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## Trends in ACME Corporate Giving Initiatives & Programs

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### Agenda

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Objective: Provide a high-level overview of Acme's charitable giving strategy, as well as a breakdown of giving along several relevant industry metrics.

#### Overview of Data

- > Giving by Geography
- > Giving by Budget Source
- > Giving by Program Type
- > Total Giving – Cash & Non-Cash
- > Giving per Employee
- > Volunteerism
- > Management & Program Costs



# Strategic Approach



By allocating funds to international programs as well as issues important in local communities domestically, we are able to create results on the following goals:

**DOMESTIC PROGRAMS**  
73% of Total Giving

- Preserve long-term strategic relationships with non-profit partners in HQ "hometown" and domestic communities.
- Preserve domestic employee engagement in giving strategy.

**INTERNATIONAL PROGRAMS**  
27% of Total Giving

- Demonstrated responsiveness to international employee and customer concerns.
- Giving becoming proportionate to international profit source.



# Overview of Key Statistics



Total giving increased by 18% from 2005 to 2006, as a result of:

- Greater participation in the matching gifts program post-merger (+ \$1.6 million)
- A new financial literacy initiative (+ \$1 million)
- Expanded giving budgets in India and China (+ \$2 million)

<u>2005</u>	
Direct Cash	\$10,640,000
Foundation Cash	\$12,700,000
Non-Cash	<u>\$2,150,000</u>
<b>GRAND TOTAL</b>	<b>\$25,490,000</b>

<u>2006</u>	
Direct Cash	\$20,850,000
Foundation Cash	\$8,875,000
Non-Cash	<u>\$450,000</u>
<b>GRAND TOTAL</b>	<b>\$30,175,000</b>

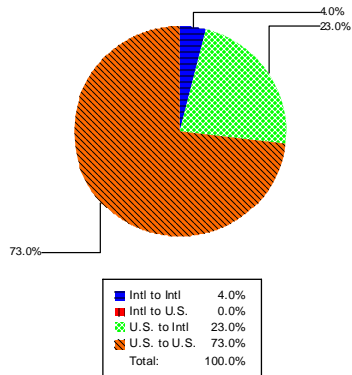


## Giving by Geography

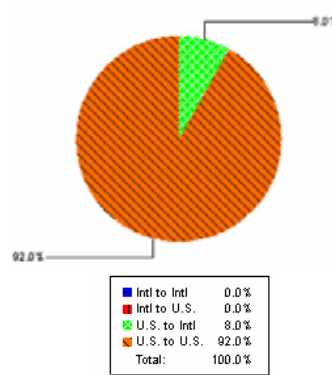
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International giving now comprises 27% of total giving as compared with roughly 8% in 2004.

2006 - Acme



2004 - Acme

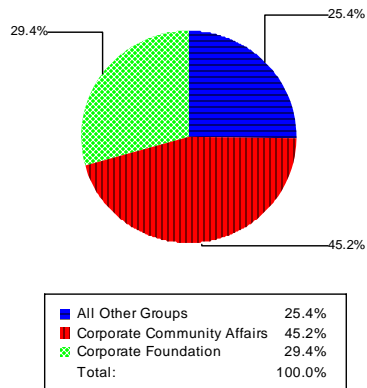


## Giving by Budget Source

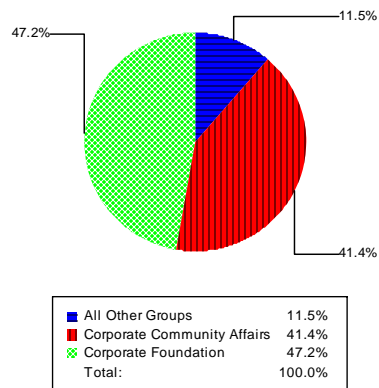
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Acme now gives a greater percentage of its giving from budgets outside of headquarters, from 11.5% in 2004 to 25.4% in 2006.

2006 - Acme



2004 - Acme



## Giving by Program Type

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Acme's giving is primarily directed toward nonprofit organizations with the following focus areas, reflecting the differences in domestic and international local concerns:

### DOMESTIC PROGRAMS 73% of Total Giving

- Health & Social Services
- Higher Education
- Environment

### INTERNATIONAL PROGRAMS 27% of Total Giving

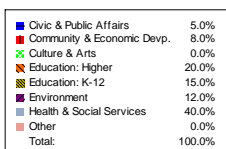
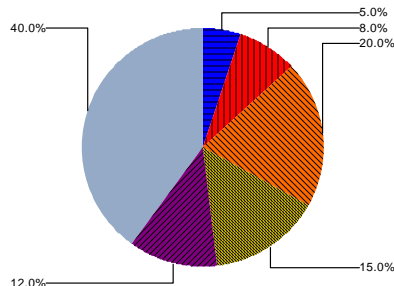
- Health & Social Services
- Workers Rights
- K-12 Literacy



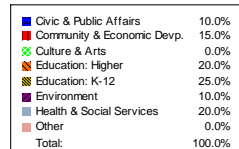
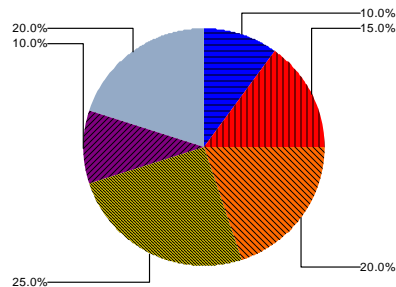
## Giving by Program Type

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2006 - Acme



2004 - Acme

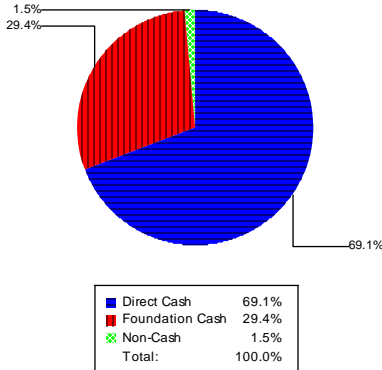


## Total Giving – Cash & Non-Cash

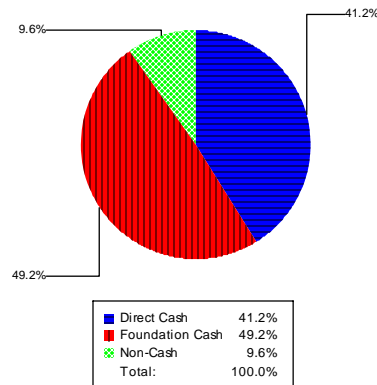
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Non-cash giving and foundation giving, as a percentage of total community investment, have fallen significantly as we work to increase our capacity to give internationally.

2006 – Acme



2004 - Acme

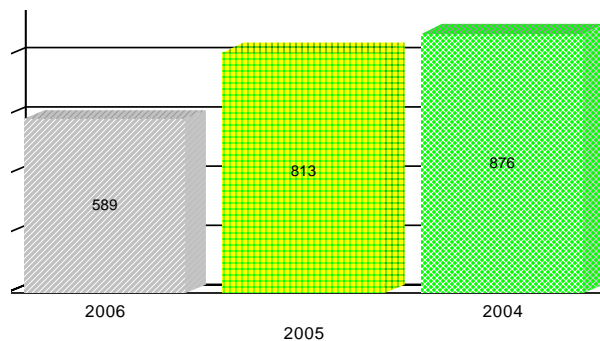


## Giving per Employee

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Despite a \$4.6 million increase in giving, the 9,000-person increase in the total number of employees at Acme post-acquisition has caused a sharp decrease in this figure from 2004 to 2006:

Giving per Employee

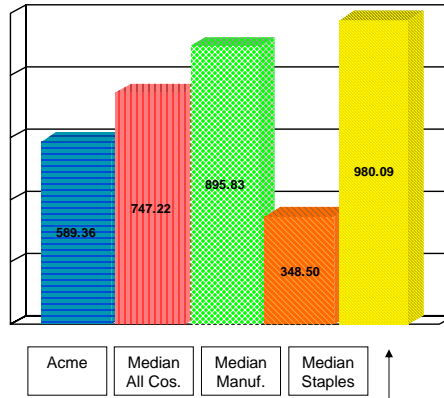


## Giving per Employee

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With the increase in Acme's workforce worldwide, our giving has slipped below the per employee rate at our peer companies (although we are well above others in the Consumer Staples industry).

### Giving per Employee



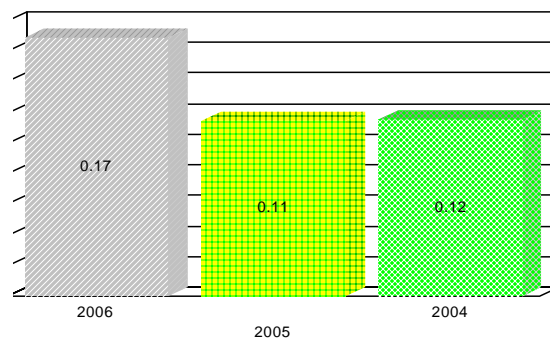
Median from Peer Group Companies:  
Altria, Coca-Cola, Colgate-Palmolive, General Mills, Pepsi, Wal-Mart

## Volunteerism

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Given the significant increase in the Acme workforce, the company's total number of volunteer hours has increased—largely the impact of the inaugural Global Day of Service held in October, 2006.

### On-Company-Time Volunteer Hours Per Employee

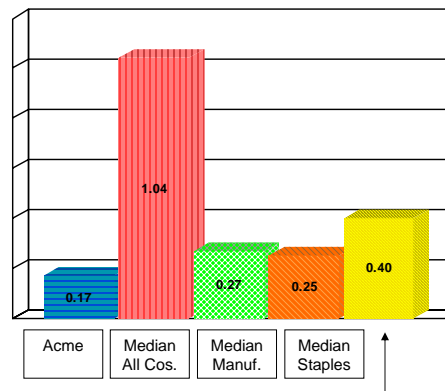


## Volunteerism

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However, despite the increases in volunteer hours per employee at Acme, the company still lags behind its peers on this dimension. As a group, volunteerism in our industry is significantly lower than the median across all companies.

### On-Company-Time Volunteer Hours Per Employee

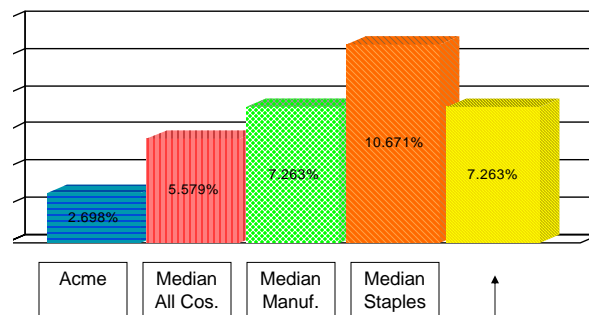


Median from Peer Group Companies:  
Altria, Coca-Cola, Colgate-Palmolive, General Mills, Pepsi, Wal-Mart

## Management & Program Costs

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### Management Costs as a % of Total Giving



Median from Peer Group Companies:  
Altria, Coca-Cola, Colgate-Palmolive, General Mills, Pepsi, Wal-Mart

## Conclusion

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Acme's corporate philanthropy balances its reach to its domestic and international stakeholders, increasingly reflecting proportionate responsiveness to the communities in which we operate.

Our focus areas have been adjusted to give more to "health & social services" nonprofit organizations than in 2004.

During the period of corporate expansion, the company has relied primarily on cash grants from corporate budgets. Over time, our investments should involve more product giving.



## Conclusion

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### Recommendations:

Increases in corporate community affairs staff and in the philanthropy budget can help restore us to our prior presence in the communities in which we do business around the globe.

- Hire two international grant-making staff in the next 6-12 months to accommodate the community needs surrounding the new offices acquired through the merger in India and China.
- Develop international policies for non-cash giving and tracking of product donations abroad.
- Work with local offices to surface interest in local volunteerism and invest in software to promote and track volunteer activity.

