Investing in Society

It Comes Down to Pride

An Interview with James E. Whaley, **President, Siemens Foundation**

EDITORS' NOTE James Whaley was appointed President of the Siemens Foundation in June 2006 and has overseen the foundation's management since joining as Vice President in October 2004. He also serves as Vice President, Communication and Marketing for Siemens Corporation. Whaley previously served as the Director of Communications at the U.S. Military Academy at West Point and spent 20 years in the U.S. Army. He received his undergraduate de- James E. Whaley gree from Lock Haven University of



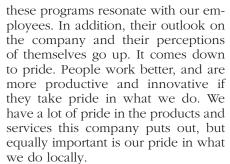
Pennsylvania and completed his M.B.A. at Embry-Riddle Aeronautical University in Frankfurt, Germany. Whaley also attended the Defense Information School in Fort Meade, Maryland, and completed the U.S. Army Helicopter Instructor Pilot Course at Fort Rucker, Alabama.

COMPANY BRIEF Each year, the Siemens *Foundation* (*www.siemens-foundation.org*) contributes more than \$7 million annually in support of educational initiatives in the areas of science, technology, engineering, and math in the United States. Its signature programs – the Siemens Competition in Math, Science & Technology and Siemens Awards for Advanced *Placement – reward exceptional achievement in* science, math, and technology. The newest program – the Siemens We Can Change the World Challenge – encourages K-12 students to develop innovative green solutions for environmental issues. By supporting outstanding students today, and recognizing the teachers and schools that inspire their excellence, the foundation helps nurture tomorrow's scientists and engineers. The foundation's mission is based on the culture of *innovation, research, and educational support* that is the hallmark of Siemens' U.S. companies and its parent company, Siemens AG.

Founded more than 160 years ago, the Siemens companies in the United States are headquartered in New York and employ approximately 69,000 people. Worldwide, Siemens and its subsidiaries employ 428,000 people in 190 countries.

How much of an emphasis is placed on social responsibility and community involvement at the Siemens Foundation?

When employees are involved in volunteer events in the community or with schools, we have an 85 percent return rate. So we know



Is it important that the foundation aligns in some way with Siemens' business?

It's not a necessity, but it does align. It's very important that we inspire the next generation of scientists, mathematicians, and engineers to reach the highest levels they can. It's not that we're trying to make every student go into the science or math fields, but we don't want to see people get turned away because they've never been given the opportunity. Every day, 6,000 kids are dropping out of school; and 80 percent of teachers teaching math and science at the fifth and sixth grade levels are not math and science trained, so they need and want help. It's very important for a company that has about 30 patents a day to be involved in the pipeline of talent.

How did the Siemens We Can Change The World Challenge come about?

It grew out of our Siemens Science Day Program, which takes our employees into fifth and sixth grades across the country to do handson science experiments. Students have great interest in the environment. So we are working with Discovery Education and the National Science Teachers Association (NSTA) to develop a curriculum that marries kids' passion for the environment with reaching math and science national standards in a way that engages kids at the local level. We've put together an innovative program that reaches kids throughout the country, and after three years, we will reach every child in the United States K through 12. We've had a phenomenal response from teachers and students and couldn't have asked for better partners than Discovery and NSTA.

Is there a focus on coordinating these programs on a global basis?

Right now, it's a U.S.-specific program. We see global potential, and we'll work with other parts of Siemens worldwide to see if that's a possibility, but right now we want to optimize it in the U.S.



How challenging is it to focus on these programs in this economic climate?

There are three things you have to do to have a successful program in any company: First, you need senior leadership involvement and support. We have enthusiastic support from George Nolen, President and CEO of Siemens Corp. and our board of directors, which is comprised of the heads of our Siemens business sectors. Second, you need employee involvement so they feel pride in the company. If you have pride, you have passion, and you're going to do great things. Third, you have to have well thought out goals and objectives.

Are partnerships key to your success?

I think so. The U.S. education system is very complex and differs from state to state. In order for us to make a difference, we have to have a national agenda and partner with those who share our passion for education. Discovery Education and NSTA are our partners for the Siemens We Can Change The World Challenge. The College Board has been our partner for the Siemens Awards for Advanced Placement and the Siemens Competition. We were partners with Scholastic for Siemens Science Day for a couple of years, and now partner with Discovery Education. We team up with the Educational Testing Service in Princeton, New Jersey to evaluate our programs, and we have relationships with chambers of commerce across the country to make sure we're reaching places our education partners don't. So it's important to have partners to challenge what we're doing, bring new ideas, and help spread the word.

What excited you about Siemens when you joined the organization?

It's a very collaborative organization. There are a lot of cultural differences, which was very attractive to me. We're producing medical equipment that's helping 20,000 cancer patients a day; we're touching kids from kindergarten through graduate school with our educational outreach programs; we have an employee outreach program called Caring Hands that raises money to help numerous causes, from a child in need of medical treatment to employee support to others displaced by hurricanes and natural disasters - all those things make a great company. What separates average companies from great companies are people. If you have pride and passion in what you do, you can accomplish a great deal.

The Siemens Competition National Winners ringing the closing bell at the New York Stock Exchange