Lüneburg Adhesive Academy
Awarded LEED® Gold Certification

Our newest technical center of excellence, the Lüneburg Adhesive Academy, in Germany, achieved LEED® Gold certification in 2015. It was the first laboratory building in Germany to achieve a Gold certification under version LEED v2009 NC (New Construction).

Through the following key building features, we were able to lessen our environmental impact and strengthen our dedication to sustainability and innovation:

- **Storm Water Control**: Our adhesive academy’s simple landscape design, plus smartly planned catch basins reduce areas of impermeability. This results in reduction of the run-off quantity from 4.892 cubic feet/storm to 0.01 cubic feet/storm.

- **Water Efficiency**: Our Lüneburg Adhesive Academy is able to reduce total water use by 44 percent, and potable water use by 52 percent, by using state-of-the-art high efficient toilets, waterless urinals combined with a water hygiene system and ultra-low-flow lavatory faucets.

- **Energy Conservation**: To conserve energy, an extensive simulation was conducted during which the design and HVAC concept were optimized. This included the installation of a heat recovery system, including solar shading, and a long-term, 100 percent renewable electricity contract. These measures will reduce energy costs by about 45 percent.

- **Recycled Content**: Approximately 24 percent of all building materials were derived from recycled materials.

- **Regional Materials**: More than 25 percent of the materials that went into the Lüneburg Adhesive Academy were regionally sourced.

- **Indoor Environment Quality**: During the building process, we used low volatile emitting products, developed an Indoor Air Quality (IAQ) management plan and tested the air before occupancy.

LEED – an acronym for Leadership in Energy and Environmental Design™ – is a registered trademark of the U.S. Green Building Council® (USGBC®). The USGBC’s LEED green building program is the preeminent program for the design, construction, maintenance and operations of high-performance green buildings. It recognizes performance in sustainable site development, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality and innovation, and design process.
Building Sustainable Communities

You might not immediately think of an adhesives provider as an organization that builds sustainable communities, but that’s exactly what we do at H.B. Fuller. Building sustainable communities – those places where people want to live and work, now and in the future, which are economically, environmentally and socially healthy and resilient – is an integral part of what we do.

Adhesives can be found in nearly every finished good that you can imagine, and our products are Connecting What Matters™. Our adhesive solutions improve lives. They make smaller, faster electronics so people can stay connected, fresher food and safer drinking water to nourish the world, and more comfortable, affordable hygiene products to help moms and babies rest and adults feel more secure.

We also are deeply committed to ensuring that the communities where we live and work thrive. We financially invest in our communities through grants from our H.B. Fuller Company Foundation, and we forge pathways and provide support that encourages our employees to volunteer their time and talents to making a difference in the community.

Being a part of the community comes with a certain level of responsibility and accountability … one that we don’t take lightly at H.B. Fuller. While we’re driven to win, winning the right way and operating with integrity are paramount. We run our business with high ethical standards and we expect the same from our employees. And, we are thoughtful about the impact that our operations have on the environment and the world’s finite resources. Committed to sustainability, we’re always looking for ways to minimize our own footprint and to enable our customers in achieving their sustainability goals.

Our employees are our key asset and without them none of this would be possible. We have an incredible team. One that works tirelessly for our customers, is dedicated to our company’s success, and lives and breathes our core beliefs. Our promise is to connect them with opportunities to innovate and thrive, and to provide the people, places and things that inspire.

We believe that by using the resources of our community for business benefit, we have an inherent responsibility to give back and to help sustain it. And, when our customers, community, employees and shareholders thrive, so does our company.

We have an inherent responsibility to care for our communities. When they thrive, so does H.B. Fuller.

Jim Owens
President and Chief Executive Officer

We care about the communities where we live and work.

We invest in STEM education and youth leadership development.

We connect employees to volunteer opportunities around the globe.

We engage with nonprofits to make a difference for future generations.
Our Commitment

Our mission is to thoughtfully consider the impact of our operations, people and products on the environment, our communities and stakeholders – while continuing to focus on the needs of our customers and our goal of being the best adhesives company in the world.

To continuously improve our sustainability, we focus on:

- **Enabling our customers** to improve their products and processes through solutions that help achieve their sustainability goals
- **Optimizing our facilities’ operations** and process efficiency
- **Engaging our employees** to be knowledgeable about and responsible for safety, wellness and reaching our sustainability targets

Driving Sustainability Throughout the Value Chain

Global challenges, such as an expanding population and demand for limited resources, like water, renewable energy and raw materials are driving a commitment to sustainability deep within H.B. Fuller, as well as for our customers. As a result, we continue to evolve with the industries we serve as we rethink products, technologies and processes.

Often, customers come to us with their own sustainability goals for consumer products, such as working with new substrates, optimizing health benefits or meeting demand for eco-friendly products. Other times, minimizing the resources they use in production is the driving factor, often with the goal of reducing costs. It’s a compelling goal, and it’s why our own priorities include sourcing more sustainable feedstocks and providing technical support to optimize adhesive performance and production efficiency.

Our commitment to sustainability touches every point in the value chain, from sourcing through production, distribution and end-use. However, adhesives typically make up a very small percentage of most products, and where we make the biggest impact is downstream supporting our customers’ sustainability goals.

**More with less**

From the very first meeting with customers, our focus goes beyond providing the right adhesive to providing ongoing technical support to ensure the best possible results. For example, for the packaging market alone, we have 10 regional field service technicians who monitor accounts regularly and make adjustments to improve machinability.

“Our goal is to help minimize waste, optimize mileage and overall create better packages,” says Dan Stauffer, technical service director, North America, who overseas technical support for packaging, as well as the converting and hygiene markets. He explains how the benefits of helping customers use less material or energy can add up quickly.

For instance, a large food manufacturer has improved adhesive mileage by 20 percent after switching to our Advantra® 9256 packaging adhesive, results Stauffer says are significant and not uncommon. Likewise, our low application temperature (LAT) hot melt adhesives are helping customers conserve energy and enabling them to use thinner and/or less material in production. While standard hot melt adhesives are applied at 325-375 degrees Fahrenheit, our LAT adhesives are applied at 250-300 degrees Fahrenheit. At 275 degrees Fahrenheit, a manufacturer can reduce energy consumption by 9,000 kWh per year, which is equivalent to 9,546 pounds of CO₂ emissions.* This also can reduce maintenance and extend the lifetime of manufacturers’ equipment.

The benefits of helping customers do more with less extends beyond the factory and onto the highway. Our low-density hot melt adhesives have a density of .94 versus a standard hot melt density of .98, and are formulated to enhance performance with less adhesive, a difference that can be significant. One customer who had been using 900,000 pounds of adhesive per year reduced their volume by 135,000 pounds by switching to a high performance, low density product. That’s nearly four fewer truckloads between their plant and ours.

* North American average as per International Energy Agency and sunearthtools.com
**Stewardship and savings**

On the consumer end of the value chain, demand is growing for sustainable, healthy living environments.

Spaces with excessive moisture vapor emission rates are a growing consumer concern. That’s because spaces with excessive moisture are apt to develop mold and mildew, which may cause poor indoor air quality and health problems for the people who live or work in the environment. Our new TEC® LiquiDam EZ™ is a moisture mitigation system for concrete floors that prevents floor covering bond failure as well as mold and mildew. The industry’s first liquid-based system, it eliminates the odor associated with commonly used epoxy-based systems. Its low VOC rating also meets the needs for environmentally-conscious business construction.

Individuals want to minimize consumption for the same reasons manufacturers do — to be good stewards of the planet and save money.

At H.B Fuller, we provide industry-leading window sealants that help our customers earn and maintain the ENERGY STAR® rating. “While many components make up a window, a strong, durable seal is key to energy efficiency,” says Mike Moren, global market manager. “Our sealants withstand extreme temperatures, moisture and stress, and help consumers reduce their heating and cooling bills.”

**Upstream efforts**

On the supply side, we also are taking steps to drive sustainability. We look for ways to improve the bio content of our adhesives and incorporate more sustainable feedstocks into our products, including those derived from recycled materials as long as they meet our standards and our customers’ requirements for cost, performance and supply assurance.

To reduce our own footprint, we locally source raw materials, which limits transportation costs and reduces CO₂ emissions, and we ship feedstocks in reusable or bulk containers to eliminate packaging waste at our facilities. Recently, we updated our supplier expectations, and we will be implementing late in 2016 a supplier management system that will help us to track our suppliers’ sustainability efforts to ensure they meet our standards.

The quest for sustainability is transforming our business landscape. It’s challenging industries but also driving better products and processes.

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**Bringing New Energy Solutions to Life**

While adhesives and sealants are small pieces of the solar module installation process, they play a big part in the quality, reliability and lifespans of these modules. H.B. Fuller is equipped with the reach and technologies to give solar manufacturers a competitive edge and to help end users reduce their home or business’ carbon footprint and to ensure that they get maximum benefit from their investment.

Our global engineering adhesives operating segment identifies and leverages trends in this fast-growing and ever-changing market, and partners closely with customers to address them. Our ability to coordinate manufacturing and supply chain on a global basis helps us provide them with solutions to their adhesion challenges wherever they are in the world.

Learn more at [www.hbfullerengineering.com](http://www.hbfullerengineering.com).
Global Sustainability Goals and 2015 Results

H.B. Fuller focuses on four key sustainability metrics: energy intensity, greenhouse gas emissions intensity, waste intensity and water withdrawal intensity. Our sustainability metrics are intensity-based to show performance independent of business change. We normalize these by metric tons by production to accommodate for changes in output.

**Goal 1**

Reduce energy intensity by 20% between 2014-2025

Energy intensity illustrates the amount of energy used per metric ton of production. Total energy is the sum of energy from electricity and natural gas use.

**Goal 2**

Reduce scope 1 and 2* greenhouse gas (GHG) emissions intensity by 20% between 2014-2025

GHG emissions intensity is the amount of GHG emissions per metric ton of production. GHG emissions are measured in carbon dioxide equivalent (CO₂e), which expresses the effect of GHGs on the atmosphere in terms of carbon dioxide (CO₂). Our primary sources of emissions are electricity and stationary combustion (e.g., natural gas-fired boilers). Other emission sources include mobile sources (e.g., vehicle fuels), refrigerants and thermal oxidizer combustion.

*Scope 1: Direct emissions within H.B. Fuller’s operational boundary. Stationary combustion (e.g., natural gas-fired boilers, generators); mobile sources (e.g., fleet vehicles, forklifts); refrigerants; process sources (e.g., thermal oxidizer combustion).

Scope 2: Indirect emissions within H.B. Fuller’s operational boundary. Purchased utilities (e.g., electricity, steam, chilled water).

**Goal 3**

Reduce waste intensity by 10% between 2014-2025

Waste intensity illustrates the amount of waste disposed per metric ton of production. Waste includes solid waste and hazardous/dangerous waste.

**Goal 4**

Reduce water withdrawal intensity by 10% between 2014-2025

Water withdrawal intensity illustrates the amount of water withdrawn per metric ton of production. This metric includes water withdrawals from municipal sources.

Since establishing our sustainability goals, H.B. Fuller has made acquisitions that have affected our energy, GHG, waste and water performance. In the context of our sustainability data management, these acquisitions are considered a significant structural change as they impact each of our 2014 base year energy, GHG, waste and water metrics by more than two percent. For consistent tracking of these sustainability metrics over time, we have recalculated our 2014 base year for all sustainability metrics to include these acquisitions. This revision in methodology is common among companies with similar structural changes, is aligned with our internal Inventory Management Plan (which relies on the GHG Protocol Corporate Accounting and Reporting Standard), and allows us to accurately characterize performance against our goals between 2014 and our 2025 target year.
• GHG decreases in Covington, Georgia, and Palatine, Illinois, from reduction in local emission factor due to greening of the grid
• Increase in waste intensity at Aurora, Illinois, facility from adding a second and third shift to the production schedule

• Rionegro, Colombia, facility has ceased use of natural gas and production of water-based adhesives
• Significant increase in waste in Colombia due to the shut down of the old site and the start up of new facility

Units of measure for the metrics on this page are as follows: energy intensity in kWh per metric ton of production, GHG intensity in kg CO\textsubscript{2}e per metric ton of production, waste intensity in kg per metric ton of production and water withdrawal intensity in gallons per metric ton of production.
Striving for Operational Excellence

H.B. Fuller’s success and the health of our planet depends on our ability to optimize our facilities’ operations and look for ways to reduce our environmental footprint. By improving our manufacturing processes, achieving transportation efficiencies, eliminating waste, and using our energy and water resources wisely, we all benefit – the environment, our customers, our communities and our business.

In recent years, we have invested heavily in upgrading our existing facilities and building new ones to expand into new markets. As we do, we are able to create more environmentally-friendly facilities and strengthen our sustainability commitment. Our newest technical center of excellence, the Lüneburg Adhesive Academy, in Germany, was built using a number of features which lessen our environmental impact, such as storm water control, water efficiency, energy conservation, recycled and regionally-sourced building materials, and indoor environment quality – achieving LEED Gold certification. We are in the process of building a new state-of-the-art manufacturing facility in Surabaya, Indonesia, leveraging similar sustainability features as our Lüneburg Adhesive Academy.

Equally important is manufacturing our adhesive solutions as efficiently as possible and with zero defects. We need to be at the top of our quality game, and our first step was to bring in the right leader to develop and drive our quality strategy. In 2015, we hired a global quality leader with more than 25 years of experience in industrial operations and driving quality culture change. Under his leadership, we’ve developed a quality road map, trained all employees on quality, and built a global quality team. We also implemented a cost of non-conformance measurement system and are using this to focus and prioritize our improvement efforts.

We know what great quality looks like. We’re not there yet, but we have a plan underway, are making good progress, and I am confident we will get there. As part of our ongoing pursuit of operational excellence, over the next five years, we will:

1. Develop a global culture of sourcing excellence
2. Lower manufacturing costs
3. Focus on quality and safety
4. Deploy and leverage SAP® globally
5. Improve inventory and supply chain management

The end goal is to embed sustainable world-class processes across our entire company.

Elin Gabriel
Vice President, Global Operations

Our new state-of-the-art manufacturing facility in Surabaya, Indonesia, is scheduled for completion in late 2016.

Our Affiliations

As a member of the American Chemistry Council, we have made a voluntary commitment to uphold the highest standards for protecting health, safety and the environment.

We have participated in the CDP’s supply chain program since 2013. We are committed to this process as a valued supplier and have improved our response each year.

We are a proud member of the U.S. Green Building Council, an organization committed to cost-efficient and energy-saving green buildings.

SAP® is a registered trademark of SAP AG in Germany and several other countries.
Making the World a Greener Place

H.B. Fuller employees care about the world around them and the impact they have on the environment. Each year, employees participate in various greening projects worldwide.

Tree Planting in Costa Rica

H.B. Fuller employees in Costa Rica demonstrated our commitment to sustainability by participating in a greening project during our annual Make a Difference campaign. Employees planted 300 trees in a tropical rainforest area used for study and preservation.

As part of their efforts, employees learned about climate change, conservation and biological diversity. More than 50 employees dedicated their time to plant trees, which were carefully selected to return the highest quantities of oxygen to the atmosphere. Their work this year helped restore an important natural habitat, benefiting their community today and for years to come.

Spring Cleanup in the Willow Lake Nature Preserve

As part of our commitment to sustainability and the community, H.B. Fuller maintains the nearly 300-acre Willow Lake Nature Preserve in Vadnais Heights, Minnesota. The Preserve provides opportunities for employees and their guests to enjoy nature and participate in a number of volunteer projects year-round.

Every spring, employees volunteer in a cleanup activity to rid the Preserve of trash and debris that finds its way there every winter. In 2015, more than 40 employees, retirees and family members participated in the annual cleanup. They collected 64 bags of trash. In the garbage: a bowling ball covered by pennies, an entire meatloaf and a credit card.

“Without the involvement of our dedicated volunteers, our beautiful site would be overrun by litter, seriously impacting the ecosystems and harming wildlife,” said Dana Larsen-Ramsay, director, Willow Lake Nature Preserve. “Now we can all enjoy the spring wildflowers and birds without the distraction of unsightly trash.”
Sparking STEM Success

At H.B. Fuller, we are committed to connecting with our communities and making a difference in the lives of our neighbors. Over the past decades, our philanthropic focus has evolved along with changing community needs. Today, in recognition of current educational disparities and the growing demand for highly trained workers with STEM skills, we are dedicated to inspiring youth to excel in STEM education and sparking interest in careers in STEM and technical fields.

In 2015, the H.B. Fuller Company Foundation granted more than $500,000 to nonprofit organizations around the world that promote STEM education and youth leadership development. The Foundation also gave $75,000 to Minnesota middle schools to allow teachers to enhance their STEM curricula. These employee-directed contributions build connections with community partners and leverage H.B. Fuller’s resources to support success in STEM for students from all backgrounds.

Beyond donations of resources, our employees live out our commitment by volunteering their time and talent. H.B. Fuller employees are passionate about working with youth to ensure that they have opportunities to succeed. During the past year, more than 1,000 employees in 18 countries volunteered in their local communities. Our annual Make a Difference community service campaign engaged 10 percent more employees than the previous year, and included education and STEM-focused projects, such as reading with elementary school students, building science kits with high school students and sharing career experiences with future college students.

As our company continually advances scientific and technical innovations, our dedication to preparing the next generation of leaders and innovators will remain a key element of H.B. Fuller’s commitment to giving back.

Kimberlee Sinclair
Director, Global Communications
Executive Director, H.B. Fuller Company Foundation

In 2015, the H.B. Fuller Company Foundation granted more than $500,000 to nonprofit organizations around the world that promote STEM education and youth leadership development.

2015 Community Impact

OVERVIEW

$1.3M Donations Made
1,119 Employee Volunteers
243 Organizations Impacted

VOLUNTEER HOURS

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<th>Year</th>
<th>STEM Education</th>
<th>Youth Leadership Development</th>
<th>Arts &amp; Culture</th>
<th>Education</th>
<th>Environment</th>
<th>Health &amp; Human Services</th>
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18 LOCATIONS REACHED

Argentina
Brazil
Canada
Chile
China
Colombia
Costa Rica
Finland
France
Germany
Greece
Malaysia
Mexico
Philippines
Portugal
Switzerland
United Kingdom
United States

TOTAL AMOUNT GIVEN

$1.3M
STEM Comes to Life at the Minnesota Landscape Arboretum

In keeping with our commitment to spark students' interest in STEM subjects, in 2015, the H.B. Fuller Company Foundation awarded a $10,000 grant to The Minnesota Landscape Arboretum for the Urban Garden Program. The Minnesota Landscape Arboretum has been providing creative and engaging outreach programming in urban neighborhoods for nearly three decades, and has been a strong partner in promoting our shared belief in the importance of STEM education and youth leadership development.

The Urban Garden Program engages elementary, middle and high school students in a variety of opportunities that inspire an enthusiasm for science and promote leadership and entrepreneurial skills. Science comes alive for students through hands-on experiments, gardening, healthy cooking and engaging nutrition lessons. Students also develop leadership and entrepreneurial skills as they take responsibility for managing their own garden plots and working in teams to market and sell fresh produce to local restaurants and consumers.

In 2015, the Arboretum's Urban Garden Program served over 200 youth with H.B. Fuller's support. Further, the Arboretum was also able to expand to a new garden site, serving additional youth in St. Paul. “The Arboretum very much appreciates the support of H.B. Fuller over the past four years,” said Leslie Nitabach, Development Officer at the Arboretum. “Partners like H.B. Fuller are so important to ensuring that this program has the capacity and flexibility to respond to new opportunities.” Partnering with organizations like the Minnesota Landscape Arboretum helps H.B. Fuller live out our philanthropic vision and make a positive impact in our communities.

Kids in Nature: Teaching Kids to Dig Dirt

Spending time in the great outdoors is not just good for children physically and mentally, it also helps them develop an appreciation for nature and a concern for the future of our planet. That’s why H.B. Fuller invites select local schools to participate in a unique, hands-on learning opportunity in the Willow Lake Nature Preserve, home of our world headquarters. For many students, this is their first experience in nature.

Nearly 300 acres in size, the Willow Lake Nature Preserve boasts a variety of natural communities — prairie, forest and wetlands — for the children to explore. Led by our on-site nature expert, the kids get their hands dirty while learning about the more than 200 animal species and 400 plant species in the Preserve.

On one trip, second grade students from Mississippi Creative Arts Magnet School in Saint Paul, Minnesota, explored three ecosystems in the Preserve. They examined the types of plants that live there and located the critters that make that ecosystem their home. In the sunny prairie, they smelled Anise Hyssop and used a sweep net to look at insects. In the shady forest, they learned about the different types of trees and found a critter to put in a bug box to show classmates before they released it. And on a hike around the lake, students enjoyed walking on the floating boardwalk, spotting turtles and fish, and netting aquatic insects.

Older students, too, enjoy spending time outdoors. On their visit to the preserve, White Bear Lake Central Middle School students learned about plant identification, seed dispersal and invasive species. They also participated in a service learning project, pulling non-native, invasive buckthorn from the Preserve. Students not only make a difference on our site, but they learn to identify and remove buckthorn in their own neighborhoods, too.
Make a Difference Campaign

Each October, H.B. Fuller employees around the globe join together and to demonstrate our commitment to service through the Make a Difference campaign. During the month of October, employees are invited to work with their colleagues to select community service projects that reflect their passions and address the needs of their communities. Projects have focused on issues including hunger, education, the environment, housing and health.

By focusing our efforts during the Make a Difference campaign, we are able to multiply our total impact and highlight how the power of our collaboration can benefit our communities. The campaign also offers employees an opportunity to work together with their colleagues in a different and rewarding way, often leading to ongoing team volunteering and increased collaboration in the workplace.

Since 2009, H.B. Fuller volunteers have given more than 38,000 hours of their time, completing 298 projects across the globe. In 2015 alone, over 1,000 employees across 18 countries donated nearly 6,500 hours of service to their communities through the Make a Difference campaign, contributing the equivalent of over $145,000 and positively impacting more than 5,000 lives.

Team Building Through Service

Not only do volunteer projects connect H.B. Fuller to our communities, they also provide an opportunity to foster teamwork and collaboration among employees. By getting out of the office and working with co-workers in a new environment, relationships, communication and leadership skills are strengthened.

This year, several projects stood out as examples of how H.B. Fuller leverages volunteerism to strengthen our communities and our company.

In the fall of 2015, nearly 100 H.B. Fuller employees in St. Paul, Minnesota, spent more than 500 hours volunteering with Habitat for Humanity to build a home for a local family in need. Habitat home builds can take several months, but with the help of local volunteers, Habitat families can realize their dreams of becoming homeowners much sooner.

H.B. Fuller’s history with Habitat began several years ago as a relatively small project designed to engage one department, but it has become an annual tradition that includes many employees from our world headquarters, leading to true collaboration and team building.

As part of the 2015 Make a Difference campaign, H.B. Fuller employees in Aurora, Illinois, designed an innovative, week-long series of team-building activities that brought co-workers together and supported several local charities. Teams of employees participated in trivia contests to earn bike parts, which employees used to build bikes to be donated to children participating in Big Brothers Big Sisters. The team that completed its bike first also won the chance to choose which organization would receive a donation. This creative approach to community service highlights how helping the community can also benefit H.B. Fuller and our employees.
On the Right Path

Acting with integrity and doing the right thing in all of our business practices is fundamental to H.B. Fuller’s philosophy of winning the right way. We are committed to maintaining the highest standards for ethics, citizenship, corporate responsibility and governance. And, we expect our employees to support our commitment by acting in an ethical manner – each and every day.

Code of Business Conduct

The key principles guiding the conduct of all employees globally are set forth in the H.B. Fuller Code of Business Conduct. It summarizes our practices and our compliance with specific laws, and provides guidelines to help address the tough decisions that confront us every day. It also serves as a commitment to our key constituencies: customers, employees, shareholders and communities that we will act and behave in a professional and ethical manner. All employees are expected to read and understand the code, and to certify to it at the start of their employment with us, and annually thereafter.

HBFPPath Employee Helpline

While we have policies and procedures in place to discourage and prevent improper conduct, we also provide an easy, confidential way to report potential violations. Employees may report any concerns or potential violations anonymously, as allowed by local law, via HBFPPath, our 24-hour, confidential employee helpline, which is available via phone or the internet. All reports are investigated and any appropriate corrective actions taken.

Quarterly Ethics and Compliance Training

Our strong ethics training program is one reflection of H.B. Fuller’s commitment to winning the right way, and the participation by employees around the globe is vital to fulfilling that commitment.

Each employee is required to complete ethics and compliance training every quarter. Employees receive course assignments on a quarterly basis via email to allow them and their managers’ flexibility in managing training assignments.

Nothing We Do is Worth Getting Hurt For

At H.B. Fuller, we believe that nothing we do is worth getting hurt for ... nothing. Our goal: every employee, every day, should return home in the same condition they came to work in. Employees at all levels of our company are committed to safety first, always. Our safety goals and results reflect this. The Bureau of Labor Statistics Adhesive Industry Recordable Injury Incidence Rate is 2.0, and for the last five years, our rate has been below 1.0. In 2015, it was .88. We have aggressive safety goals and plan to conduct a safety culture survey in 2016.

Safety First in Dukinfield

Our Dukinfield, England, facility has not had a lost-time injury in more than 11 years.

What does Dukinfield do differently?

Says Dukinfield facility manager Joe Kijowski, “Safety is engrained in our culture, and we look at it as a positive measure of prevention. Everyone cares about one another, and none of us wants to visit a co-worker in the hospital.”
A Values-Driven Culture

We have a clear vision of who we are, where we want to go and how we will get there. We are building the best adhesives company in the world at H.B. Fuller and having a highly engaged workforce is essential to our success … every employee matters. It is our goal that every employee can say with complete conviction, “I believe in the company, I belong to the H.B. Fuller team, and I matter to the company, my manager and our collective success.”

One way that we will achieve this is by fostering our strong values-driven culture. Our employees are united around a shared set of ideals that direct the way we operate and how we will achieve success. Our Core Beliefs – The Spirit of Winning, The Power of Collaboration and The Essence of Courage – are more than words on a wall, they connect us as one global team and drive our actions.

The Spirit of Winning – We choose to excel, delivering outstanding offerings to our customers and superior results for our shareholders. We bring passion and creativity to our work and innovation to our products and processes.

The Power of Collaboration – We recognize the power of diverse opinions and engage our global team to enrich outcomes for our customers, and to transform and energize our organization. Our approach is one of partnership, built on honesty responsibility and respect.

The Essence of Courage – We prize leadership, and strive to empower our organization — and ourselves — to be more than we are. We act with integrity; do the right thing at all times; take educated, thoughtful risks; and hold ourselves accountable for our actions and decisions.

I don’t have to look far to find an example of an employee who embodies these values. I see these demonstrated every day in our employees’ work — from the teams of employees in our plants who work tirelessly to produce high quality products for our customers, to a courageous leader challenging the status quo, to our 2015 Essence Award winners who made game-changing contributions to our company’s success.

I’m particularly proud of our values-driven culture, which is a key differentiator for H.B. Fuller.

Our employees are united around a shared set of beliefs that direct the way we operate and how we will achieve success.

Paula Cooney
Vice President, Human Resources

Our Workforce:
MORE THAN 4,000 EMPLOYEES WORLDWIDE

32%
North America

34%
Asia Pacific (Greater China, Southeast Asia, Australia/New Zealand)

27%
EIMEA (Europe, India, Middle East, Africa)

7%
Latin America

49%
Manufacturing

24%
R&D

7%
Sales and Customer Service

20%
Other
The Power of Collaboration

4,000 employees acting as one

Transforming and energizing our company

Celebrating the power of diverse opinions

Enriching outcomes for customers and the community

Partnership based on honesty, responsibility and respect
Training and Development is Essential to our Success

Employee development is critical. Having a trained and engaged workforce helps us attract and retain the best employees, and deliver on our strategic commitments. We support our employees’ development in a number of ways, including individual development planning, training and other activities.

As employees enter the company or change roles, we provide training to help get them up to speed and be successful. In 2015, nearly 700 employees attended our Living and Leading new hire orientation program. And, more than 250 managers of people built or refreshed their skills in our Building Management Skills training course.

Additionally, through a tight partnership between our Human Resources professionals and our business leaders, we identified a number of opportunities for region- or job-specific training to support business goals. This included more than 1,300 hours of foreign language training for our Mindelo, Portugal, employees to improve their collaboration with colleagues worldwide.

Inspiring Ideas and Innovation

Our innovation strategy today was inspired by a simple idea that our founder Harvey Benjamin Fuller had more than 100 years ago. A manufacturer of wallpaper paste, Mr. Fuller watched countless wallpaper installers climb rickety ladders to perform their work. Through this experience, Mr. Fuller identified a need to develop a more stable solution that would enable them to get the job done quickly and safely. This aha moment inspired a patent in 1912 for a unique scaffolding system, along with our passion to connect the world’s great ideas and enable our customers’ success.

While our customers inspire many of our innovations, our employees also are a tremendous source of ideas, given their intimate understanding of our company, customers, solutions, service and processes. Our strong culture of innovation is fueled by leadership support and our employees’ own desire to invent and improve.

Leadership supports innovation by setting motivating innovation goals, supplying resources and creating opportunities for employees to think creatively. During our two-day Building Management Skills training program, for example, our managers participate in a highly engaging and competitive airplane challenge where their mission is to invent a flyable airplane using only the supplies that they brought with them to the course. The goal: create a plane that flies the furthest. Managers leave the experience inspired to take an out-of-the-box approach to solve problems and to support their employees in doing the same.

Within our research and development team, our scientists work closely with our sales and service teams to look for ways to solve our customers’ biggest challenges. At the same time, each is encouraged to spend one day a week exploring their own ideas.

And, because we see every employee as an innovator, we launched Idea Central, an online idea submission tool, where employees can submit and check the status of ideas. Since its inception in 2013, Idea Central has generated nearly 300 submissions from employees, including ideas for new products, product enhancements, process improvements and more. Each suggestion is tracked and followed up on for possible implementation.

By inspiring ideas and innovation, each year we bring to market about 100 new products and file approximately 20 new patents. More important, we’re helping our customers connect what matters.
and delivering more than 2,000 hours of Sales Excellence training to our sales force. And, our Asia Pacific region leveraged technology to create an online “Learning Space” to facilitate the delivery of more than 3,800 hours of online, virtual and face-to-face training.

Also in 2015, we sharpened our company’s focus on quality and embarked on a multi-year journey to dramatically improve our quality culture and performance across our entire organization. As a starting point, employees developed a consistent language of quality and learned a standard quality framework through our Zero Defects training program, inspired by quality greats Philip Crosby, William Edwards Deming and Henry Ford. By year-end, more than 65 percent of employees, including H.B. Fuller’s top leaders, had completed the training. The expectation is that all H.B. Fuller employees will be trained on quality by the end of the first quarter in 2016. At the same time, some of our operations and functional areas began training their team(s) to follow the Eight Disciplines (8D) approach to solving problems.

At H.B. Fuller, our people are our most valuable assets, and investing in their development is a win for our employees and a win for our company.

2015 Essence Award Winners

This year, we celebrated two teams who represent our core beliefs, and we are proud to recognize their outstanding performance.

Jeff Yang and Xinyu Du helped drive the company’s success last year throughout the acquisition and integration of our TONSAN business. Jeff led the integration team, partnering closely with colleagues at H.B. Fuller and TONSAN to ensure a successful merging of our two companies. Xinyu worked closely with our TONSAN colleagues to build mutual respect and trust, which is enabling us to build upon the great success of this business in China and in targeted geographies around the world.

Bryan Campion and Bill Pulanco embody our commitment to winning with customers. Bryan and Bill were tasked with winning over a key hygiene customer. Over the past three years, they worked tirelessly, gaining the support and trust of local purchasing and operations teams to increase our sales from one account in Latin America to 27 percent market share globally.

The Spirit of Winning

At H.B. Fuller, the spirit of winning is engrained in our culture. Our employees are driven to do their best and to help our company succeed. We reward outstanding performance in a variety of ways, including through our employee recognition program. Each year, hundreds of our employees receive one or more of our recognition awards, as a result of a nomination by a co-worker or manager.

The Spirit Award recognizes exceptional work that contributes to our growth. The Power Award recognizes work that delivers a significant positive financial impact or achieves a high-impact accomplishment that is aligned with the company’s business goals. And, the Essence Award, our highest level of employee recognition, is designed to recognize individuals and teams who deliver game-changing results in one of our strategic imperative categories: Innovation, Globality, Customer Intimacy, Profitable Growth and Operational Excellence.
About this Report

This report provides an overview of H.B. Fuller’s global responsibility programs, activities and future commitments that we have identified as top priorities for our business and our key stakeholders. This report was published in November 2016 and represents our global operations as of fiscal year 2015 (Dec. 1, 2014-Nov. 30, 2015) with the exception of our sustainability metrics, which represent the calendar year (Jan. 1-Dec. 31, 2015). H.B. Fuller partnered with WSP | Parsons Brinckerhoff to track and report our sustainability data in accordance with reporting standards. All other data contained in this report is compiled and validated independently by H.B. Fuller. This report complements additional information available at www.hbfuller.com. We are committed to reporting our ongoing progress online and invite you to visit periodically for updates. This report does not replace the 2015 Annual Report and 2016 Proxy Statement, which contain additional facts, figures and analysis of our business.

Questions or comments on this report can be sent to: Corporate.Relations@hbfuller.com.

About H.B. Fuller

For nearly 130 years, H.B. Fuller has been a leading global adhesives provider focusing on perfecting adhesives, sealants and other specialty chemical products to improve products and lives. With fiscal 2015 net revenue of $2.1 billion, H.B. Fuller’s commitment to innovation brings together people, products and processes that answer and solve some of the world’s biggest challenges. Our reliable, responsive service creates lasting, rewarding connections with customers in engineering, electronic and assembly materials, hygiene, construction, automotive, packaging and other consumer businesses. And our promise to our people connects them with opportunities to innovate and thrive.

To learn more about our company, go to www.hbfuller.com.