

Section Name: CORPORATE POLICIES – COMMUNICATIONS
Section No: 6
Policy No: 6.7

Date: 04/12
Supersedes: 05/10

Subject CHARITABLE CONTRIBUTIONS

The Company contributes to charitable activities, including cultural, educational, civic and social welfare organizations. The amount of the proposed contributions budget is determined annually with approval from the CEO in November.

- The Community Investment Department administers the Company's Corporate Contributions Program, which includes group, regional and local charitable contributions that support non-governmental or non-profit organizations.
- Group contributions are administered and approved by the presidents and are funded out of their respective annual operating budgets. A number of factors determine the annual contributions budget for each group (e.g., sales, number of employees, contribution history, community involvement, employee engagement, visibility).
- Regional or local business unit contributions are funded regionally and administered by businesses located in the respective region. Target regions may include, but are not limited to, California, Ohio, Massachusetts, Europe, Asia Pacific, Latin America, etc.

Corporate, Group and Regional/Local charitable contributions are part of the Corporate Contributions Program and should be approved by the Community Investment Department.

PROCEDURE

1. The Corporate Contributions Program is designed to support programs and projects
 - to enhance the communities in which the Company's employees reside and work;
 - which address specific community challenges and needs;
 - which are action oriented and develop opportunities for enrichment of life;
 - in which self-support or broad-based community support is the ultimate goal or objective.
2. Special consideration shall be given to organizations located in geographic areas in which the Company has facilities and to organizations in which Company employees actively participate.
3. Grants shall be made only to nonprofit or nongovernmental organizations. In the U.S., eligible organizations must be classified as a nonprofit, tax-exempt public charity and possess IRS 501 (C)(3) status. Internationally, compliance with local laws and requirements governing non-governmental organizations should be followed.
4. Grant payments shall be made on an annual basis with no renewals implied. The Company discourages multiple requests in a calendar year from one organization.
5. The Corporate Contributions Program does not support the following activities:
 - Individuals
 - Service clubs or veteran and fraternal organizations
 - Churches or religious groups

- Private foundations
- Beauty or talent contests
- Political organizations, candidates, ballot measures or other political activities
- Operating funds for hospitals
- Agencies that restrict support to a single religious denomination, race or ethnic group

Organizations seeking funding from the Company should provide the group, regional or local contributions representative the information listed in Exhibit 6.7A. Requests from national and/or international organizations for large grants are referred to the Community Investment Department for consideration. Generally, funds allocated for group, regional or local contributions are donated to local organizations in communities where division facilities are located.

Employees are discouraged from influencing funding decisions to support organizations with which they (or their families) have a personal affiliation (i.e. educational institutions attended by employee or their children, membership organizations, and organizations on which an employee or family members are active on a board of directors). Consideration of funding should be based on the organizations' merit and identified Company priorities.

Each group, regional or local business unit shall follow the Contributions Program Procedures outlined in Exhibit 6.7B. For budget planning purposes, each group, regional or local business unit is required to submit to the Community Investment Department by September 1 of each year the planned contributions budget for the next year, as well as a listing of the proposed expenditures. If unplanned contributions are considered during the year, contact the Community Investment Department prior to making a contribution.

Once the group, regional or local business units' budgets receive approval, the group vice presidents and Community Investment Department are advised. They, in turn, provide final approval for the administrators or finance department of group, regional or local contributions programs to proceed with the planned donations.

DISCRETIONARY CONTRIBUTIONS

For contributions that do not exceed US \$750 per year, budget approval is not required, therefore Exhibit 6.7B is not applicable. Discretionary Donations shall be approved by the group, regional or local vice president or General Manger and corresponding finance and HR vice presidents or directors and administered by the finance department. All other provisions and requirements of this policy are applicable to Discretionary Contributions.

Questions concerning the administration of corporate, group, regional or local business unit charitable contributions should be addressed to the Director of Community Investment and/or Vice President, Corporate Communications.

Updates:

Corporate Communications

Reference:

Corporate Policy:

5.7, Membership Dues and Expenses

EXHIBIT NUMBER 6.7A

FUNDING APPLICATION REQUIREMENTS

Requests from eligible organizations requesting financial assistance must be in writing and include the following:

1. Statement of the organization's purpose and background.
2. Description of the project, which should include:
 - Project goals and method of achieving the goals
 - Itemized budget for the project
 - Specific amount requested
 - Project timetable
 - Standards for evaluating the project's effectiveness
3. A copy of the Internal Revenue Service determination letter (or its equivalent in any country other than the U.S.) designating the organization as a nonprofit, tax-exempt public charity, meeting the requirements of IRS Section 501(c) (3), as well as a copy of the IRS ruling stating that the organization is not a private foundation as defined in IRS Section 509(a).
4. The directors or trustees (names and affiliations).
5. A current financial statement, preferably audited.
6. A list of current contributors with contribution levels.

Generally, following receipt of a financial request, a final decision should be provided within three to six months, at which time the requesting organization will be sent written notification of the status of its request.

EXHIBIT NUMBER 6.7B **GROUP, REGIONAL OR LOCAL BUSINESS UNIT** **CONTRIBUTION PROGRAM PROCEDURES**

September

- Group, region or local business unit submits to Community Investment Department proposed budgets for the following year and forecasted year-end total expenditures.

December

- Group, region or local business unit advises Community Investment Department of final forecasted year-end total expenditures.
- Community Investment Department advises group vice presidents of tentative approval of proposed budgets, or of any adjustments to be made.
- Corporation's charitable contributions budget, including group, region or local business unit budget is submitted to the Community Investment Department for approval.

January

- Community Investment Department advises group vice presidents of CEO and/or Board of Directors' decision on budgets.

February 15

- Group, region or local business unit submits itemized listing of actual year-end contributions summary (recipients and amounts) to Corporate Tax Department and Community Investment Department.

Ongoing

If unplanned contributions are considered during the year, contact the Community Investment Department prior to making a contribution.