

# Social Responsibility

Strategic plan for social responsibility and sustainability at Endress+Hauser USA



Social Responsibility







Endress+Hauser demonstrates a commitment to make a positive impact on the communities in which we live and work. A Philanthropy Committee meets regularly throughout the year to review requests and direct funds as described in this document.

## The Goal

The principal goal of the Strategic Plan for Corporate Social Responsibility (CSR) and Sustainability is to establish directives and guidelines to ensure certain ethical principles and respect for people, our community and the environment. The specific objectives that have been established in the CSR and sustainability plan coincide with the following:

1. Key Policies & Principles
2. Focused, Prioritized Giving
3. Giving Guidelines
4. Determining Level of Engagement
5. Developing Successful Community Partnerships
6. Committee & Alignment
7. Endress+Hauser Fund

## Purpose

We take social responsibility as an enterprise very seriously. We support our youth and further education. We invest in programs in the communities where we work and live. We do all of this from the deep conviction that we must let others share in our success if we want to be successful not just today, but also tomorrow and the day after. Then – and only then – can we meet our economic, ecological and social responsibility.

We feel that CSR is sustainable when we truly improve the communities in which we live and work. If we focus on long-term, impactful problem solving, then it becomes a driver of:

- Better recruitment and development of people – internally and in the community
- Makes our communities a better place for us to live and do business
- Enables growth

Endress+Hauser leads through ethical leadership.



## Who we serve

### People

- Employees
- Broader community – recruitment, retention, engagement and development
- Communities-at-large – assist and drive plants that operate in communities everywhere to operate as safely and as environmentally responsible as possible

### Society

- Communities
- Our world – exciting place to live and work, and communities where businesses thrive

### Business

- Endress+Hauser
- Suppliers, customers, partners – remove barriers and enable growth

## Key Policies & Principles

### The Spirit of Endress+Hauser



#### Important Principles

- We serve our customers and learn from them
- We remain a family company
- We cultivate an atmosphere of trust
- Quality first
- Loyalty and corporate social responsibility are core values
- We communicate openly and in a constructive manner
- We learn from our mistakes

- We are modest
- We live up to our convictions
- We never give up
- We work well together
- We are friendly to each other
- We put common interest before self-interest
- We encourage diversity

#### People

#### Leadership

- We lead by setting examples
- We challenge and support our employees
- We encourage individual development
- We cultivate spirit
- We give recognition

- Our work is important to our customers
- We behave ethically
- Evolution, not revolution
- Doing the same things, the same way, and right from the beginning
- We solve problems at their source
- We trust people with responsibility
- Profit is the result of doing well and not the target

#### Priorities

## Committee & Alignment



### Oversight responsibility and request(s)

Endress+Hauser USA has established a Philanthropy Committee. The Philanthropy Committee serves as a vehicle to fund charitable organizations supported by Endress+Hauser and its employees. The policy and Philanthropy Program is to be coordinated and administered by the Philanthropy Committee. This policy eliminates duplication and establishes a central point of contact for internal and external requests. The Philanthropy Committee will be responsible for overseeing company charity efforts.

- The Philanthropy Committee will review all funding requests
- Individuals outside the committee should not respond to or solicit requests from individuals or organizations with the exception of small requests that are handled by HR or otherwise authorized by the committee
- Incoming and outgoing requests and inquiries should be made in writing to the Philanthropy Committee for research, review and final disposition
- Committee members should not base decision making upon a conflict of interest - any potential conflict of interest should be discussed openly with the philanthropy committee
- Financial investments made by the organization dealing with all things “philanthropy” should be tied directly to the CSR plan
- Executives and managers with budgets set aside for philanthropy should funnel these activities through the Philanthropy Program and Committee. Ideally, all philanthropy monies should be funneled through the Endress+Hauser fund. As stated earlier, one exception is limited budgets within HR departments, for employee initiated small requests, less than \$1,000. The intent is to avoid the committee not having visibility to philanthropic donations and/or strategic partnerships of a philanthropic nature being made outside the committee.

### Request(s) Process

All requests should be made in writing and submitted to a member of the Philanthropy Committee or submitted to [info@us.endress.com](mailto:info@us.endress.com) for consideration. Proposals for funding should contain:

- Organization name, address and contact information
- Contact person name and title, contact phone number and email address
- Monetary amount, services and/or donations requested
- Brief description of organization’s mission
- Geographical area and target population served by organization
- Brief description of purpose of fund donations or services requested



## Giving Guidelines

### Focused, prioritized giving

Endress+Hauser endeavors to help solve local, national and global challenges. These challenges include but are not limited to, clean water and energy, reducing environmental impacts, curing disease, solving world hunger, promoting diversity, supporting the arts and helping at-risk youth programs. Our philanthropic goals must always reflect that.

We believe in enhancing the communities in which we live and work for the benefit of our employees and the community.

### A meaningful impact by focusing the majority of funds on four primary areas:

1. Education and workforce development
2. Placemaking
3. Diversity
4. Global challenges

### Education and workforce development: Our top philanthropic priority

- Represents more than 50% of our total giving and resources
- Focused on STEM (Science, Technology, Engineering, Math) education
- Protects the stability of our industry's workforce of the industries we serve
- Impacting our industry's talent pipeline locally and nationally
- Company invests resources in programs and initiatives that prepare and inspire students for STEM careers
- Company provides grants and funding to K-12 (Example: Classroom grants)
- Provide scholarship opportunities to fund education
- University partnerships (Example: Purdue University Capstone Projects)
- Funding laboratories and evolution of curriculum for professors/educators
- Provide teachers with additional tools, resources and training
- Involvement with strategies funding workforce development initiatives to re-tool and re-train workers with 21st century skills



### Environment

- Ensures everything we do leads to a cleaner, healthier and safer environment
- We take proactive responsibility for our customers and society by seeking to prevent negative impacts on the environment
- All Endress+Hauser Greenwood facilities strive for LEED certification
- Improving and restoring natural resources

### Diversity

- We increase opportunities and equity for those in need
- We support the development and opportunities for women and others who may be underrepresented in our industry

## Giving limitations and restrictions

Funding from Endress+Hauser USA will not be given for the following types of requests including, but not limited to:

- Grants to individuals
- Unsolicited multi-year pledges
- Athletic leagues or teams
- Tours and trips for individuals or groups
- Travel expenses
- For-profit organizations
- Animal rights organizations
- Debt reduction
- Political parties and/or candidates
- Organizations that discriminate by race, gender, ethnicity, sexual orientation, marital status, age, or any other basis prohibited by law
- Day-to-day business operations
- Organizations whose primary purpose is religious in nature, except if a project/program fits Endress+Hauser's mission

## Sponsorships

- Contributions made to current partners for events, program funding or memberships
- We have a handful of legacy events that we support with current community partners. Those of which were "grandfathered" into the policy due to long-term commitments and relationships.

## Reach

Endress+Hauser USA, through the Endress+Hauser Fund provides financial assistance to organizations in the community that reflect and align with the Endress+Hauser USA Social Responsibility & Sustainability concept.

Geographical reach – All communities surrounding:

- Indianapolis, IN
- Charlotte, NC
- Philadelphia, PA
- Houston, TX
- Southern California



## Levels of Engagement

### Commitment to the community

Community engagement and partnerships are determined by levels which represent Endress+Hauser USA and the Endress+Hauser Fund engagement and resource (monetary, time, volunteer, resources, etc.) commitment to the community organization or community project. Each community partner is designated as a Level 3, 2 or 1. Each level is not based upon judgment of importance rather a level based upon a need for long term, sustainable impacts in the community.

#### Sustainable Impact: Level 3

The highest level of engagement with a community partner or community activity. This is a long-term collaborative and sustainable relationship with community partner/activity based on Endress+Hauser USA's and the Endress+Hauser Fund's highest focus and priorities derived from the CSR and Sustainability's strategic plan.

##### Engagement/Activity

- Strategic initiatives
- Sustainable projects
- Activities throughout the year
- Impact local, state, national and global issues
- Ongoing communications and initiatives

##### Funding

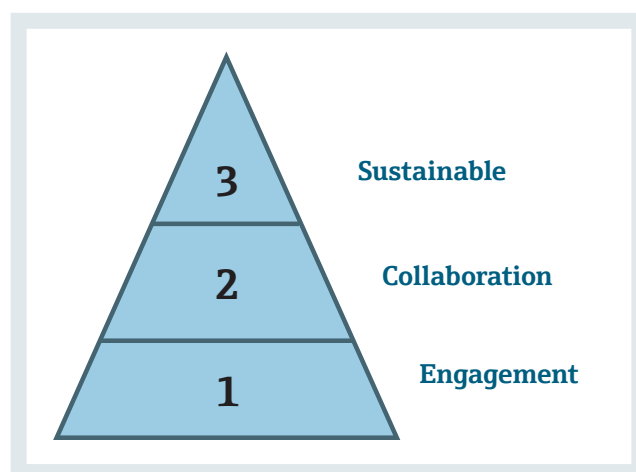
- More than \$10,000

##### Strategy

- Long term partnership that deliver sustainable impacts
- Long term strategic plan
- High level of impact
- Specialized activities and initiatives

##### Guideline

- Realize time commitment required at Level 3 Community Partnership/Activity
- This level of engagement is typically pursued by the Philanthropy Committee with consultation of the campus leadership team



#### Collaboration: Level 2

Relationship and activities are more continuous and progressive, characterized by an ongoing relationship between Endress+Hauser employees and the community partner. Employee talents and business skills are more fully utilized.

##### Engagement/Activity

- Focused engagement
- Building organizational program capacity
- Process improvement
- Employee development through volunteerism
- Skill-based activities
- Activities can run months or weeks based on project scope
- Activities occur both at the community partner site and Endress+Hauser USA site
- Build partnership with nonprofit with the potential for reciprocal activities
- Optional collaboration



### Funding

- \$1,000 - \$10,000 (generally based on grants)
- The Endress+Hauser Fund giving

### Strategy

- Multiple array of activities
- Ongoing active collaboration

### Guideline

- The majority of community partners/activities should be at this level
- This level of engagement would not typically involve consult with the campus leadership team
- We encourage all Endress+Hauser departments and functional groups to run these types of investments through the philanthropy committee

## Engagement: Level 1

Activities form the foundation for building relationship to Level 2 or 3.

### Engagement/Activity

- Scope is limited
- Projects tend to be grouped in the following areas:
  - Basic needs – food drives, etc.
  - Beautification – cleaning, Habitat for Humanity, etc.
  - Client interaction – Tutors, mentors, participation at events, etc.
  - Program support – Assisting with activities for community, etc.
  - Project or activity completed in a day or less
  - Project planning time is minimal

### Funding

- \$1,000 or less
- Limited costs – supplies and materials also qualify
- Volunteerism

### Strategy

- Good for supporting strategic relationships
- Projects support larger initiatives and goals at Level 2 and 3
- Entry point for further engagement
- Opportunity to determine if community partner/activity is a good fit for strategic initiatives and priorities
- Could allow a large number of volunteers to participate

### Guideline

- Number of Level 1 community partnerships/activities being funded through philanthropy should be limited. Majority of Endress+Hauser USA and the Endress+Hauser Fund should be spent on Level 2 or 3 community partners/activities.
- Worthy lower dollar requests, not funded by the philanthropy committee should and can be funded through entity specific HR departments or other avenues.
- The Philanthropy committee provides an annual update for philanthropy committee activities. This information can also be available at any time upon request.

Endress+Hauser USA does understand that not every community partnership is able to participate in this model of engagement. This is not a negative reflection on the community partner or the Endress+Hauser organization; rather it is a result of Endress+Hauser and the Endress+Hauser Fund focusing their Social Responsibility and Philanthropic activities.





# Developing Successful Community Partnerships

## Assessing the needs

- Ensure clear alignment with Endress+Hauser USA's priority areas
- Make sure the charity or organization work does not conflict with the Spirit and Code of Conduct of Endress+Hauser
- Understand exactly what it is the organization hopes to accomplish with this partnership



## Identifying potential partners

- Take time to learn about the community partner's organization
- Identify potential activities and projects
  - What projects will provide the most impact and/or engage the most amount of employee participation?
  - How do these activities and projects support work that has already been done with the organization or within the community?
  - Do these activities/projects align with the company's strategic planning?
  - Projects must meet the need of the community partner, not the interest of Endress+Hauser.

## The approach

- Expectations of the partnership should include:
  - Collaborative partnership development
  - High level of employee engagement on ongoing projects and activities
  - Treat the community partner as a customer
- Avoid duplication of efforts - at all times
- Set realistic expectations - determine specific goals that you want to accomplish as a result of the partnership

## Communication is key

- Determine one member from the community partner to be an ongoing point of contact and keep frequent communication going throughout the entire partnership
- Share results along the way – negative OR positive
- Build long-term relationship with partners
- Document all activities
- Be clear about roles and responsibilities

## A sustainable partnership

- Be clear on success metrics
- At the end of each project, conduct a debrief with the community partner
- Evaluate the partnership – Determine whether you should continue with the organization or specific project
- Do not take on too many partners – Know the limitations
- Share end results with Endress+Hauser and with the community partner
- Identify strategies for improving the partnership

## When partnership concludes

- Negotiate how the partnership should conclude
- Identify opportunities that may arise in the future



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