens Arts Program continues its successful work from within the Siemens Stiftung.

- A collaborative partnership among peers with public cultural institutions,
 - the development of projects by our own in-house team of curators and
 - the program's international orientation
- remain the principles that guide the activities in the foundation as well. With its focus on contemporary art, the program has an unmistakable impact on the image of the Siemens Stiftung.

The principle of proactive support – a pillar of the foundation's strategy – is also strictly applied in Art & Culture. Across the board, the projects reflect to a very high degree the wish of the sponsor for long-term impact and proactive engagement as well as the reflection of the challenges currently facing society.

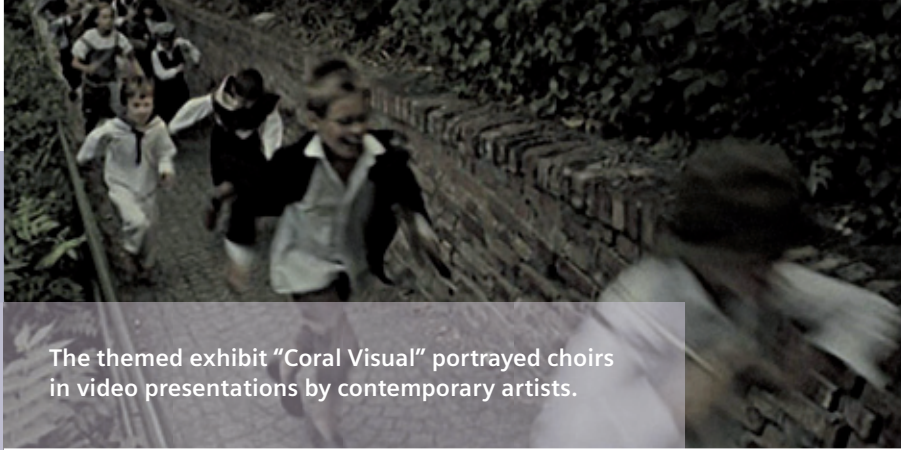
Art & Culture encompasses the "Culture and Knowledge" and "Arts" program series.

Culture and Knowledge

The Culture and Knowledge program series makes knowledge tangible and tells stories in a way that conveys their emotional power without losing their scientific grounding. Culture and Knowledge links together people, mindsets and disciplines and has an integrative effect. The cultural and scientific-historical exhibition "Miracles. Religion – Science – Technology – Art" will retrace the path of coincidence and miracles, the incredible interactions and events across the centuries. The aim is to take visitors on a new kind of journey through the history of culture and science and its innovations – up to the present.

Arts

The Arts program series consists of the three segments of "Fine Arts," "Music" and "Theater." The "Fine Arts" segment features topics and artistic positions that deal with contemporary social issues. The exhibitions emerge from a recognizable local context while maintaining international relevance. "The Science of Imagination" in Budapest's Ludwig Museum presents an artistic reexamination of ideological, social and aesthetic dimensions, primarily in post-socialist countries, to yield a general reinterpretation of history, technology and modernity.



The themed exhibit "Coral Visual" portrayed choirs in video presentations by contemporary artists.



"kiss – Culture in Schools and Universities" is dedicated to cultural education in schools.

The "Music" segment presents concert series with New Music and thematic commissions with unusual approaches that – in addition to structure-forming measures – are also meant to be realized in collaboration with ensembles and cultural institutions. By establishing the first professional New Music ensemble in China, the Siemens Stiftung hopes to bring to life a permanent institution that will not only utilize the abundance of top-quality musicians in China but bring together Asian and European musical characteristics in one ensemble. For the first time, Western musical instruments will be paired with corresponding original Chinese instruments in a single ensemble.

The "Theater" segment will feature international performance series, themed programs and special art forms realized in collaboration with artists and producers. They will examine new processes in theater, dance and performance and seek to encourage confrontation with the current issues of our time. Theater directors will write and stage speeches for the project "Speeches for the Future." The scenarios, which follow the "What would happen if ..." approach, examine fundamental challenges in creating understanding among people and appeal to our sense of shared responsibility.

Art & Culture is also involved in a cultural outreach project. The modern form of public viewing at the Bayreuth and Salzburg Festivals makes today's productions accessible to new layers of audiences.

More information:

www.siemens-stiftung.org/en/arts-and-culture.html

Supplementary information:

www.siemensartsprogram.de/index.php?language=en

7.

Identity and positioning

Charting a clear course from the outset is crucial for the long-term success of the Siemens Stiftung. This includes:

- A uniquely defined image with which the employees can identify
- A forward-looking positioning with clear statements on the mandate, goals, project focuses and mode of operation that will differentiate the Siemens Stiftung from the many other organizations and that will be upheld even as conditions change
- A plausible strategy that clearly outlines how the defined objectives are to be met

Considerable attention and effort was invested in this process of content development, positioning and strategic planning. The employees – including those who moved over to the Siemens Stiftung only at the beginning of fiscal 2009/2010 – were involved in the in-depth discussions and critical reflection through several workshops and team meetings, as were outside experts and stakeholders.

The joint brainstorming coalesced in a preliminary mission statement, an orientational positioning for the foundation and defined strategies (see section 8).

Our identity

The Siemens Stiftung hearkens back to the company's founder, Werner von Siemens, who saw technical progress as an opportunity for every individual. The well-being, sense of shared responsibility and long-term understanding among people are for us both a concern and a duty.

The Siemens Stiftung works together with partners on global challenges at the intersection of society, technology and culture. We view ourselves as the sponsors of ideas and innovations,

a laboratory to understand the present and a driving force for the topics of the future.

The Siemens Stiftung, through its international initiatives, wants to give people the opportunity to take personal responsibility and make a lasting difference in a multifaceted and conflict-ridden world and to contribute to a more open society.

To reach these goals, we are focusing on three areas: Education &

Welfare, Society & Technology, Art & Culture. It is here that future-oriented concepts, models and projects will be developed that promote the exchange of knowledge and ideas and turn thoughts into actions.

The Siemens Stiftung

- Is committed to the Siemens corporate values: excellent, responsible, innovative
- Sees technical progress as an effective lever to improve the living conditions of mankind, which is why it is dedicated to science, technology and innovation
- Is an advocate of sustainable development of business, society and the environment for the common good. We confront the challenges of urbanization and migration and help lessen the most pressing problems facing society as outlined in the United Nations Millennium Development Goals: extreme poverty, health, education
- Supports social discourse and the development and communication of contemporary art and the culture of today

At the center of the foundation's work is mankind itself, our technology and our culture. In its projects, the foundation seeks to move beyond one-dimensional, isolated solutions in favor of implementing more integrated solutions that take into account social, cultural and environmental factors. This in turn makes it more likely that the projects will succeed and have a lasting impact.

8.

Strategy and overall objectives

Based on its mandate and positioning, the Siemens Stiftung classifies its project portfolio into the following categories:

- Education and integration
- Water and health
- Disaster relief
- Social business (helping people help themselves)
- Urbanization
- Social involvement
- Platform for dialog
- Art and culture

These issues are grouped together under the three principal sections, which define their strategies and develop projects accordingly to achieve the objectives of the foundation. An overview of the strategy and mandate of the three sections:

Education & Welfare

- Focuses on the long-term improvement of the living conditions and quality of life for people, with an emphasis on education and technical solutions
- Initiates educational projects that focus on mathematics, natural sciences and technology and focuses social projects on promoting self-reliance, entrepreneurial thinking, transfer of knowledge and technical solutions
- Wherever possible, combines educational goals and social topics to make measurable contributions to the United Nations Millennium Goals

Society & Technology

- Leads the public discourse and dialog on social and technical subjects with a clear emphasis on real-life relevance
- Offers new approaches to the global challenges of urbanization, the environment and new technologies
- Encourages an interdisciplinary exchange and new forms of cooperation
- Initiates and coordinates volunteerism projects

Art & Culture

- Designs initiatives to develop, promote and propagate contemporary art and the culture of today
- Works with cultural institutions to develop and realize programs in an international context
- Fosters relevant discussion through art and culture in thematic exhibitions, theatrical program series, world premieres in music and projects for cultural education

The operational goals for fiscal 2009/2010 in Education & Welfare are outlined in the individual projects (see section 4).

The project goals of Society & Technology and Art & Culture are outlined in the program and strategy guidelines of those sections (see sections 5 and 6). It is not possible to outline the goals in more detail here, as these sections were added to the Siemens Stiftung only at the beginning of fiscal 2009/2010 and their projects are still largely in the development phase.

In the interest of creating a long-term impact and improving the efficiency of the initiatives, the Board of Directors attaches special importance to the overall objectives outlined below, which will guide the future development and implementation of projects:

- Focusing commitments on defined areas of emphasis
- Increased internationalization of the projects
- Implementation as replicable model projects
- Interdisciplinary cooperation both within the foundation and with outside partners for more comprehensive or integrated solutions
- Targeted networking with strong partners to bundle potential and expertise and strengthen the multiplier effect
- Networking and cooperation with the five existing Siemens foundations
- Systematic communication directed at target groups, partners and the general public for greater transparency and improved visibility of the initiatives

These objectives should be implemented on a model basis, especially in educational projects and in the new "social business" project approach.

9.

Personnel and executive bodies

Siemens Stiftung executive bodies

Board of Trustees

Peter Löscher

Munich (since March 13, 2009)

President (since April 1, 2009)

Chief Executive Officer of Siemens AG

Gerd v. Brandenstein

Berlin (since March 13, 2009)

Vice President (since April 1, 2009)

Member, Supervisory Board, Siemens AG

Berthold Huber

Frankfurt (since March 13, 2009)

First Chairman of IG Metall

Barbara Kux

Munich (since March 13, 2009)

Member of the Managing Board, Siemens AG

Peter Y. Solmssen

Munich (since March 13, 2009)

Member of the Managing Board

and General Counsel, Siemens AG

S.D. Georg Fürst Starhemberg

Eferding/Austria (since March 13, 2009)

Members of the Board of Trustees do not receive compensation for their work on the Board of Trustees.

Board of Directors

Dr. Stephan Heimbach

Munich

Chief Executive Officer (CEO)

Director of Corporate Communications
and Government Affairs, Siemens AG

Georg Bernwieser

Munich

Vice Chairman

Chief Financial Officer (CFO)

Ulrike Wahl

Munich

Chief Operating Officer (COO)

(since September 23, 2009)

Employees of the Siemens Stiftung

Upon the commencement of operations on January 1, 2009, nine employees from the former Corporate Communications Corporate Responsibility department (CC CR1) of Siemens AG moved to the Siemens Stiftung as part of the transfer of operations as defined in Section 613 of the German Civil Code (BGB). These employees work in the Education & Welfare section, where they are responsible for the projects described in section 4 above.

The total of 25 employees in the other two sections – Society & Technology and Art & Culture – moved from Siemens AG to the Siemens Stiftung only at the start of fiscal year 2009/2010 on October 1, 2009. All human resources administrative activities were outsourced to WTS Wirtschaftstreuhand Steuerberatungsgesellschaft mbH, Rosenheimer Str. 33 in 83064 Raubling, Germany.

10.

Financial report

Balance Sheet as of September 30, 2009

9/30/2009

9/30/2008

Assets		€	€
A.	Non-current assets		
I.	Intangible assets		
	1. Franchises, operating licenses, intellectual property and similar rights and assets, and licenses under such rights and assets	40,311.00	-
	2. Advance payments	95,586.75	-
II.	Property, plant and equipment		
	Other equipment, plant and office equipment	62,167.00	-
III.	Non-current financial assets		
	Non-current marketable securities	389,999,930.90	389,500,000.00
		390,197,995.65	389,500,000.00
B.	Current assets		
I.	Trade receivables	1,960.00	-
II.	Other assets	10,623,435.95	55.14
III.	Cash and cash equivalents	2,085,476.23	500,000.00
		12,710,872.18	500,055.14
Total:		402,908,867.83	390,000,055.14

Equity and liabilities		€	€
A.	Equity		
I.	Original assets	300,000,000.00	300,000,000.00
II.	Other assets	90,000,000.00	90,000,000.00
III.	Voluntary reserve as per Section 58 (7a) of the German Fiscal Code (AO)	1,500,000.00	-
IV.	Funds carried forward	9,525,537.49	55.14
		401,025,537.49	390,000,055.14
B.	Provisions		
1.	Provisions for pension plans and similar commitments	431,116.00	-
2.	Other provisions	275,090.76	-
		706,206.76	-
C.	Liabilities		
1.	Trade payables (including EUR 1,130 thousand with a residual maturity of up to one year)	1,130,170.88	-
2.	Other liabilities (including EUR 37 thousand in tax liabilities)	46,952.70	-
		1,177,123.58	-
Total:		402,908,867.83	390,000,055.14

Balance sheet

The Siemens Stiftung was founded by Siemens AG under the Foundation Deed ("Stiftungsgeschäft") of September 22, 2008. It is recognized as a public-law foundation with independent legal capacity under the German Civil Code (BGB). The Siemens Stiftung is not-for-profit and is operational, meaning that it primarily supports its own

projects and initiatives. The Siemens Stiftung's purpose is defined in its statutes of September 22, 2008. The Siemens Stiftung's original assets (EUR 300,000 thousand) and other assets (EUR 90,000 thousand) were donated by Siemens AG in 2008. Thus, the Siemens Stiftung is one of the largest corporate foundations in Germany.

Statement of Income for the fiscal year ended September 30, 2009

9/30/2009

9/30/2008

Income		€	€
1.	Income from asset management	13,982,514.85	55.14
2.	Income from donations	1,190,000.00	-
3.	Income from economic activity	10,360.00	-
		15,182,874.85	55.14
Expenses		€	€
4.	Expenses for asset management	5,317.83	-
5.	Expenses related to the Siemens Stiftung's purpose		
	Education & Welfare	3,333,137.24	-
	Communication	212,104.90	-
6.	Other operating expenses		
	Administrative expenses	600,431.52	-
	Expenses related to economic activity	6,401.01	-
		4,157,392.50	-
7.	Net income	11,025,482.35	55.14
8.	Funds carried forward from prior year	55.14	-
9.	Appropriation to the voluntary reserve as per Section 58 (7a) of the German Fiscal Code (AO)	1,500,000.00	-
10.	Funds carried forward	9,525,537.49	55.14

Statement of Income

The Siemens Stiftung's Statement of Income for the fiscal year ended September 30, 2009 presents income from asset management totaling EUR 13,983 thousand and income from donations by Siemens AG totaling EUR 1,190 thousand. It also presents operating expenses related to the Siemens Stiftung's purpose totaling

EUR 3,333 thousand as well as for Education & Welfare and for Communication totaling EUR 212 thousand. EUR 1,500 thousand was appropriated to the voluntary reserve pursuant to Section 58 (7a) of the German Fiscal Code (AO). Expenses of EUR 600 thousand were incurred for administration.

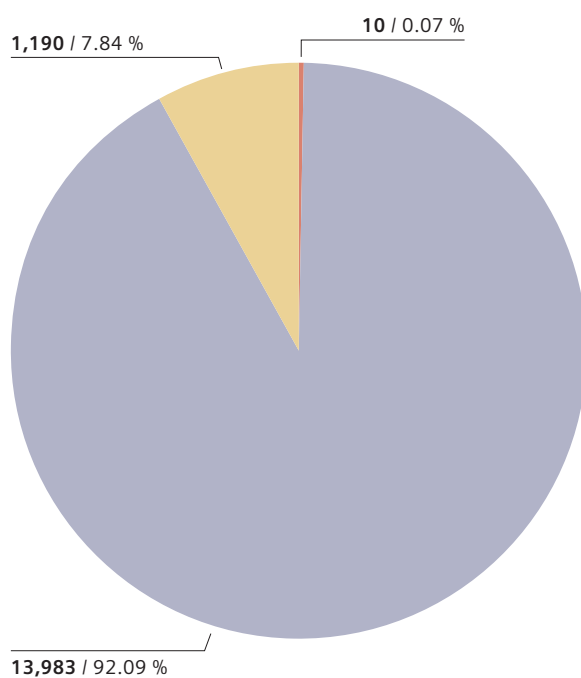
Statement of Source and Application of Funds

Source of Funds	€
Income from asset management	13,982,514.85
Income from donations	1,190,000.00
Income from economic activity	10,360.00

Application of Funds	€
Expenses for asset management	5,317.83
Education & Welfare – Education Projects	2,011,410.95
Education & Welfare – Welfare Projects	421,811.76
Education & Welfare – Personnel & Overarching Topics including EUR 702 thousand in personnel costs	899,914.53
Communication	212,104.90
Administrative expenses	600,431.52
Expenses related to economic activity	6,401.01

Source of Funds

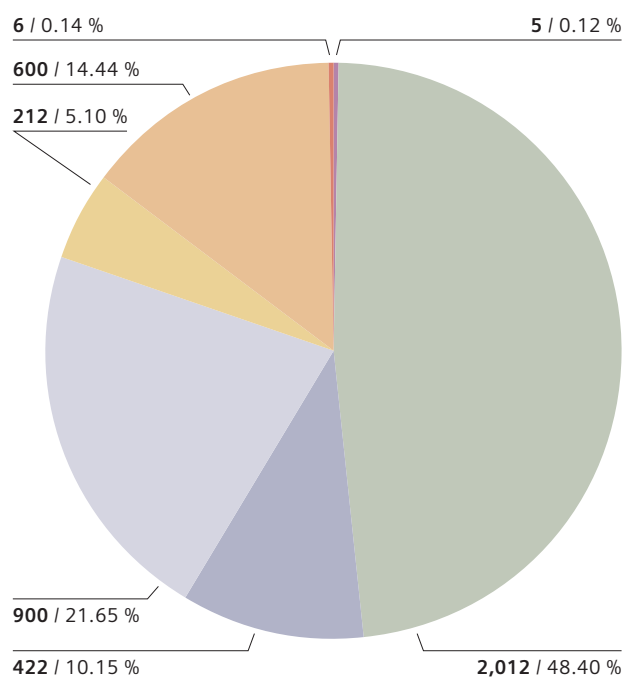
(in thousands of euros and %)



- Income from asset management
- Income from donations
- Income from economic activity

Application of Funds

(in thousands of euros and %)



- Expenses for asset management
- Education & Welfare – Education Projects
- Education & Welfare – Welfare Projects
- Education & Welfare – Personnel & Overarching Topics
- Communication
- Administration
- Expenses related to economic activity

Picture credits

Cover:

Experimenting with water using the *Forscherkiste*,

© Siemens Stiftung

Exciting experiments with the Electro-Lab Kit,

© Siemens Stiftung

Providing the people of developing nations with clean drinking water and training in hygiene is one area of focus in the work of the Siemens Stiftung,

© Siemens Stiftung, photo: Mark Lewis

Page 6:

The Siemens Stiftung provides SkyHydrant water purification units to supply developing nations with drinking water.

© Siemens Stiftung, photo: Mark Lewis

Young researchers discover electricity,

© Siemens Stiftung

“kiss – Culture in Schools and Universities” – studying an architectural model,

© Siemens Stiftung

Page 10:

Experimenting with water using the *Forscherkiste*,

© Siemens Stiftung

Page 12:

KIKUS: children learn German through play,

© Siemens Stiftung

Page 14:

Exciting experiments with the Electro-Lab Kit,

© Siemens Stiftung

Page 15:

Contestants in the regional finals of the 2009 scholastic competition in Berlin present their ideas on how to save water,

© Siemens Stiftung

Page 16:

A quick search of qualified teaching materials in the media portal helps educators prepare for their instruction,

© Siemens Stiftung

Page 19:

Women gathering drinking water in the Afar region of Ethiopia,

© HOPE'87

Page 20:

The Siemens Stiftung implements projects to decentralize the drinking water supply in developing nations,

© Mark Lewis

Page 21:

The German Red Cross is a regular partner of the Siemens Stiftung in disaster relief,

© DRK

Page 22:

One goal of the Siemens Stiftung is to help people help themselves over the long term. That's why we support social entrepreneurship in developing countries.

© Siemens Stiftung, photo: Christine Weyrich

Page 24:

There is much work to be done in the cities of developing and emerging countries. Experts lend a hand as project volunteers,

© Getty Images, photos: Hisham Ibrahim, Heinrich van den Berg

Page 26:

Markus Schinwald, film still from: “Children’s Crusade,” 2004, courtesy of Georg Kargl Fine Arts,

© Markus Schinwald

“kiss – Culture in Schools and Universities,” chalkboard from the classroom,

© Siemens Stiftung, photo: Birgitta Kowsky

Document credits

Issued by

Siemens Stiftung
Oskar-von-Miller-Ring 20
D-80333 Munich
Phone: +49 89 636 33610
Fax: +49 89 636 33615
info@siemensstiftung.org
www.siemensstiftung.org

Responsible for content

Dr. Stephan Heimbach
Ulrike Wahl
Georg Bernwieser

© Siemens Stiftung, Munich 2010
All rights reserved

Editorial staff

Gerhard Hütter

Proofreading

Dr. Dagmar Braun
Lektoratsbüro Dr. Braun
Lauf/Pegnitz

Layout

Surface
Gesellschaft für Gestaltung mbH
Frankfurt / Berlin

Siemens Stiftung
Oskar-von-Miller-Ring 20
80333 Munich
www.siemens-stiftung.org