

2016 Global Responsibility Report



H.B. Fuller

Connecting what matters.™

← ABOUT THIS COVER

Adhesives Make the World a Better Place

Adhesives play an important role in the products they hold together. But they don't *just* hold things together, they connect what matters – to our customers, our customers' customers and consumers around the globe. They make things better, faster, lighter, smarter, smaller, greener, cleaner, softer, thinner, tougher, stronger and safer.

More important, adhesives address some of the biggest challenges facing the world, including access to clean drinking water, food insecurity, climate change, education and more.

H.B. Fuller adhesive solutions are helping to make the world a better place through ...

Faster, smaller electronics – adhesives improve communications with family and friends through more portable cell phones, tablets and computers

Fresher food – thanks to adhesives in bags of salad, baby food and snacks, along with juice and milk products that don't need refrigeration

Reliable transportation – getting to and from school and work, as well as moving around the world, is made possible with the adhesives in cars, trains and planes

Increased literacy – adhesives hold together books and help build the libraries we need to educate the worlds' students

Cleaner, safer drinking water – raise your glass to the adhesives in water filters, which ensure the health of our communities

... and so much more!

Any product you can imagine can be made better with adhesives.



Connecting What Matters™

Explore how the connections we make with our adhesive solutions help customers deliver the things that matter to people all over the world.

Learn more: www.connectingwhatmatters.com

An Ethical Path Leads to Great Results

H.B. Fuller has a 130-year history of doing business with integrity and innovating responsibly. This is a great source of pride for our company and for our employees.

We firmly believe that winning without integrity is losing. And we are a winning company. A winning company that works for the common good, realizing that the team is stronger than any one individual and that mutual accountability always wins over personal ambition. A winning company that makes thoughtful, balanced decisions and always acts ethically. A winning company that wins the right way, ensuring we are a company that customers and suppliers want to do business with, employees want to work for and communities can trust in.

When you're a dynamic company, it can be far too easy to cut corners in order to move fast. At H.B. Fuller, we act quickly AND thoughtfully. We want to act quickly, but we need to act ethically, making good, thoughtful and balanced decisions. Decisions that we can stand behind 100 percent.

This isn't just a belief that we have for our corporation. We expect all employees to act with integrity and do the right thing at all times. We ensure they follow an ethical path by:

Setting a high ethical standard – We are committed to ongoing compliance with a wide range of laws and regulations that govern our business, and expect every person who represents our company to do the same.

Communicating and training – Our Code of Business Conduct explains our principles and provides assistance to employees in making ethical decisions. We require all employees to complete training on topics within our Code of Business Conduct.

Offering ethics resources – When difficult issues arise, we encourage employees to ask questions, seek advice from their manager or a member of our human resources team, or report their concern anonymously, where legally permitted, through our ethics helpline.

By winning the right way at H.B. Fuller, we are proving that those who truly care about others win in the long run – that good people doing good things win out over the bad. And by winning the right way, we are creating the best adhesives company in the world ... a place where there are opportunities and prosperity for all of the people who are associated with our great company.



Jim Owens
President and Chief Executive Officer



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.

Our Approach: Enabling Our Customers' Sustainability

Adhesives are everywhere, and while they are a small part of the products they hold together, they play a significant role in downstream sustainability.

**Innovation +
Technical Expertise** = Partnering to Solve the World's
Biggest Challenges Sustainably

Lightweighting Solutions for Automobiles

Demands on automakers are increasing as regulators, in addition to consumers, want better resource efficiency and reduction of CO₂ emissions. Consequently, there is a call for new and improved product designs in all motor vehicles.

H.B. Fuller's lightweighting solutions for motor vehicles enable manufacturers to respond to current market trends and demands, enhancing the driving experience, providing greater comfort and safety to vehicle occupants, and addressing the sustainability issues of better fuel efficiency and reduction of CO₂ emissions.

Fuel consumption regulations are more stringent year over year. In China, fuel consumption was 6.9L/100km in 2015, and is estimated to drop to 5.0L/100km by 2020. In the United States, the Corporate Average Fuel Economy standard estimate is as high as 61.1 mpg by the year 2025. Manufacturers are looking for solutions to reduce fuel consumption, such as electric drives, small displacement engines and hybrid technology. Lightweighting solutions, which affect all vehicle types, have proven to

be one of the most promising. In this context, lightweight materials have become a crucial element for product design in the automotive market.

An excellent illustration of the practical challenges of lightweighting and the utility of H.B. Fuller adhesive solutions can be found in the production of electric buses. Because the battery pack is so heavy, the viability of the vehicle depends on weight reduction elsewhere, specifically the body. The traditional bus exterior is constructed of a steel cover plate welded to a steel frame. Changing these materials to aluminum reduces the bus weight by up to 40 percent. Adhesives enable this vitally important change. The inherent difficulties of aluminum welding would make it otherwise impractical. The success of this evolution in the electric bus is confirmed in the 600 percent increase of the market in 2015 alone.

Lightweighting in the automobile industry is the future, and H.B. Fuller offers adhesive solutions enabling lightweighting in all types of vehicles, whether the design challenge is in the chassis, body, powertrain or trim.

Learn more at www.hbfuller.com/automotive.

Source: GB27999-2014 - Fuel Consumption Evaluation Methods and Targets for Passenger Cars



Advantages of lightweighting:

- **Improved fuel efficiency:** fuel efficiency can be increased by 6-8 percent and fuel consumption will reduce 0.3~0.6L/100km by reducing vehicle weight by 10 percent.
- **Improved driving experience:** acceleration, handling and control will be improved while noise, vibration and harshness are reduced.
- **Increased comfort:** internal space of the vehicle can increase.
- **Increased safety:** less weight and higher stiffness will reduce braking distance.

Sesame® Tape Products Support Sustainable Packaging Design

H.B. Fuller's Sesame® Technology has a proven track record supporting the packaging industry with display-ready, easy opening and packaging reinforcement solutions. Plus, we're able to support our customer's sustainability efforts, as our Sesame solutions allow our customers to optimize the amount of material used on corrugated packaging.

Sesame tapes are available for corrugator wet- and dry-end applications, and are used for containment and reinforcement of bins, boxes and trays. They are used to reinforce critical stress areas of boxes, such as handles and handholes, and are used in conjunction with Open-Sesame® tape as opening and closing tapes.



Reduce

Linerboard weights and multi-wall construction can be reduced by reinforcing the critical stress areas of paper-based packaging. This helps to lower the basis weight and transportation cost, and helps reduce the carbon footprint throughout the supply chain.



Reuse

Sesame tape reinforcement provides extended life to multi-trip corrugated boxes. Our Open-Sesame technology creates a display tray from a shipping box, two functions in one application.



Recycle

We support our customers' closed loop recycling and green initiatives. Corrugated boxes containing Sesame products are recyclable. The tapes and strings are separated out during the re-pulping process, allowing the paper fiber to be fully recycled.

Learn more about Sesame tape products by searching "sesame" at www.hbfuller.com.



Responding to Stakeholder Environmental Requests

CDP

CDP is an international nonprofit that provides a consolidated platform for organizations to measure, disclose, manage and share vital environmental information. CDP works to motivate companies to disclose their impacts on the environment and natural resources and take action to reduce them.

We have responded to CDP's annual supply chain questionnaire, on behalf of our customers, since 2013. In 2013, we were first asked to respond to the climate change module of the supply chain questionnaire; in 2015, we began responding to the water module, also based on customer requests. Additionally, we responded to CDP's annual investor-led climate change questionnaire in 2016. 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. We are proud to have received a score of "B" on our 2016 climate change response, and a "B-" on our 2016 water response.



EcoVadis

EcoVadis is a supplier sustainability evaluation program covering 21 corporate social responsibility indicators across the four themes of environment, social, ethics and supply chain. These indicators range from energy and water to working conditions and fair marketing.

We have completed the EcoVadis assessment since 2015, providing valuable information to our customers about our environmental, social, ethics and supply chain practices. In 2016, our response received a silver rating from EcoVadis.



Global Sustainability Goals and 2016 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

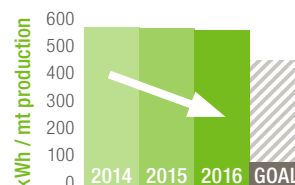


Reduce energy intensity by 20% between 2014-2025

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

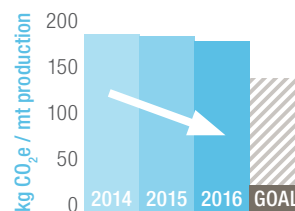


Reduce scope 1 and 2* greenhouse gas (GHG) emissions intensity by 20% between 2014-2025

GHG emissions intensity is the amount of GHG emissions per metric ton of production. GHG emissions are measured in carbon dioxide equivalent (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.

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

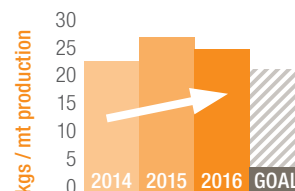


Reduce waste intensity by 10% between 2014-2025

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

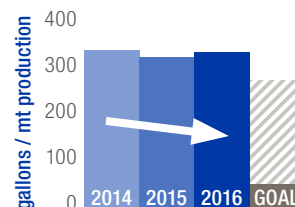


Reduce water withdrawal intensity by 10% between 2014-2025

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	Goal	Progress since 2014
Energy Intensity	621	638	592	470	↓
GHG Intensity	180	176	166	142	↓
Waste Intensity	24	25	25	21	↑
Water Withdrawal Intensity	271	256	269	282	↓

- Our Paducah, Illinois, facility has had a 31% reduction in energy intensity since 2014
- Waste intensity rose 44% over the past three years largely due to an increased production of products with higher solids
- Palatine, Illinois, facility closure in 2016

Latin America	2014	2015	2016	Goal	Progress since 2014
Energy Intensity	597	506	464	470	↓
GHG Intensity	171	153	133	142	↓
Waste Intensity	30	73	44	21	↑
Water Withdrawal Intensity	624	462	416	282	↓

- 28% waste intensity increase in Rionegro, Colombia, due to construction activities

EIMEA (Europe, India, Middle East and Africa)	2014	2015	2016	Goal	Progress since 2014
Energy Intensity	546	523	511	470	↓
GHG Intensity	157	155	148	142	↓
Waste Intensity	24	25	22	21	↓
Water Withdrawal Intensity	347	370	377	282	↑

- 53% waste intensity increase in Nienburg, Germany, due to ramping up of production lines

Asia Pacific	2014	2015	2016	Goal	Progress since 2014
Energy Intensity	420	412	429	470	↑
GHG Intensity	227	218	218	142	↓
Waste Intensity	13	12	14	21	↑
Water Withdrawal Intensity	455	421	390	282	↓

- Sustainability metrics in Asia Pacific have largely remained flat between 2014 and 2016

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 CO₂e 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.

The Bottom Line

Since establishing our global sustainability goals in 2014, H.B. Fuller has:



x 101

Reduced solid waste by 1,000 metric tons, saving 101 truck trips to the landfill, between 2015-2016 alone



x 448

Decreased CO₂e emissions by 2,000 metric tons, which is equal to 448 passenger vehicles driven for one year



x 205

Reduced total energy use by 2,500 MWh, which is equal to the average energy consumption of 205 homes in the U.S.



New Surabaya Facility Constructed with Sustainable Features

In 2016, we finalized the construction of our new state-of-the-art manufacturing facility in Surabaya, Indonesia, expanding our presence in Southeast Asia. Committed to lessening our environmental impact, the facility was built keeping sustainability in mind before and during the construction process.

It began with site selection. The facility's site was strategically selected in a developed industrial zone that did not meet criteria to be suitable for other purposes, including farming. And, in an effort to protect or restore the local habitat, we used native or adapted vegetation across more than 50 percent of the site. We also have left nearly 35 percent of the site area, excluding the building footprint, untouched as open space.

Throughout the construction process, we created and implemented a detailed erosion and sedimentation control plan for all construction activities to reduce pollution. And, we diverted about 97 percent of the construction waste from the landfill. In addition, we intentionally built the facility using building materials that contained recycled content or were regionally sourced.

Finally, the building itself was designed with a number of key sustainability features to reduce water use, conserve energy and improve indoor air quality – most of which meet or exceed LEED® certification requirements for new construction.

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.

Greening the Willow Lake Campus

In 2016, we implemented a new Healthy High Performance Cleaning Program in our World Headquarters location in Vadnais Heights, Minnesota. The program consists of using Green Seal Certified® cleaning products, as well as a process that reduces the negative impact of cleaning on health and the environment.

Using products that are Green Seal Certified are not only better for our environment, but improve the health and safety of everyone who works in or visits our campus. Green Seal Certified products are as effective as conventional cleaning products without the harsh chemical fumes or residue. We are currently cleaning all areas of our buildings using these products. And, our janitorial staff has been trained in Healthy High Performance Cleaning Program procedures for the use of Green Seal Certified cleaning chemicals and equipment, such as microfiber dust mops, which together make up the first cleaning program certified for indoor air quality.

In 2016, we also were awarded a total of \$20,000 in business recycling grants through a program of the Ramsey/Washington Recycling and Energy Board, to increase our recycling output throughout our World Headquarters campus. We plan to implement a number of measures: starting a commercial composting program; upgrading our desk and common area recycling bins to make it easier for employees to recycle; and purchasing compostable products, including recycling bin liners and coffee cups. Our goal is to divert 80 percent of our waste to recycling.



Preserving Greenspace: H.B. Fuller Company Park

Adjacent to our company's Vancouver, Washington, facility, sits the H.B. Fuller Company Park. We acquired the land in the 1990s, and together with Major League Baseball, the Portland Blazers and other sponsors, converted it into a park that the entire community can enjoy. More than 20 acres in size, the park features a playground, fields for baseball and soccer, as well as hiking trails and bike paths. H.B. Fuller, Clark County and the Hazel Dell Little League collectively maintain the park. In addition, once a year through the Make a Difference campaign, a crew from our Vancouver location leads a fall cleanup of the forest area. And, our local Community Action Council periodically designates a portion of their budget to improvements in the park.



Supporting the Next Generation of Leaders



At H.B. Fuller, we are deeply committed to making a positive impact in our communities and for our neighbors, both today and for future generations. One of the major tenets of our philanthropic vision is to help young people grow into productive, successful adults. We are proud to support initiatives around the world that prepare the next generation of leaders and innovators.

In 2016, the H.B. Fuller Company Foundation made a significant investment in programs that promote youth leadership development. Between the Foundation and corporate giving programs, we granted nearly \$500,000 to youth-serving nonprofits and schools in the communities where our employees live and work. We have partnered to support programs to strengthen leadership skills through service learning; address social-emotional skills during outdoor experiential education; provide strong mentoring relationships; and prepare youth to lead through advocacy work.

Our commitment to the next generation goes beyond grantmaking. Each year, our employees volunteer with nonprofit organizations around the world to help youth become successful leaders in their own communities. This year, employees donated their time to a variety of volunteer projects, including mentoring high school

students, leading children through hands-on engineering activities, working to renovate emergency housing for youth in need, building literacy skills with primary school students and introducing girls to STEM career paths. Further, many of our company's leaders volunteer their time by serving on the boards of directors of nonprofits that support youth leadership development. Personally, I am proud to serve on the board of Project SUCCESS, a Minneapolis nonprofit that motivates and inspires students to dream about their futures, set goals and create plans to find success.

By supporting young leaders today, we know that we are helping to build a stronger future for years to come for the communities where we give back across the globe.

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

2016 Community Impact

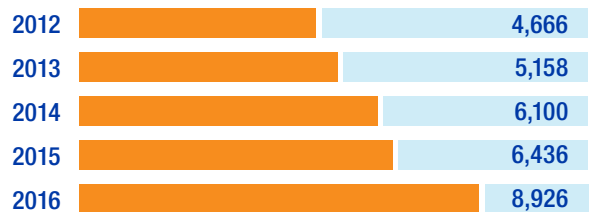
OVERVIEW



19 LOCATIONS REACHED

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

VOLUNTEER HOURS



FUNDING AREAS

STEM Education	\$192,484
Youth Leadership Development	\$84,017
Arts & Culture	\$23,270
Education	\$204,881
Environment	\$395,970
Health & Human Services	\$319,356
TOTAL AMOUNT GIVEN	\$1.2M

Making a Difference

We celebrate our deeply held commitment to the community through our Make a Difference volunteer campaign. In 2016, more than 1,100 employees in 16 countries contributed more than 4,900 hours of service in their communities.



During the month of October, employees work together to choose projects that address pressing needs in their communities and support issues that are important to them. This year's 42 projects included food drives, environmental cleanups, renovations at local schools, fundraisers for medical research and visiting with the elderly, among many others. Since the first year of the Make a Difference campaign in 2009, H.B. Fuller employees have donated more than 42,000 hours of volunteer service.



Each year, an outstanding project is selected by our employees for recognition. This year, employees around the world voted for a project completed by employees in Mindelo, Portugal, as this year's winner. In October, 86 H.B. Fuller employees volunteered at a safe haven home for children who had been in unsafe living situations. The team spent two days improving the facility, including painting a common room and bedrooms, which will have a lasting, positive affect on the lives of the 60 children served by the home. Employees shared that there was a high level of cooperation and engagement between employees and community members, making the project a rewarding experience for everyone involved. It is inspiring to see the extraordinary work done each year during our annual Make a Difference campaign. Our commitment to giving back comes to life through the hard work of thousands of employees around the world.

Caring for Kids Around the World

H.B. Fuller employees around the world volunteered their time this year to help improve the lives of children in their communities. Employees in Suzhou, China, donated books to a local primary school serving children of migrant workers that did not have its own library. Volunteers then spent the day at the school, completing art projects with the students. And in Surabaya, Indonesia, employees spent a day working at a nursery school, completing much needed renovations. Thanks to the effort of these volunteers, the school can now provide a safer and more enriching educational environment. To end the day on a sweet note, employees also donated small treats and snacks for the students to enjoy. Similarly, in Sorocaba, Brazil, employees met the needs of their local nursery school by restoring a run-down outdoor playground. The H.B. Fuller team in Nairobi, Kenya, identified a local



non-governmental organization that offers impoverished and homeless children a safe home as they work to complete their education. Employees collected and donated bedding, furniture and computers, and served the children a meal.

The communities around the world where our employees live and work are very different from each other. Yet, our employees share a commitment to addressing the needs of our most vulnerable neighbors and supporting programs that will help children grow into healthy, successful adults.

Encouraging Students to Speak Up

The H.B. Fuller Company Foundation has awarded grants to the Minnesota Urban Debate League (MNUDL) for the past three years. The mission of the MNUDL, an independent program of Augsburg College, is to empower students through competitive academic debate to become engaged learners, critical thinkers and active citizens who are effective advocates for themselves and their communities.

The MNUDL provides competitive academic debate programming to students in the most challenged public schools in Minneapolis and St. Paul. Students at these schools would not have access to debate programming without the assistance of MNUDL, which provides everything schools need to host debate teams and participate in tournaments.

Academic competitive debate is a rigorous experience, with participating students practicing two to three times each week and competing in tournaments throughout the fall and winter. Debate is about much more than simply learning how to make a point or win an argument. Students build a range of critical skills that support their success throughout their academic careers and beyond. The MNUDL's programming helps participating students learn critical reading and writing, public speaking and goal setting skills. In addition, research shows they also improve self-control,

persistence, self-efficacy and engagement with school. Further, debaters are more likely than their peers to graduate from secondary school, have increased standardized test scores, and are more likely to enroll in higher education programs.



With H.B. Fuller's support, the MNUDL is able to serve over 750 students at more than 30 local schools. Amy Cram Helwich, executive director of the Minnesota Urban Debate League, shared, "Debaters are leaders. Whether it is in law, politics, business or education, famous debaters abound. Through debate, students develop confidence, hone their public speaking skills, and learn to advocate for themselves and their communities. We are so grateful to be in partnership with H.B. Fuller." We also have been proud to partner with the MNUDL to advance our shared goal of youth leadership development.

Engaging Employees in Giving Back

H.B. Fuller's model of Community Affairs Councils (CACs)— voluntary, employee-directed councils that manage employee volunteer opportunities and corporate contributions — is an example of how we connect our focus on giving back with employee engagement. Around the world, H.B. Fuller's 30 CACs contribute thousands of hours of volunteer service and over \$100,000 in grants to positively impact the communities where employees live and work.

CACs offer H.B. Fuller employees the opportunity to play a key role in guiding the focus of our community affairs programs and to get involved directly in hands-on work. CACs also support employee engagement.

Participating in a CAC improves collaboration between co-workers and provides an opportunity to build leadership skills.

The CAC at our Aurora, Illinois, location was led by a new chair, Heather Godinez, in 2016. By stepping outside of her normal daily work as a scientist to help lead volunteer projects, Heather strengthened her project management and communications skills. "I was able to see how employees truly enjoyed taking time to give back and make an impact in our community," she shared. "I connected with employees that I normally do not have the opportunity to work with — volunteering was a great team-building opportunity."

This employee-led approach to giving back highlights how community service can make a positive impact for our communities and our employees.



Integrity in Action

At H.B. Fuller, doing business ethically is a source of pride. Our company has a strong reputation for upholding the highest ethical principles.

It all starts with setting and communicating a high ethical standard for our employees through our Code of Business Conduct. Then, we require all employees to participate in ethics and compliance training throughout the year. And, when issues do arise, each employee knows the right path to help – their manager, their HR representative and our ethics helpline.

In 2016, all H.B. Fuller employees worldwide were trained on a variety of ethics and compliance topics, including:

- Antitrust and Competition Law
- Confidential Information
- Conflicts of Interest
- Exports and Imports
- Fair Treatment
- Gifts and Entertainment
- Integrity
- Records and Information Management
- Safeguarding Company Assets

Safety First, Always

At H.B. Fuller, our goal is ZERO injuries because we firmly believe that nothing we do is worth getting hurt for.

While our injury rates are consistently below the Bureau of Labor Statistics Adhesive Industry Recordable Injury Incidence Rate, still too many H.B. Fuller employees were injured in 2016. In addition to the many safety prevention efforts we have in place, in 2016, our Environmental Health & Safety team administered a global safety culture survey. About 80 percent of our operations and lab workers completed the survey, providing us valuable insights on what’s working and what can be improved. This feedback has been consolidated into specific action plans.

We also identified a core set of safety behaviors, or expectations, which we call the “9 Principles of Safety.” These principles will serve as the backbone for all future safety initiatives and training in the future. In 2016, we began training all leaders and employees on the principles in order to drive a consistent language about safety at H.B. Fuller.

- 1 All injuries and occupational illnesses can be prevented.
- 2 All operating exposures can be controlled.
- 3 Management is responsible.
- 4 People are the most important element of the Safety and Health program.
- 5 Safety is a condition of employment.
- 6 It is necessary to thoroughly train all employees to work safely.
- 7 Audits must be conducted.
- 8 All deficiencies must be corrected promptly.
- 9 Off-the-Job Safety is an important part of the safety effort.

2016 Global Safety Results

INJURY RATES	2012	2013	2014	2015	2016
Recordable Injury Rate	0.8	0.5	0.69	0.88	0.81
Lost Workday Injury Rate	0.3	0.2	0.27	0.29	0.21

TOTAL LOST WORKDAY INJURIES



INJURY TYPES

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



SAFEST FACILITIES

(Based on hours since last injury)

Dukinfield, U.K.	865,746
Santiago, Chile	511,501
Roseville, California	495,332
Fridley, Minnesota	446,346
Pune, India	438,063



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.

2016 Safety Improvement Highlights

Our employees are a great source for improvements we can make to ensure our facilities run safely and our people are protected. Below are just a few examples of the numerous improvements that were made in 2016.

Safer Unloading of Raw Materials

Nienburg, Germany

By installing a new fixed hose and permanent fall protection in the unloading station of our Nienburg plant, we've reduced the potential for injuries.



New Loading Dock Procedure

Laguna, Philippines

A new three-step safety procedure in the loading and unloading zone of our Laguna facility prevents forklift drop-offs and collisions.



Improved Equipment Labeling

Santiago, Chile

Clear labeling in the local language on the reducer and oxidizer containers at our Chile polymerization plant helps reduce fires and burns.



Employee Insights Inspire Training Enhancements



Feedback – good, bad or otherwise – is critical to our organization. Employee feedback gives us insights into how we’re doing as an employer, tells us how engaged our employees are in the company and their work, and offers ideas for improving our workplace. Powered with this information, we’re able to turn ideas into action plans.

In our most recent employee engagement survey, our employees told us that training and development was important to them, and that this was an area where we could increase our focus. While there were already a number of training courses and activities available, their path to these resources was not always clear. In 2016, we enhanced employee development by implementing a new learning management system, which we call the “Learning Center.”

The Learning Center is our employees’ single source for all H.B. Fuller training offerings. Employees can search for, register, launch and track training through the system. The Learning Center

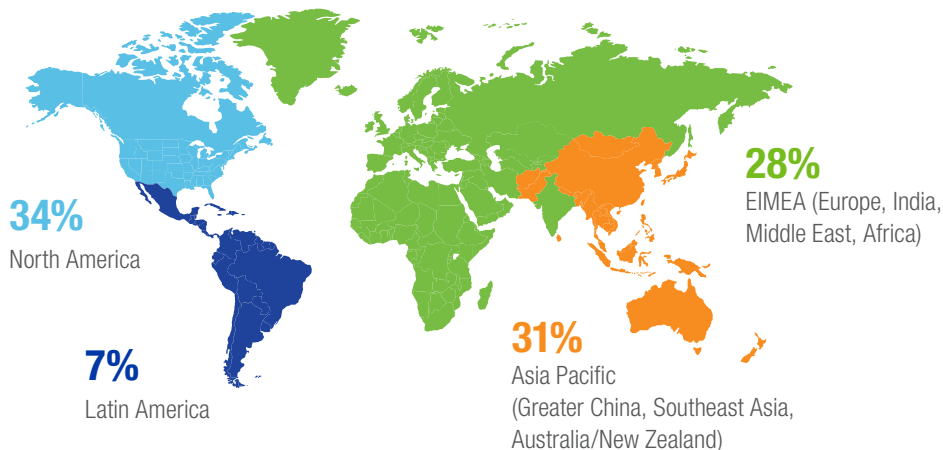
is an essential tool employees can use to draft their individual development and career plans. Plus, our managers of people have their own functionality to help them support their employees’ learning, including assigning activities to their employees’ development plans.

Since our global rollout, beginning in late 2016, more than 4,500 employees have completed over 28,000 hours of training. And, we are adding more content to the Learning Center every day – training that will help our employees grow and our company succeed.

Paula Cooney
Vice President, Human Resources

Our Workforce:

ABOUT 4,600 EMPLOYEES WORLDWIDE



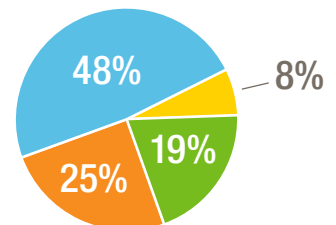
352
Global promotions in 2016



559
New hires in 2016

TYPE OF WORK

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



Why I Work at H.B. Fuller ...



Bonnie L.
Guangzhou, China

"The company puts a lot of focus on providing a safe and healthy workplace for its employees."

Kenneth L.
Virtual Office, U.S.

"H.B. Fuller is a company that promotes collaboration, where the talents of our individuals are merged together into a single cord of strength. This strength is the backbone of our organization, making us the best adhesive company for our customers to do business with."

David O.
Virtual Office, United Kingdom

"H.B. Fuller provides an inclusive workplace where everyone can flourish. And, our culture of recognizing, engaging and including employees in making H.B. Fuller a great employer creates an environment where employees can become successful if they want to."

Jose C.
Tres Rios, Costa Rica

"I have found a second family at H.B. Fuller. It makes me so happy to meet and interact with so many people around the world."

Justine H.
Vancouver, Washington, U.S.

"My work at H.B. Fuller has traversed many roles and functions, offering me the opportunity to grow and take on new challenges."

Connecting Students to Work that Matters

Our internship programs are a key part of our long-term hiring strategy. Through these programs, we are attracting and developing today's students for future roles in our workforce. Before they graduate, students in our internship programs have an excellent opportunity to gain valuable experience while working on projects that matter – to our company's success, our customers' products and consumers' lives.

Some of the projects that our interns have worked on include:

- Conducting experiments/scientific testing
- Conducting research and implementing process improvements
- Preparing business plans and proposals
- Assisting with system implementations
- Developing financial reports



2016 Summer Interns

Summer Interns

Each summer, H.B. Fuller hosts 15-20 college students in our internship program. Students work across a variety of areas, including IT, sales, research and development, technical service, legal, finance and operations. The goal is to give the college students challenging, real-world projects which meaningfully contribute to our organization. Pictured above is the summer internship class of 2016 made up of students from colleges in Minnesota and Michigan.

Cristo Rey Jesuit High School Corporate Work Study Program

For the past several years, H.B. Fuller has partnered with Cristo Rey Jesuit High School to provide internship opportunities at our company's World Headquarters location in Vadnais Heights, Minnesota. Cristo Rey's Corporate Work Study Program provides students with

real-world work experience and pays more than half of the students' cost of education. H.B. Fuller has hosted 6-8 students each school year for internships in our research and development, IT, legal, human resources and communications areas.

What I learned at H.B. Fuller ...

“

“How to work and brainstorm as a team to further the progress of my project and of others' projects.

Teamwork is extremely key, especially since each person can provide a completely different view of the situation at hand.”

“That the process of making an adhesive is crucial. I had many batches fail because I didn't add a raw material fast enough, or my liquids weren't hot enough. In our chemical engineering classes at school, we are always told how important processes are, but here I finally got to experience that myself.”

“Everything you have to do to prepare financial statements and create a budget. In school, you only see the end result, and actually being within the organization I can see that it's a lot more complicated than that.”

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Rewarding Employee Accomplishments

With H.B. Fuller’s Employee Recognition Program, living Our Beliefs has its rewards. With three award levels, the program acknowledges employees who demonstrate Our Beliefs and provides recipients with desirable cash awards.



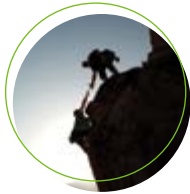
The Spirit Award recognizes exceptional work that contributes to our growth. The Power Award recognizes work that delivers a significant positive financial impact or achieves a high-impact accomplishment that is aligned with the company’s business goals. And, the Essence Award, our highest level of employee recognition, is designed to recognize individuals and teams who deliver game-changing results that support our strategic goals.

Our Beliefs



Our company has a shared set of values 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.

2016 Essence Award Winners

This year, we recognized three individuals who embodied Our Beliefs and made significant contributions to our company’s profitable growth.

Jyotinder Mehta served as the project manager for the building and commissioning of our newest manufacturing facility in Surabaya, Indonesia, helping us expand our presence in Southeast Asia to serve more customers in the region.

Raymond Li and Yoyo Wen worked with the electronics team in developing reactive hot melt solutions that helped us win with two key customers in China.



Raymond Li



Jyotinder Mehta and Yoyo Wen

About H.B. Fuller



More than
9,500
adhesive solutions



47 manufacturing
facilities worldwide

Markets we serve:

Automotive
Building and
Construction
Consumer Products
Electronics
Emulsion Polymers
Engineering
General Assembly
Hygiene
New Energy
(Solar/Wind)
Packaging
Paper Converting
Textiles and Footwear
Tile setting and
Flooring
Woodworking



2016 Revenue of
\$2.1 BILLION



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 August 2017 and represents our global operations as of fiscal year 2016 (Dec. 1, 2015-Dec. 3, 2016) with the exception of our sustainability metrics, which represent the calendar year (Jan. 1-Dec. 31, 2016). 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. We are committed to reporting our ongoing progress online and invite you to visit periodically for updates. This report does not replace the 2016 Annual Report and 2017 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.

