



# All In

## Global Responsibility Report



**H.B. Fuller**

Connecting what matters.™



# ABOUT THIS COVER

At H.B. Fuller, we are all in. We are striving to be a company where respect for people, ethics, values and collaboration are at the center of how we operate. We want to be a company that is customer-focused and performance-driven. We also want to win the right way, which means we create sustainable solutions, take care of our communities and look toward improving the future. We are all in this together. It takes our leaders' vision and support, and each individual's personal contributions – in the work we do, and the interactions we have with one another – every single day.

## Transforming Our World

We all want to live in a place where all people and our planet can prosper and peace can be achieved. That's why we support the United Nations' Sustainable Development Agenda.

This agenda set forth a series of 17 sustainable development goals (SDGs), comprised of 169 targets, to be achieved through global collaboration by the year 2030. In the years since adoption of this agenda, many organizations, including ours, have aligned their sustainability and corporate social responsibility activities to these goals and targets.

We have assessed which sustainable development goals align to H.B. Fuller activities. Our activities currently align with 20 targets within ten of the overarching SDGs. The table below provides an overview of the identified alignments.



### Ensure healthy lives and promote well-being for all at all ages

H.B. Fuller is creating lightweight products that allow for safer vehicles.



### Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

H.B. Fuller directly supports a range of education initiatives and helps create educational materials.



### Ensure availability and sustainable management of water and sanitation for all

H.B. Fuller is reducing water use and creating products that improve access to safe drinking water. Our goal is to reduce water withdrawal intensity by 10 percent between 2014-2025.



### Ensure access to affordable, reliable, sustainable and modern energy for all

H.B. Fuller is reducing energy use and creating products that improve energy efficiency for customers. Our goal is to reduce energy intensity by 20 percent between 2014-2025.



### Decent Work and Economic Growth

Our Code of Business Conduct and supplier expectations serve as a guidepost for decision-making for those who represent and do business with our organization, and specifically address our policies around human and labor rights. H.B. Fuller has a zero tolerance policy regarding child labor and forced labor, and we do not tolerate any form of discrimination.



### Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation

H.B. Fuller is creating products that allow customers to reduce industrial resource intensity and waste.



### Make cities and human settlements inclusive, safe, resilient and sustainable

H.B. Fuller is helping customers reduce fossil fuel consumption and providing parks to the community.



### Ensure sustainable consumption and production patterns

H.B. Fuller is reducing its own waste intensity and creating products that reduce resource use and waste. Our goal is to reduce waste intensity by 10 percent between 2014-2025.



### Take urgent action to combat climate change and its impacts

H.B. Fuller is reducing its own emissions intensity and creating products that help reduce customer emissions. Our goal is to reduce scope 1 and 2 greenhouse gas (GHG) emissions intensity by 20 percent between 2014-2025.



### Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation, and halt biodiversity loss

H.B. Fuller constructs new facilities in an ecologically sensitive manner.

# Committed to Going Beyond Green

Minimizing the impact of products and processes on the environment is an important part of our sustainability commitment, but it is not our sole focus. While sustainability once was associated with being green, today its definition is much broader. At H.B. Fuller we are committed to being more than green. We believe that the social aspects of sustainability, including safety, ethics and philanthropy are equally important.

Social responsibility to us means winning the right way, creating sustainable solutions, taking care of our communities and looking toward improving the future. Understanding, measuring and building upon our success in these areas is just as much of a priority as maintaining sustainable environmental impact. More important, it's fundamental to who we are as a company and is a source of pride for our employees.

## Doing the Right Thing in Everything We Do

Being a good corporate citizen begins with doing the right thing at all times, and we have a more than 130-year history of conducting business with integrity and innovating responsibly.

We are committed to consistently meeting or exceeding the regulations that govern our business. We ensure our employees follow an ethical path, by setting and communicating a high ethical standard through our Code of Business Conduct, and require all employees to participate in ongoing ethics training. And, when issues do arise, our employees have access to various resources to report their concerns.

## Putting Employee Health and Safety First

Workplace safety is a top priority at H.B. Fuller. We see it as our responsibility to return each of our employees home safely every day. While our injury rates are consistently better than industry performance, we strive to do better. For the last five years, our recordable injury rate has been less than 1 percent.

But, our goal is ZERO injuries because we believe firmly that nothing we do is worth getting hurt. That's why we've taken a number of action steps which include conducting a global safety culture survey, developing a core set of safety behaviors and training employees on these principles, as well as joining the American Chemistry Council's Responsible Care® initiative.



## Building Sustainable Communities

Making a difference in the community has long been part of our company culture, and our employees are passionate about giving back. We strengthen communities in a number of ways with a key focus on helping young people grow into productive, successful adults.

Between the H.B. Fuller Foundation and other corporate giving programs, we grant more than \$1.3 million to support community development on an annual basis. About half of this money goes to support youth-serving nonprofits and schools in communities around the world where our employees live and work.

Our employees also are actively engaged in community service, and each year, they volunteer with nonprofit organizations around the world, contributing approximately 9,000 hours of volunteer service benefiting more than 200 organizations.

There's so much more to sustainability than being green. That's why we're committed to – and making a difference in – all aspects of sustainability.

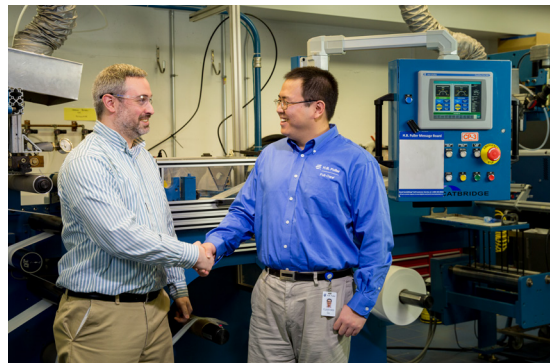
A handwritten signature in black ink that reads "Jim Owens". The signature is fluid and cursive, with the first name "Jim" and last name "Owens" clearly distinguishable.

**Jim Owens**  
President and Chief Executive Officer



# Partnering to Solve the World's Biggest Challenges Sustainably

Our commitment to sustainability drives us to look for ways to minimize our company's footprint through sustainable business practices, and to enable our customers to achieve their sustainability goals.



Increased environmental concerns are driving manufacturers to focus on sustainability and to find alternative, sustainable energy sources that lower their overall carbon footprint. Manufacturers want to reduce waste and increase efficiencies. Consumers want products that are less harsh on the environment to produce, or are easier to recycle or refurbish. And, everyone wants to reduce exposure to hazardous materials and eliminate waste.

Our competitive advantage lies in our ability to partner with brand owners and OEMs to develop unique solutions to help them achieve their product and sustainability goals.

## H.B. Fuller Adhesives Enable Sustainability



### Reduce use of material

Adhesives are giving engineers more options for fastening and joining consumer and industrial products. This shift from fasteners to adhesives is giving way to new advances in electronics, vehicles and home finishing, to name a few, and enabling manufacturers to use less metal, wood, cardboard and other substrates in their product designs.



### Reduce waste

By replacing other materials with adhesives, the amount of waste is reduced. Plus, high-quality adhesive solutions, like thinner cores in hygiene products and adhesive-coated tapes in packages, help improve the performance of the products they are used in, resulting in less waste in the landfills.



### Enable sustainability-driven products

Global demand is increasing for products that enable consumers to lessen their carbon footprint. The market for sustainability-driven products, such as solar panels and electric vehicles, is on the rise.



### Reduce reliance on non-renewable resources

Non-renewable energy sources, such as coal, petroleum oil and natural gas, are becoming more scarce daily. Manufacturers and consumers alike are looking to reduce their reliance on non-renewable resources. The need for more energy-efficient homes, commercial buildings and industrial structures, for example, is increasing demand for improved thermal and acoustic insulation properties. Our insulating glass solutions address this trend.



### Improved manufacturing efficiencies

Our customers are driven to make their manufacturing as efficient as possible – using fewer resources, reducing waste and minimizing their environmental impact. Leveraging our high-performance adhesives and our technical expertise, they are able to speed up their lines, use less water and energy, and reduce their carbon footprint and costs.



## Packaging On Demand Reduces Cardboard Waste

As more and more people shop online, there is a growing need for more functional packaging solutions across the globe. E-retailers supply thousands of brands and merchandise of different shapes and sizes.

Historically, the shipping boxes used to fulfill product orders were one-size-fits-all, and they were not well-proportioned to the specific merchandise being shipped. As a result, excessive material, air and cushioning was shipped along with the merchandise. This results in higher freight, material costs and carbon footprint.

New, automated, cut-to-size packaging lines are allowing for less material waste and optimized freight costs. This new type of end-of-line packing-equipment evaluates the exact dimension of each individual item, and then cuts and flaps the box to adjust its size accordingly.

While packaging on demand solves many problems for our customers, it also introduces new challenges. While the boxes are right-sized to the product, the board material is the same thickness whether the merchandise inside is small and light, or large and heavy. We introduced a unique adhesive-coated tape solution that can be laminated inside the corrugated material. The adhesive-coated tape strengthens the packaging so that a thinner box or envelope performs like a heavy-duty, traditional package.

Using less corrugated material to create a very strong shipping package helps lower the carbon footprint of e-retailers. Plus, our specialty reinforcement adds important features, helping keep food safer and fresher for longer, and ensuring that your new watch or lamp arrives in pristine condition.



## Building Energy Efficiency with Ködispace 4SG

According to the U.S. Green Building Council, buildings consume 41 percent of U.S. energy – more than the industrial (30 percent) and transportation (29 percent) sectors. In response, new technologies are necessary to improve the use of energy by residential and commercial buildings.

In the insulating glass industry, H.B. Fuller's gas-tight insulating glass, Ködispace 4SG, is revolutionizing the impact windows have on the energy efficiency of a building. Ködispace 4SG is a thermoplastic, warm edge system with built-in desiccant that completely replaces the traditional edge system made of spacer, desiccant and primary seal. Due to its ability to form a chemical bond with glass and silicone, this system is particularly suitable for structural glazing.



Ködispace 4SG has an organic composition and is produced with environmentally-friendly raw materials. It also is completely metal-free. The increased energy efficiency of the system contributes to the reduction of CO<sub>2</sub> emissions. For optimal performance, the warm edge must retain the argon gas filling. This feature helps extend the life cycle of the insulating glass better than other warm edge options.

The durability and reliability of a window relies heavily on the quality of the insulating sealant and desiccant used in the manufacturing process. We are pleased to help manufacturers build energy efficiency through longer-lasting, more energy-efficient windows.

# Global Sustainability Goals and 2017 Progress

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 metrics by metric tons of production to accommodate for changes in output.

## GOAL 1

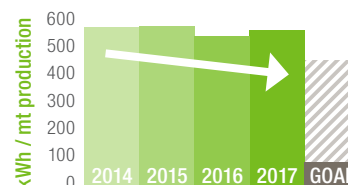


**Reduce energy intensity by 20% between 2014-2025**

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.

## PROGRESS

Energy Intensity



## GOAL 2

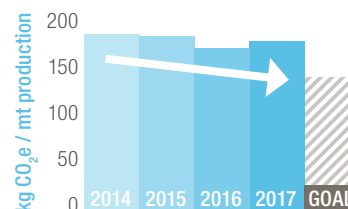


**Reduce scope 1 and 2\* greenhouse gas (GHG) emissions intensity by 20% between 2014-2025**

GHG emissions intensity is the amount of GHG emissions per metric ton of production. GHG emissions are measured in carbon dioxide equivalent (CO<sub>2</sub>e), which expresses the effect of GHGs on the atmosphere in terms of carbon dioxide (CO<sub>2</sub>). 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.

## PROGRESS

GHG Emissions Intensity



\*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, fork lifts); 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

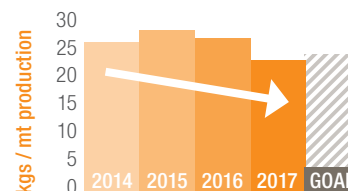


**Reduce waste intensity by 10% between 2014-2025**

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

## PROGRESS

Waste Intensity



## GOAL 4

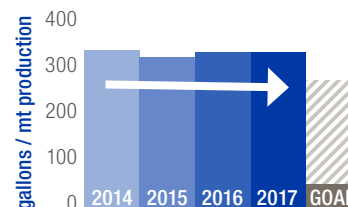


**Reduce water withdrawal intensity by 10% between 2014-2025**

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

## PROGRESS

Water Withdrawal Intensity



Since establishing our sustainability goals, H.B. Fuller has made acquisitions, as well as data collection and methodological changes, that have affected our reported energy, GHG, waste and water performance. In the context of our sustainability data management, these changes are considered significant as they impact each of our reported 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 both our 2014 base year and subsequent reporting years for all sustainability metrics to include these changes. These revisions are common among companies with similar changes, are aligned with our internal Inventory Management Plan (which relies on the GHG Protocol Corporate Accounting and Reporting Standard) and allow us to accurately characterize performance against our goals between 2014 and our 2025 target year.

North America	2014	2015	2016	2017	Goal	Progress since 2014
Energy Intensity	552	573	500	551	434	→
GHG Intensity	165	163	148	157	136	↓
Waste Intensity	29	30	31	25	24	↓
Water Withdrawal Intensity	271	256	269	270	282	→

- Our hot melt adhesives facilities are continuing to reduce energy consumption
- Almost all North America facilities reduced GHG intensity year over year

Latin America	2014	2015	2016	2017	Goal	Progress since 2014
Energy Intensity	597	506	464	481	434	↓
GHG Intensity	171	153	134	154	136	↓
Waste Intensity	30	73	44	29	24	→
Water Withdrawal Intensity	624	462	416	383	282	↓

- 30% waste intensity decrease in Rionegro, Colombia, from 2016 to 2017

EIMEA (Europe, India, Middle East and Africa)	2014	2015	2016	2017	Goal	Progress since 2014
Energy Intensity	546	523	511	517	434	↓
GHG Intensity	166	163	156	158	136	→
Waste Intensity	24	25	21	19	24	↓
Water Withdrawal Intensity	304	341	339	325	282	↑

- 27% waste intensity decrease in Nienburg, Germany, due to improved quality from 2016 to 2017
- Shirwal, India, reduced water intensity through process improvements from 2016 to 2017

Asia Pacific	2014	2015	2016	2017	Goal	Progress since 2014
Energy Intensity	420	412	429	410	434	↓
GHG Intensity	227	218	218	209	136	↓
Waste Intensity	13	12	14	13	24	→
Water Withdrawal Intensity	455	421	390	319	282	↓

- Yantai and Nanjing, China, saw double-digit reductions in energy, GHG and waste intensities from 2016 to 2017

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<sub>2</sub>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.

## H.B. Fuller Supply Chain Transparency

While adhesives are a small part of the products they hold together, they play a significant role in downstream sustainability. We are proud to be a strategic supplier to thousands of companies worldwide, including some of the largest global and multinational organizations. We understand that we play a critically important role in our customers achieving their sustainability goals. We are doing our part to minimize our environmental impact, and report our progress to CDP and EcoVadis.

### CDP

We have responded to CDP's annual supply chain questionnaire, on behalf of our customers, every year since 2013. Our CDP responses allow us to discuss our policies and programs for managing climate change and water, as well as report our annual energy, GHG emissions and water performance.

In 2017, we maintained our prior year's climate change score of B, and improved our water response score to a B.

### ECOVADIS

We have completed the EcoVadis assessment every year since 2015, providing valuable information to our customers about our environmental, social, ethics and supply chain practices. In 2017, our response received a Silver rating from EcoVadis.





# H.B. Fuller Surabaya, Indonesia, Facility Receives Green Building Certification

At H.B. Fuller, taking steps to minimize our impact on the environment is a priority. It drives innovation in our products and manufacturing practices, and it also is top of mind when we are expanding our capacity to support our customers around the globe.

Designed with a number of sustainable features, and to adhere to stringent disposable hygiene product industry standards, our Surabaya, Indonesia, facility is one of only three facilities in the country to receive LEED® Gold certification.

LEED Gold certification is internationally recognized as the highest standard for organizations working to minimize the environmental impact of their buildings. It recognizes high performance in the areas of sustainable site development, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality, innovation, and design.



Sustainability was considered right from the start with the selection of a location where construction would have minimal impact on natural habitats and species. The site development plans also included pollution prevention measures, use of native or adapted vegetation, maintenance of a significantly large area as an open space, and use of building materials that contained recycled content or were regionally sourced.

Regarding water efficiency, the focus was to minimize consumption through efficient supply and sanitation systems, combined with innovative technologies that allow 100 percent on-site treatment of waste water. Heating, ventilation, air conditioning, refrigeration and fire suppression systems also were part of this investment and have been carefully selected to minimize or eliminate the emission of compounds that contribute to ozone depletion and global climate change.

"The work of innovative building projects, such as H.B. Fuller's Surabaya plant, is a fundamental driving force in transforming the way buildings are built, designed and operated," said Mahesh Ramanujam, president and CEO, U.S. Green Building Council® (USGBC®). "Buildings that achieve LEED certification are lowering carbon emissions, creating a healthier environment and reducing operating costs while prioritizing sustainable practices. Because of companies like H.B. Fuller, we are increasing the number of green buildings and getting closer to USGBC's goal to outpace conventional buildings, while being environmentally and socially responsible, and improving the quality of life for generations to come."

\*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.



**Through the following key building features, we are able to lessen our environmental impact:**



## WATER EFFICIENCY

- Potable water reduction of 37 percent, by using state-of-the-art high efficient water closets, waterless urinals and ultra-low-flow lavatory faucets
- No use of permanent irrigation for landscaping, and 100 percent treatment of waste water on-site



## ENERGY CONSERVATION

- Energy efficient equipment and lighting systems reduce energy utilization
- Refrigerants and HVACR systems minimize or eliminate the emission of compounds that contribute to ozone depletion and global climate change



## INDOOR AIR QUALITY

- "No Smoking" policy implemented on the site and is strictly enforced
- All adhesives and sealants used in the interiors of the building complied to the strict VOC limit requirements
- Well-designed systems in place to minimize and control the entry of pollutants into the building

# Tree Planting Project Creates Greener Future

As part of our company's annual Make a Difference community service campaign, employees in Nairobi, Kenya, partnered with the Friends of Karura Forest Community in a tree planting project to improve the local environment.

The Karura Forest is an urban forest surrounded by various settlements. The nearby residents use one of the rivers in the forest as their primary source of water. Having a strong ecosystem is critical to sustaining life in and around the forest.

During the project, our team planted 100 indigenous trees. These trees will play a vital role in combatting climate change and providing security to forest-dependent populations. They should reduce pollution by about 37 percent, purify air and ground water, regulate temperatures, and provide shade. This, in turn, translates to a cleaner environment and a healthier community for the people of Nairobi for years to come.



# Employees Embrace Organics Recycling



Less than 35 percent of trash in the U.S. is composted or recycled, sending nearly 200 million tons of waste to landfills each year. Once in landfills, this material takes years to break down and negatively affects the health of our planet.

In an effort to reduce our company's environmental impact, in 2017, we implemented a new organics recycling program in our Vadnais Heights, Minnesota, U.S., location. Funded by \$20,000 in recycling grants from the local county, we added organics recycling services with our waste hauler, introduced new recycling bins and replaced disposable products (i.e. coffee cups, eating utensils, etc.) with certified compostable ones. The goal was to reduce the amount of materials leaving the 500-person campus as trash.

Our results? Over the first six months of the program, we averaged 400 pounds of waste diverted weekly from the trash stream to organics recycling. "Little by little everyone is catching on. It is something we need to continue working on, but the majority of our employees seem to really appreciate our recycling efforts," said Adam Senart, H.B. Fuller facilities management.

As employees continue to embrace the program, it is estimated that we will achieve an annual diversion of over 20,000 pounds of trash to organics recycling.



# “ Succeeding Together



We know that we are best positioned to succeed as a business when our communities also are thriving. One of the most pressing issues we face around the world, including in our headquarters community in Minnesota, is developing and retaining a talented workforce. As the current labor force ages and large numbers of “baby boomer” workers begin to retire, regional competitiveness is at risk if new workers are not trained and prepared to join the workforce. And, demographic trends tell us that our new workforce will be more diverse than ever before. Therefore, as we plan for our future growth, preparing Minnesotans from all backgrounds to succeed is critical.

At H.B. Fuller, supporting young people to become productive, successful adults has long been the focus of our philanthropy. We fund STEM (science, technology, engineering and math) education and youth leadership development programs in our communities around the world, including in the Twin Cities. Minnesota has some of the worst achievement gaps in the country between white students and students of color, particularly in math and science. The H.B. Fuller Company Foundation funds nonprofits working to address these gaps and ensure that all students are prepared to succeed. In 2017, we supported programs providing culturally appropriate STEM education for Somali American youth; intensive math tutoring for students in low-performing schools; multicultural

leadership education; and computer programming training for diverse students, among many others.

We believe that, by partnering with innovative nonprofits, together, we can make a difference for our neighbors from all backgrounds. Not only is supporting our communities the right thing to do as a responsible corporate citizen, it also is an important element of our strategy to address future workforce needs.

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

## 2017 Community Impact

### OVERVIEW



### VOLUNTEER HOURS



### 19 LOCATIONS REACHED

- |            |           |               |
|------------|-----------|---------------|
| Argentina  | Egypt     | Malaysia      |
| Australia  | France    | Mexico        |
| Brazil     | Germany   | Philippines   |
| Chile      | Greece    | Portugal      |
| China      | India     | Switzerland   |
| Colombia   | Indonesia | United States |
| Costa Rica | Kenya     |               |

### FUNDING AREAS

STEM Education	\$256,985
Youth Leadership Development	\$48,160
Arts & Culture	\$18,596
Education	\$316,045
Environment	\$373,480
Health & Human Services	\$235,091
<b>TOTAL AMOUNT GIVEN</b>	<b>\$1.3M</b>



## Making a Difference through Volunteerism

Each year, we celebrate our commitment to giving back through our Make a Difference volunteer campaign. During the month of October, employees are empowered to choose the local community needs they want to address and design a volunteer project in response. In 2017, over 1,100 employees in 17 countries donated more than 3,800 hours of service to their communities, positively affecting approximately 6,900 community members. This year's 45 projects ranged from food drives to bike builds, renovations at local schools, enrichment activities for seniors, environmental conservation efforts, and holiday gift collections.

To celebrate the impact of these community projects, employees around the world voted to select one outstanding project for recognition – the project completed by employees in Vancouver, Washington, U.S., was selected as this year's winner. The team in Vancouver addressed homelessness and hunger in their community through several related projects: employees completed landscaping and renovations at a local homeless shelter, packed food at a food bank, and held two donation drives benefitting a homeless shelter and domestic violence shelter. Participating employees contributed more than 130 hours of volunteer service.



They selected one partner nonprofit organization to receive a donation to further their ongoing work in recognition of the dedication to service displayed by our employees.

The Make a Difference campaign is a special opportunity each year to come together and support our communities. Our employees' passion and willingness to serve brings to life our commitment to giving back.

## Education and Equality for Girls in Pune

The H.B. Fuller Company Foundation has been proud to support Karuna Trust and the Vishrantwadi Girls Hostel for the past three years. Karuna Trust works to end caste-based discrimination, poverty and inequality in India and Nepal. Their programming focuses on education, gender equality and dignified livelihoods.

The Vishrantwadi Girls Hostel in Pune, India, provides safe housing and education for girls at risk of leaving school or entering early marriage. While the Pune region, where H.B. Fuller operates, has a strong and growing economy, many families remain trapped in poverty. The Vishrantwadi hostel provides a safe and supportive environment for 80 girls. Girls are enrolled in local schools and receive English, math and computer skills tutoring at the hostel. In addition, they have access to critical health and nutrition services and education. The hostel also works with parents to provide education about the importance of gender equality and opportunities for education and work for girls. "When we visit the hostel, the first thing we notice is how confident and open the girls are. They are proud to share their work and academic achievements," shared Kevin Croke, trust fundraiser at Karuna Trust.

The H.B. Fuller Company Foundation supports education around the world, and we have been honored to support the excellent work of Karuna Trust in supporting girls in our community in Pune, India.



## Engaging Employees Through Philanthropy

At H.B. Fuller, we view grantmaking and corporate giving as an important way to support the communities where we live and work around the world, and also as a way to engage employees in our corporate citizenship. We believe that the best way to ensure that our philanthropy mirrors employee priorities and community needs is to empower employees to guide many of our corporate responsibility programs.

The H.B. Fuller Company Foundation gives approximately \$1.3 million annually to causes that matter to our employees. In Minnesota, grantmaking supports STEM (science, technology, engineering and math) education and youth leadership development, and is led by employees. Twice each year, a committee of employees from various departments and diverse backgrounds reviews grant applications and visits potential grantees. These employees help find ways for H.B. Fuller to partner with local nonprofit organizations to support young people in our headquarters community. Heather Walch, global director for Medical Adhesives, shared: "Through my work on the Contributions Committee, I've truly begun to appreciate and become more engaged with the diverse and unique organizations supporting the community we live in. It's exciting to see firsthand the direct impact H.B. Fuller has on advancing those organizations, their programs and the greater community."

Not only does employee-guided philanthropy ensure that our grantmaking is aligned to community needs, it also provides a valuable opportunity to connect employees to local nonprofits and causes they are passionate about. As passionate as we are about giving back to our communities, we are equally passionate about involving our employees in our corporate social responsibility.



## Supporting Communities in Crisis

During 2017, severe disasters impacted communities around the world, including multiple communities where H.B. Fuller employees live and work. In keeping with our commitment to support our employees and neighbors, the H.B. Fuller Company Foundation contributed disaster relief funding to help our impacted communities begin to recover.

Destructive wildfires tore through central Portugal in June, taking more than 60 lives and injuring hundreds more. H.B. Fuller employees immediately expressed a desire to give back to their neighbors in need, and the H.B. Fuller Company Foundation worked with the Portuguese Red Cross to match employee contributions dollar-for-dollar. In August 2017, Hurricane Harvey made landfall in Texas, U.S., and caused catastrophic flooding and damage to local infrastructure, homes and other buildings, including H.B. Fuller facilities in Houston and Eagle Lake. In response, the H.B. Fuller Company Foundation donated \$10,000 to the American Red Cross and matched all employee donations dollar-for-dollar. And, when a devastating earthquake struck central Mexico in September 2017, the H.B. Fuller Company Foundation opened a fund with our partner GlobalGiving to match all employee donations dollar-for-dollar.

## A Legacy for Minnesota Children

As a Minnesota Super Bowl Host Committee sponsor, H.B. Fuller joined with the Minnesota Super Bowl Legacy Fund to make a lasting impact on the health and wellness of children in Minnesota. In July 2017, the H.B. Fuller Company Foundation sponsored a \$50,000 grant to Frogtown Farm in St. Paul, Minnesota, U.S., one of the largest urban farms in the country. The grant funded the construction of an outdoor kitchen and educational space to engage more of the neighborhood in healthy eating habits. H.B. Fuller was proud to leverage the excitement of America's biggest game to make a positive difference in the health and lives of children in our headquarters community.



## Supporting Employee Giving

Every year, H.B. Fuller employees in the United States and Canada are invited to participate in our Community Giving Campaign, in partnership with the United Way. In 2017, our campaign focused on ending hunger in our communities. Employees were able to give back by donating to nonprofits and issues they are passionate about – and many chose to support food shelves and hunger relief organizations. The H.B. Fuller Company Foundation supported employee giving by contributing a 50 percent match on all employee donations. Together, employees and H.B. Fuller raised over \$480,000 to help our neighbors in need.



# Driving an Ethical Culture

Doing business ethically is a great source of pride for our company and employees. H.B. Fuller has a strong reputation for upholding the highest ethical principles which we reinforce with our employees through our company's Code of Business Conduct. We also require all employees to participate in ethics and compliance training throughout the year. And, when issues do arise, each employee has access to follow the right path to help, either through their manager or HR representative, or anonymously through our ethics helpline.

In 2017, all H.B. Fuller employees worldwide were trained on a variety of ethics and compliance topics, including preventing workplace violence, ethical leadership, protecting intellectual property and more.



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.

# Nothing We Do Is Worth Getting Hurt For

At H.B. Fuller, safety is a top priority. Our employees are our most valuable asset, and nothing they do at our company is worth getting hurt for. We have a number of policies and programs in place to help us achieve our safety goal of ZERO injuries. It is also up to each employee to take accountability for their safety and the safety of their co-workers.

In 2017, our injury rate was 0.90, and we had 12 total lost workday injuries. While our injury rates are consistently below the Bureau of Labor Statistics Adhesive Industry Recordable Injury Incidence Rate, we have a number of action plans and initiatives in place to do even better and ensure the safety of all of our employees.

## 2017 Global Safety Results

INJURY RATES	2013	2014	2015	2016	2017
Recordable Injury Rate	0.5	0.69	0.88	0.81	0.9
Lost Workday Injury Rate	0.2	0.27	0.29	0.21	0.23

### TOTAL LOST WORKDAY INJURIES



### INJURY TYPES

1. Strain/sprain
2. Cut/scrape
3. Contusion
4. Burn
5. Fracture
6. Other



### SAFEST FACILITIES

- Beijing, China
- Dukinfield, U.K.
- Klang, Malaysia
- Sorocaba, Brazil
- Pianezze, Italy

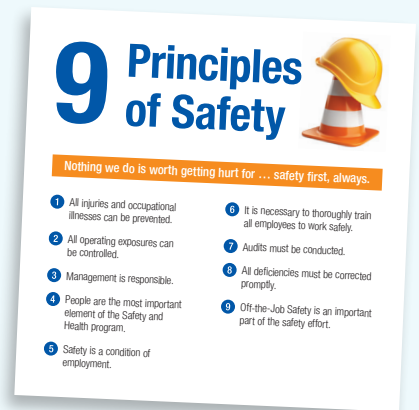
**Recordable Injury:** An occupational injury and illness case resulting in medical treatment, work restriction(s) or days away from work.

**Ri Rate:** An incidence rate showing the number of injury and illness cases per 200,000 hours worked, equivalent to 100 employees per year.

**Lost Workday Injury:** Recordable injury that was serious enough for the doctor to prescribe days away from work.

# Manager and Supervisor Safety Training

We have identified a core set of safety behaviors, or expectations, that we call the “9 Principles of Safety.” In 2017, we rolled out safety training to managers and employees centered on these key principles. To date, more than 81 percent of our 6,000 global employees have completed this training. This is in addition to the regular, ongoing safety training offered at our facilities.



**RESPONSIBLE CARE**<sup>®</sup>  
OUR COMMITMENT TO SUSTAINABILITY  
30 YEARS

## Responsible Care

H.B. Fuller is proud to participate in the American Chemistry Council's Responsible Care<sup>®</sup> initiative. We have pledged to operate our business in accordance with the initiative's guiding principles, and have made a worldwide commitment to improve our environmental, health, safety and security performance. We also are committed to open and transparent reporting and undergo mandatory headquarters and facility audits to certify our performance.



## Governor's Award of Safety

Our Paducah, Kentucky, U.S., manufacturing facility received a Governor's Safety and Health Award in 2017 for working 1,285,567 consecutive hours without a lost time injury or illness. During the award presentation, State Sen. Danny Carroll applauded H.B. Fuller for going above and beyond to ensure the wellbeing of our employees, and in doing an excellent job in setting and meeting high expectations. The Kentucky Labor Cabinet presents the Governor's Safety and Health Award to highlight outstanding safety and health performance in Kentucky's workplaces.



## Clearing the Field to Zero Defects

Having a clean and tidy workspace helps employees efficiently access the tools they need to do their job and work productively. As part of our companywide focus on quality, and as a way to engage employees in our Super Bowl Host Committee sponsorship, we held several “Clear the Field” days to eliminate clutter across our Vadnais Heights, Minnesota, U.S., campus.

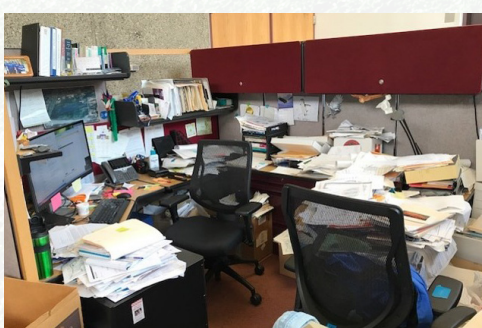
### Clear the Field Results:

- 26,000 pounds of paper shredded
- 9,600 pounds of trash removed from the campus
- 4,800 pounds of office paper recycled
- More than 350 boxes moved to record retention
- More than 100 file cabinets removed
- More than 300 books donated
- Four van loads of excess office supplies delivered to three local schools

To celebrate, employees were treated to lunch from a local food truck, and were entered into several football-themed raffles.

Having a clear mind and a clear space allows you to think and act with purpose.

Before



After



Before



After





# “ It’s an Exciting Time to Work at H.B. Fuller



2017 was a very exciting year that included record sales and earnings, a record increase in customer wins, and a strong continuation of our journey to drive innovation, quality and safety as company priorities. In 2017, we also completed three strategic acquisitions – Wisdom, Adecol and Royal. And, we scored a touchdown with employees, customers and the community through our sponsorship of the Minnesota Super Bowl Host Committee.

### Expanding Our Workforce

Today, we are a more capable and dynamic company, due in large part to the strategic acquisitions we made last year. These acquisitions significantly expanded our manufacturing network and capabilities, while increasing the size of our workforce from about 4,500 employees in 2016 to more than 6,000 in 2017. Ensuring our new colleagues felt part of our team right from day one, we held welcome day activities at our acquired facilities and conducted onboarding training for all employees. We also recently began to strengthen our company culture through a culture-shaping process intended to help articulate what our unified culture looks like, and embed a shared set of values and beliefs, so that all employees feel connected to one company culture.

### H.B. Fuller Joins Crew 52

As a 131-year corporate citizen of Minnesota, we were proud to welcome Super Bowl LII to our great home state as a founding sponsor of the Minnesota Super Bowl Host Committee.

The sponsorship gave our employees an opportunity to experience and participate in the excitement and energy of America’s biggest sporting event.

Eighty H.B. Fuller employees joined the team of nearly 10,000 volunteers, known as “Crew 52,” who assisted in welcoming more than one million guests who visited our region during the ten days of festivities leading up to Super Bowl LII. While some felt compelled to support our company, other volunteers did it for “the love of the game” or because they wanted to show our visitors everything that our amazing state has to offer. No matter the reason, each of volunteers had a unique, once-in-a-lifetime experience that they will never forget.

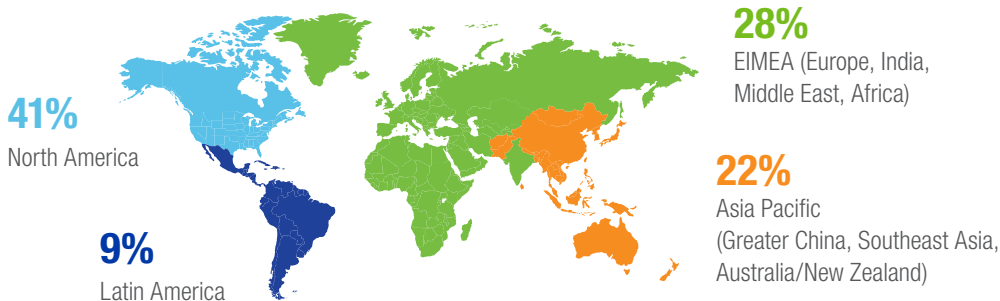
There are so many exciting things happening at our great company. There has never been a better time to work at H.B. Fuller.

**Paula Cooney**  
Vice President, Human Resources



## Our Workforce:

ABOUT 6,200 EMPLOYEES WORLDWIDE



**441**

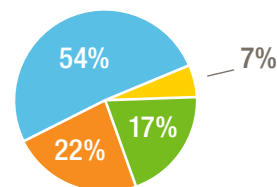
Global promotions in 2017



**767**  
New hires in 2017

### TYPE OF WORK

- Manufacturing
- Sales/Customer Service
- Research & Development
- Other



# Investing in Our Future

Attracting and retaining the best employees is key to our company's success and a competitive advantage. That's why investments in building a strong workforce, including recruitment and employee development, are important at H.B. Fuller.

## Next Generation Professionals

Recognizing that our company's future leaders are today's young professionals, our Next Generation Professionals group was formed out of a need to build a strong sense of community and to support the development of employees who have recently started their careers. With a strong executive sponsor, this group offers its more than 75 members (and growing):

- **Social Networking:** Held monthly, these events for our Next Generation Professionals, and our larger H.B. Fuller community, include happy hour networking, volunteer events and other special events, which take place outside of the workday.
- **Networking with Leadership:** On a quarterly basis, our Next Generation Professionals have the opportunity to network with top leadership through informal and structured activities. During these events, members interact with our leaders, who share their career journey, talk about their business and role, and may give a formal presentation on a topic of interest to the group.
- **Virtual Communications and Programming:** On an ongoing basis, the group uses a variety of tools to share valuable career-related information with the group, including conference calls, newsletters and blog posts. Topics the group has covered include building your network, finding HR resources, developing mentor relationships, and features on H.B. Fuller's businesses.

“For me personally, the group has allowed me to speak to and hear from many people I would most likely never have met, and it has allowed me to grow my network. It also has made me feel as though leadership really values me and my fellow Next Generation Professionals, knowing that they want to invest in us and find ways to retain us.”

**Elizabeth R.**  
Technical Account Manager

## Supporting Healthy Living

Our “Living a Fuller Life” employee wellness program is focused on helping each of our employees live a more full life by providing tools and resources that support each employees' total wellbeing, including their physical, emotional, social, intellectual and financial health.

The program is designed to help employees get educated, get healthy and get rewarded.



### GET EDUCATED

Everyone starts down the road to better health from a different place. Employees get a baseline by completing a health risk assessment.

### GET HEALTHY

Each employee creates a personalized journey by participating in activities of their interest, turning small steps into healthy habits.

### GET REWARDED

While good health is its own reward, our wellness program gives employees the opportunity to earn points and get rewarded with gift cards and cash awards, up to \$500 per individual, on an annual basis.

# Celebrating the Spirit of Winning

Our employees are our company's greatest asset, and we enjoy celebrating their accomplishments and contributions to our company's success. With H.B. Fuller's Employee Recognition Program, living Our Beliefs has its rewards. The program acknowledges employees who demonstrate our company's core beliefs: the Spirit of Winning, the Power of Collaboration and the Essence of Courage, and provides recipients with desirable cash awards.

For the first two award levels, the Spirit Award and the Power Award, any employee can recognize individuals and teams who go above and beyond their day-to-day responsibilities to make a difference, drive growth and contribute to the development of our high-performance culture. All three award levels, the Spirit Award, the Power Award and the Essence Award, honor our beliefs. In addition, the Power Award recognizes high impact accomplishments and the Essence Award rewards inspirational leadership and game-changing results.



## Our Beliefs

We embrace a shared set of ideals that direct the way we operate and express our fundamental beliefs about how we will achieve success.



### 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.

## 2017 Essence Award Winner



In 2017, we honored Haibo Bi, sales manager, with the H.B. Fuller Essence Award, our company's highest form of recognition, for the high-impact contributions he made to our organization.

Haibo was applauded for his contributions to the company's profitable growth and for demonstrating our core beliefs. He has superior market understanding, business acumen and technical expertise, and excels at building trusting relationships with customers, as well as collaborating with colleagues, to ensure we win new opportunities and exceed our goals. Under his leadership, the TONSAN Automotive team's revenue grew by double digits – a sizable increase over the prior year, and higher than budget. Together with the team, Haibo led the way in entering new markets and developing new applications for high performance anaerobic adhesive technology.

Haibo was recognized in a special event held in his honor and received a cash award of \$15,000 U.S. dollars.



# Recognizing Our Most Valuable Players



In May 2017, we introduced a Most Valuable Player (MVP) recognition program to bolster employee engagement in our sponsorship of the Minnesota Super Bowl Host Committee, and as another way to recognize employee achievements.

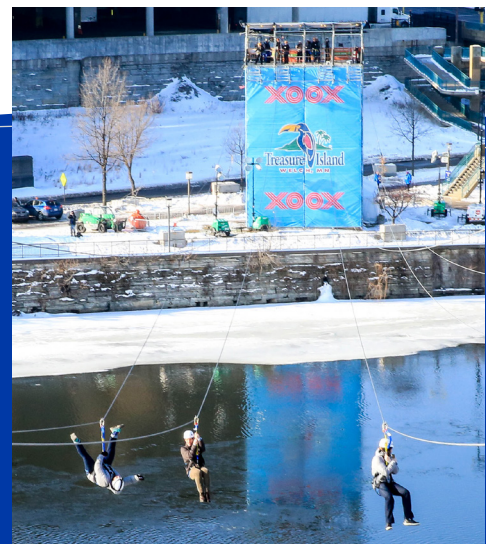
Hundreds of employees were nominated by their peers for individual recognition from every function, plant and region across our organization. And, each plant in North America also had an opportunity to be recognized with a special Plant MVP honor.

## MVPs! MVPs! MVPs!

In a high-energy, game-day themed MVP Draft Day celebration, 100 employees were randomly selected, or “drafted,” from those nominated to attend MVP Weekend. President and CEO Jim Owens wore his game-day best and was assisted by special guest Chad Greenway, former Minnesota Vikings linebacker and volunteer captain for Crew 52, in drawing the names of our MVPs. Throughout the event, Owens roused the crowd by chanting, “MVPs, MVPs, MVPs!” as each name was announced.

## MVP Weekend

Our MVPs were treated to a fun-filled MVP Weekend in Minnesota one week prior to Super Bowl LII. MVPs got a taste of the BOLD NORTH™ by ice fishing, snowmobiling and dog sledding on Lake Minnetonka, and participated in Super Bowl LII activities, including the BOLD NORTH™ Zip Line and Super Bowl Live. And, two lucky MVPs won a return trip to Minnesota to attend Super Bowl LII.



# About H.B. Fuller



More than  
**10,000**  
adhesive solutions



**73** manufacturing facilities worldwide

## Markets we serve:

- Aerospace
- Automotive
- Building and Construction
- Consumer Products
- Electronics
- Emulsion Polymers
- Engineering
- General Assembly
- Hygiene
- Insulating Glass
- New Energy
- Packaging
- Paper Converting
- Recreational Vehicles
- Textiles and Footwear
- Tile setting and Flooring
- Woodworking



2017 Revenue of  
**\$2.3 BILLION**



MORE THAN  
**130**  
YEARS IN BUSINESS



Customers in more than  
**100 nations**



## Our TECHNOLOGIES:

- Hot Melt
- Polymer & Specialty Technologies
- Reactive Chemistries:
  - Cyanoacrylates
  - Epoxy
  - Reactive Films
  - Solventless
  - Urethane
- Solvent-based
- Water-based



## 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 October 2018 and represents our global operations as of fiscal year 2017 (Dec. 4, 2016-Dec. 2, 2017) with the exception of our sustainability metrics, which represent the calendar year (Jan. 1-Dec. 31, 2017). H.B. Fuller partnered with WSP 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](http://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 2017 Annual Report and 2018 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](mailto:Corporate.Relations@hbfuller.com).

The 2017 Global Responsibility Report was printed  
in a certified environmentally-friendly manner.

