Giving in Numbers

2013 EDITION

Corporate Giving Standard

An in-depth analysis of 2012 corporate giving data from 240 leading companies, including 60 of the largest 100 companies in the FORTUNE 500.

IN ASSOCIATION WITH
THE CONFERENCE BOARD
Trusted Insights for Business Worldwide

CECP

ABOUT CECP

CECP draws together and empowers senior executives at the world's largest companies to make unprecedented progress on societal challenges while driving business performance. With its high-powered connectivity and its platform for multiplying investments in solving the world's most pressing issues, CECP is an irreplaceable catalyst of the forces behind big change. Membership includes 149 global CEOs and chairpersons of companies who together accounted for more than $14 billion in total community investments in 2012.

Founded in 1999 by the actor and philanthropist Paul Newman together with John Whitehead, Peter Malkin, and other business leaders, CECP uniquely enhances its members' societal initiatives through strategy-related expertise, influential advocates, and awareness building. CECP also offers members essential resources including a proprietary benchmarking tool, networking programs, research, and opportunities for best-practice sharing.

A current membership list and information about CECP's events and research is available at cecp.co.

ABOUT THE CORPORATE GIVING STANDARD

The data featured in *Giving in Numbers* is derived from the Corporate Giving Standard (CGS) benchmarking tool. This annual philanthropy survey collects data that populates a customizable, online benchmarking database containing more than $130 billion in comparative data collected since 2001. If your company is interested in accessing better metrics and accurate peer-to-peer reporting to serve its corporate giving, contact CECP to join the CGS: info@cecp.co or 212-825-1000.

ABOUT THE CONFERENCE BOARD

The Conference Board is a global, independent business membership and research association working in the public interest. Its mission is unique: To provide the world's leading organizations with the practical knowledge they need to improve their performance and better serve society. The Conference Board conducts research on corporate philanthropy, citizenship, sustainability, and other corporate leadership issues. Its recent releases include *Sustainability Practices: 2013 Edition*, *Corporate Philanthropy with a Global Footprint*, and *Corporate Philanthropy in China: A Practitioner's Guide for Foreign Donors*. Its Contributions Councils provide exclusive peer learning opportunities in which executives share insights and best practices. The Conference Board is a non-advocacy, not-for-profit entity holding 501(c)(3) tax-exempt status in the United States. www.conference-board.org For more information, please contact Peter Tulupman: peter.tulupman@conference-board.org or 212-339-0231.

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preface

The economic recession of 2008 and 2009 continues to affect communities worldwide. Unemployment remains a concern in many countries, including the United States, and the results of this year's study indicate that business is improving but not yet fully recovered. Despite this slow upturn, an analysis of 2012 trends shows that the majority of companies (59%) are giving more than they were before the recession.

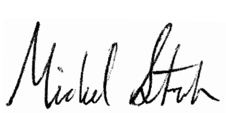
This year's *Giving in Numbers* illustrates how companies supported distressed communities throughout the economic downturn. Companies reacted to the recession by refining giving programs to address specific needs. The funding of community economic development programs spiked in 2008 and 2009 as businesses focused on the direct economic effects of the recession. Since the economy began to recover in late 2009, companies have become more strategic in their support of community partners. Many companies describe their grantmaking programs as community or societal *investments*, indicating an expectation of both societal and business returns. For example, companies often cite the education-workforce pipeline as a reason for focusing on grants to schools. In 2012, Education was the top program area supported by businesses for the first time since *Giving in Numbers* was first released in 2006.

Non-cash giving defined the post-recession era, as companies sought to utilize core resources, such as product donations or pro bono service capabilities, to support nonprofit partners in impactful ways. In addition, companies enhanced employee-volunteer programs to include staff members in community investment activities, either to align with giving increases or to offset the effects of giving reductions.

Thanks to support from Newman's Own Foundation, we are proud to present this year's *Giving in Numbers* to the public free of charge on our website, cecp.co. Newman's Own Foundation supports CECP and The Conference Board's common goal of increased transparency in the field of corporate philanthropy.

CECP and The Conference Board joined forces to produce this report because both organizations strive to initiate thoughtful discussions about how company resources can be leveraged to support communities. Also, both organizations aim to develop recognized industry standards for what is expected of a socially responsible business. And both entities hope to provide insights and resources for nonprofit organizations seeking to align with corporate funders on exceptional partnerships. Our overarching goal is to advance general knowledge about the corporate societal engagement field.

CECP and The Conference Board believe that when funding decisions are developed strategically, community partnerships drive both societal and business returns—a winning venture for everyone involved. As we are committed to facilitating the standardization of measurement resources and the development of best practices in the corporate philanthropy area, we welcome your feedback as to how we can best support the ongoing dissemination of community engagement information through future editions of *Giving in Numbers*.



Michael Stroik
Report Author
Manager, Research and Analytics
CECP

contents

Snapshot of Corporate Giving in 2012

2012 DATA SNAPSHOT

Two hundred and forty companies participated in the Corporate Giving Standard (CGS) Survey on 2012 contributions, including 60 of the largest 100 companies in the FORTUNE 500. The value of contributions across all respondents was more than $20.3 billion in total giving.

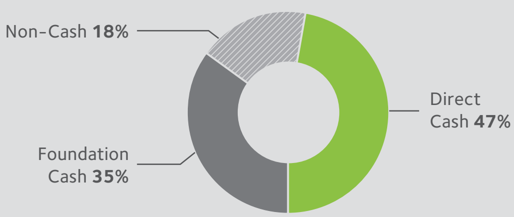
	All Companies (N=240) Median Values	Largest 100 Companies in the FORTUNE 500 (n=60) Median Values	All Other Companies (n=180) Median Values
Total Giving	$19.89 Million	$60.95 Million	$13.54 Million
Total Giving as a % of Revenue	0.13%	0.09%	0.14%
Total Giving as a % of Pre-Tax Profit	1.00%	0.96%	1.01%
Total Cash Giving as a % of Pre-Tax Profit	0.71%	0.68%	0.73%
Matching Gifts as a % of Total Cash Giving	11.99%	13.69%	10.97%
Total Giving per Employee	$620	$542	$649

TYPES OF CORPORATE CONTRIBUTIONS

The average company provides most of its giving in cash from corporate budgets and its corporate foundation, with other contributions provided in the form of non-cash resources. *See pages 12 and 17.*

Total Giving by Funding Type, 2012, Average Percentages

(N=240)



MATCHING EMPLOYEE DONATIONS

Through matching-gift programs, companies match employee donations of money or volunteer time to eligible nonprofit organizations. In 2012, 181 companies shared details about their matching-gift programs. Among that group, matching gifts comprised a median of 12% of a company's total cash giving. *See pages 27 and 28.*

MOST HAVE A FOUNDATION

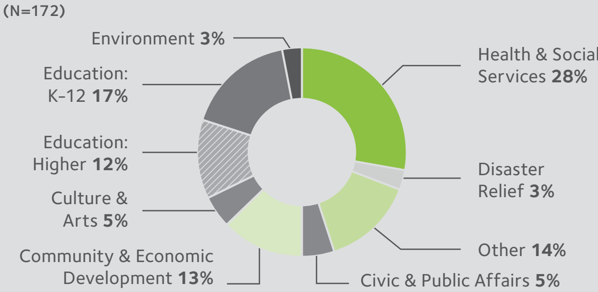
In 2012, 81% of companies reported having a corporate foundation. The most common foundation structure was a pass-through model, wherein the company annually funds the foundation. *See page 34.*

TOP PRIORITIES FOR GIVING

Education (comprising both K-12 and Higher Education) was the most funded program area (collectively, 29% of average allocations) for the first time since *Giving in Numbers* was first released in 2006, inching past Health and Social Services for the top spot. *See page 18.*

Program Area Allocations, 2012, Average Percentages

(N=172)



ENGAGING EMPLOYEES AS VOLUNTEERS

Employee-volunteer programs are planned and managed efforts that enable employees to volunteer under their employer's sponsorship and leadership. In 2012, 188 companies reported having a formal domestic employee-volunteer program, a formal international-volunteer program, or both. Paid-Release-Time, Dollars for Doers, and Company-Wide Days of Service were listed among the most successful engagement programs in 2012. *See pages 29 and 30.*

MANAGEMENT AND PROGRAM COSTS

Management and program costs include compensation, programmatic expenses, and operating costs. While not included in total giving, management and program costs were equivalent to 6.1% of a company's giving in 2012. *See page 37.* The median company employed eight Full-Time Equivalent (FTE) staff members to oversee, manage, or administer its corporate giving, corporate foundation, and/or employee-volunteer program. *See page 36.*

GIVING TO INTERNATIONAL RECIPIENTS: MANUFACTURING VS. SERVICES

Approximately 71% of companies gave to international end-recipients in 2012. Of companies providing support abroad, the average company provided 21% of total giving to international end-recipients. The highest proportion of international giving went to Education programs. *See pages 23 and 24.*

International Giving as a Percentage of Total Giving, 2007 to 2012, Including Only Companies that Provided International Gifts, Average Percentages, Matched-Set Data

	2007	2008	2009	2010	2011	2012
Manufacturing Companies (n=24)	23.3%	23.9%	21.8%	21.7%	22.1%	22.8%
Service Companies (n=23)	8.7%	11.3%	12.0%	13.1%	15.1%	10.6%

BENCHMARKING TABLES

INDUSTRY

Companies in the same industry often share philanthropic goals, have overlapping stakeholders, and face similar business challenges. Moreover, certain industries have historically high profit margins, while others expect more modest annual returns.

		Median Total Giving (in Millions)	Median Total Giving as a % of Revenue	Median Total Giving as a % of Pre-Tax Profit	Median Total Cash Giving as a % of Pre-Tax Profit	Median Matching Gifts as a % of Total Cash Giving	Median Total Giving per Employee
All Companies	N=240	$19.89	0.13%	1.00%	0.71%	11.99%	$620
America's Largest Companies	n=60	$60.95	0.09%	0.96%	0.68%	13.69%	$542
Consumer Discretionary	n=35	$20.51	0.18%	2.17%	0.85%	6.21%	$410
Consumer Staples	n=16	$59.70	0.16%	1.16%	0.70%	9.39%	$673
Energy	n=12	$31.70	0.10%	0.45%	0.38%	17.32%	$2,766
Financials	n=55	$17.10	0.15%	1.11%	1.05%	14.02%	$826
Health Care	n=25	$59.42	0.27%	1.04%	0.65%	12.76%	$542
Industrials	n=32	$12.08	0.08%	0.71%	0.63%	14.72%	$255
Information Technology	n=30	$12.84	0.18%	0.78%	0.45%	15.92%	$702
Materials	n=13	$9.35	0.11%	1.09%	1.05%	11.18%	$579
Utilities	n=19	$11.57	0.13%	1.05%	1.05%	9.10%	$1,027

To preserve confidentiality, due to a small sample size, data for the Telecommunications Services industry are not shown in this table.

PRE-TAX PROFIT

While revenue provides a clear expression of a company's financial size, it is pre-tax profit that indicates the level of discretionary funds that can be reinvested into the business. However, an individual company's pre-tax profit can change substantially from one year to the next. While expenses such as rising oil prices affect all peer companies, other factors affect single companies, such as the closure of an overseas office or the renegotiation of a vendor contract.

		Median Total Giving (in Millions)	Median Total Giving as a % of Revenue	Median Total Giving as a % of Pre-Tax Profit	Median Total Cash Giving as a % of Pre-Tax Profit	Median Matching Gifts as a % of Total Cash Giving	Median Total Giving per Employee
All Companies	N=240	$19.89	0.13%	1.00%	0.71%	11.99%	$620
America's Largest Companies	n=60	$60.95	0.09%	0.96%	0.68%	13.69%	$542
Pre-Tax Profit > $10 bn	n=23	$199.30	0.21%	0.93%	0.71%	10.77%	$1,949
$5 bn < Pre-Tax Profit < $10 bn	n=25	$61.90	0.16%	0.93%	0.62%	12.76%	$688
$3 bn < Pre-Tax Profit < $5 bn	n=23	$25.20	0.13%	0.72%	0.64%	7.23%	$430
$2 bn < Pre-Tax Profit < $3 bn	n=28	$24.21	0.10%	0.94%	0.73%	9.86%	$523
$1 bn < Pre-Tax Profit < $2 bn	n=49	$13.50	0.12%	0.88%	0.66%	16.00%	$738
$0 bn < Pre-Tax Profit < $1 bn	n=59	$7.55	0.12%	1.52%	1.17%	12.93%	$536
Pre-Tax Profit < $0	n=11	$9.18	0.09%	N/A	N/A	15.93%	$327

NOTES: Companies with incomplete data for profit, revenue, and/or employee size are included in the applicable calculations to determine the "All Companies" data of each benchmarking table, but not in the subsequent rows of each benchmarking table. America's Largest Companies are all among the largest 100 companies in the FORTUNE 500.

BENCHMARKING TABLES CONTINUED

REVENUE

While it is tempting to assume that companies with familiar logos are revenue giants, this is not always the case. Many well-known companies, particularly those with global brands, may generate less revenue than business-to-business companies that do not invest in building awareness among consumers. Even companies within the same industry and with similar brand recognition may have very different revenue levels.

		Median Total Giving (in Millions)	Median Total Giving as a % of Revenue	Median Total Giving as a % of Pre-Tax Profit	Median Total Cash Giving as a % of Pre-Tax Profit	Median Matching Gifts as a % of Total Cash Giving	Median Total Giving per Employee
All Companies	N=240	$19.89	0.13%	1.00%	0.71%	11.99%	$620
America's Largest Companies	n=60	$60.95	0.09%	0.96%	0.68%	13.69%	$542
Revenue > $100 bn	n=14	$89.25	0.06%	0.91%	0.65%	12.75%	$456
$50 bn < Revenue < $100 bn	n=27	$66.25	0.09%	1.12%	0.76%	15.71%	$722
$25 bn < Revenue < $50 bn	n=44	$33.68	0.11%	1.10%	0.71%	11.52%	$593
$15 bn < Revenue < $25 bn	n=33	$25.79	0.13%	1.00%	0.77%	10.40%	$739
$10 bn < Revenue < $15 bn	n=28	$19.10	0.16%	0.99%	0.85%	7.23%	$809
$5 bn < Revenue < $10 bn	n=42	$9.22	0.14%	1.01%	0.71%	12.72%	$735
Revenue < $5 bn	n=39	$4.16	0.16%	0.91%	0.64%	14.21%	$537

EMPLOYEES

Many philanthropic strategies are designed to enhance corporate culture and provide opportunities for employees to become involved. However, successfully putting theory into practice depends largely on the number of employees at a company and the skill levels among the employee base.

		Median Total Giving (in Millions)	Median Total Giving as a % of Revenue	Median Total Giving as a % of Pre-Tax Profit	Median Total Cash Giving as a % of Pre-Tax Profit	Median Matching Gifts as a % of Total Cash Giving	Median Total Giving per Employee
All Companies	N=240	$19.89	0.13%	1.00%	0.71%	11.99%	$620
America's Largest Companies	n=60	$60.95	0.09%	0.96%	0.68%	13.69%	$542
Employees > 100,000	n=51	$66.96	0.11%	1.08%	0.86%	13.03%	$377
50,001 ≤ Employees ≤ 100,000	n=34	$54.76	0.16%	1.30%	0.63%	12.76%	$783
30,001 ≤ Employees ≤ 50,000	n=36	$18.70	0.08%	0.97%	0.65%	8.62%	$458
20,001 ≤ Employees ≤ 30,000	n=27	$20.51	0.17%	0.99%	0.72%	12.76%	$777
10,000 ≤ Employees ≤ 20,000	n=39	$10.61	0.13%	1.05%	0.88%	13.91%	$758
Employees < 10,000	n=43	$6.74	0.11%	0.80%	0.66%	11.90%	$1,021

NOTES: Companies with incomplete data for profit, revenue, and/or employee size are included in the applicable calculations to determine the "All Companies" data of each benchmarking table, but not in the subsequent rows of each benchmarking table. America's Largest Companies are all among the largest 100 companies in the FORTUNE 500.

Corporate Giving Trends in Context

KEY FINDINGS IN THIS SECTION:

Giving Increased Since 2007, Despite Slow Economic Recovery

Business performance has gradually recovered since the global recession began, but in 2012 companies did not earn as much as they did in 2007. Despite the slow upturn, 59% of companies have increased overall giving from 2007 to 2012. The largest increase in total giving came between 2009 and 2010, as revenues and profits began to pick up for the majority of companies. In aggregate, giving increased by 42% ($4.48 billion) from 2007 to 2012. *See pages 10 and 11.*

Non-Cash Giving Defined Post-Recession Giving Era

With declining revenues in 2008 and 2009, companies tightened cash budgets and began exploring new ways to invest in communities strategically with non-cash resources such as medicine, merchandise, or professional volunteer services. Non-cash giving accounted for more than 95% of the total aggregate giving increase from 2007 to 2012, as companies provided robust product and pro bono commitments to community partners. Companies cited increased non-cash offerings as a main reason for giving increases from 2011 to 2012.

See pages 11 and 12.

Companies Predict Modest Increase In 2013 Giving Levels

While 42% of companies expect giving to remain flat from 2012 to 2013, 40% of companies expect an increase in 2013 and 18% expect a decline. A decline in median profit levels from 2011 to 2012 may portend a less optimistic outlook for 2013.

See page 15.

EFFECTS OF THE GLOBAL RECESSION

BUSINESS PERFORMANCE INDICATORS

By mid-2007, the subprime mortgage industry collapse and widening credit crises greatly weakened consumer confidence and precipitated the sharp economic downturn. By 2008, corporate revenues and profits declined considerably; pre-tax profits receded for 63% of companies participating in this study between 2007 and 2008 (N=89). Figure 1 illustrates that profits have not yet reached pre-recession levels.

As shown in Figure 2, revenues have been recovering since the nadir of 2009. However, results differ by industry when comparing 2007 to 2012:

Industry	Median % Change in Revenues from 2007 to 2012
Consumer Discretionary (n=15)	-5%
Consumer Staples (n=9)	+21%
Financials (n=25)	+3%
Health Care (n=14)	+11%
Industrials (n=8)	-18%
Information Technology (n=10)	+22%
Utilities (n=5)	-16%

Energy, Materials, and Telecommunications Services companies are excluded due to small sample sizes.

EMPLOYMENT AND THE RECESSION

In 2008, according to the U.S. Bureau of Labor Statistics, company layoffs reached unprecedented levels. In 2009, that record was broken again and unemployment continued to skyrocket. Since 2010, unemployment has improved but is still not back to pre-recession levels:

U.S. Unemployment Rate	
2007	4.6%
2008	5.8%
2009	9.3%
2010	9.6%
2011	8.9%
2012	8.1%

In the sample data from 2007 until 2012, not including companies that grew through mergers and acquisitions, 51.5% of companies reduced their workforce, 7.0% maintained the same number of employees, and 41.5% of companies increased their workforce (N=69).

THE GLOBAL RECESSION AND CORPORATE GIVING

Is corporate giving back up to pre-recession levels? This year's report, using a matched set of 96 companies from 2007 through 2012, indicates that corporate contributions have rebounded from the recession despite a slow economic recovery. Corporate funders became more strategic by focusing on unique non-cash community investments to support nonprofit partners in new ways, including product donations and skills-based volunteer engagement.

Determining appropriate levels of corporate contributions becomes increasingly complicated when profits and revenues contract during a recession. From 2007 through 2012, companies focused on both the societal and business impacts of their grantmaking by investing in areas that align with long-term business goals. For example, in 2012, Education became the highest-funded program area for the first time since the release of the first edition of this report, in 2006, as several companies cited the pipeline from education to the workforce as a reason for increased investments.

FIGURE 1

Median Pre-Tax Profits from 2007 to 2012, Inflation-Adjusted, Matched-Set Data

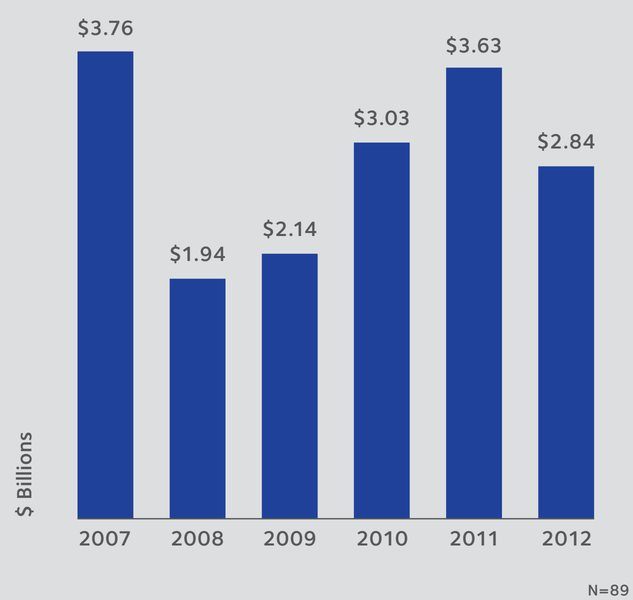
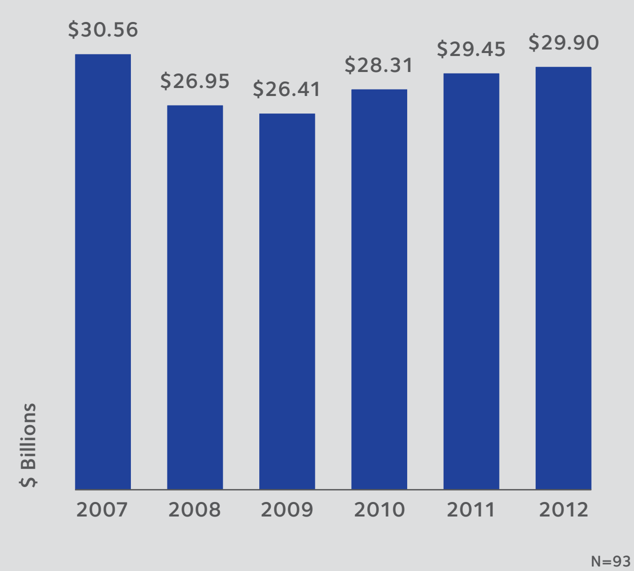


FIGURE 2

Median Revenues from 2007 to 2012, Inflation-Adjusted, Matched-Set Data



GIVING SINCE BEFORE THE GLOBAL RECESSION

CONTRIBUTIONS INCREASE FOR MAJORITY OF COMPANIES

Corporate contributions increased for the majority of companies (59%) from 2007 to 2012. As illustrated in Figure 3, the recession resulted in a stark polarity between companies that increased giving and those that decreased giving since 2007.

Companies often cite a link between business performance and giving budgets. While the recession affected companies in unique ways at different times, community investments align with changes in business performance. Of the 38% of companies increasing contributions by more than 25% since 2007, median revenues in 2012 were $38.8 billion and had *increased* by 10% since 2007 (n=36). Of companies that decreased their contributions by over 25%, median revenues in 2012 were $23.7 billion and had *decreased* by 5% since 2007 (n=22).

YEAR-BY-YEAR ANALYSIS

Company giving expanded and contracted at different points in time since 2007, as shown here (N=96):

- **2007 to 2008:** While profits declined for the majority of companies in 2008, corporate contributions increased or remained flat for 63% of them.
- **2008 to 2009:** The effects of the recession caught up with corporate contributions as 57% of companies decreased overall contributions in 2009, with most giving significantly less than in the prior year.
- **2009 to 2010:** With the worst of the recession over, 74% of companies increased giving levels or remained flat.
- **2010 to 2011:** The majority of companies (65%) increased giving or remained flat.
- **2011 to 2012:** Total corporate giving rose as 46% of companies increased giving and 43% decreased giving, while 11% remained flat.

CHANGES IN GIVING RATIOS SINCE 2007

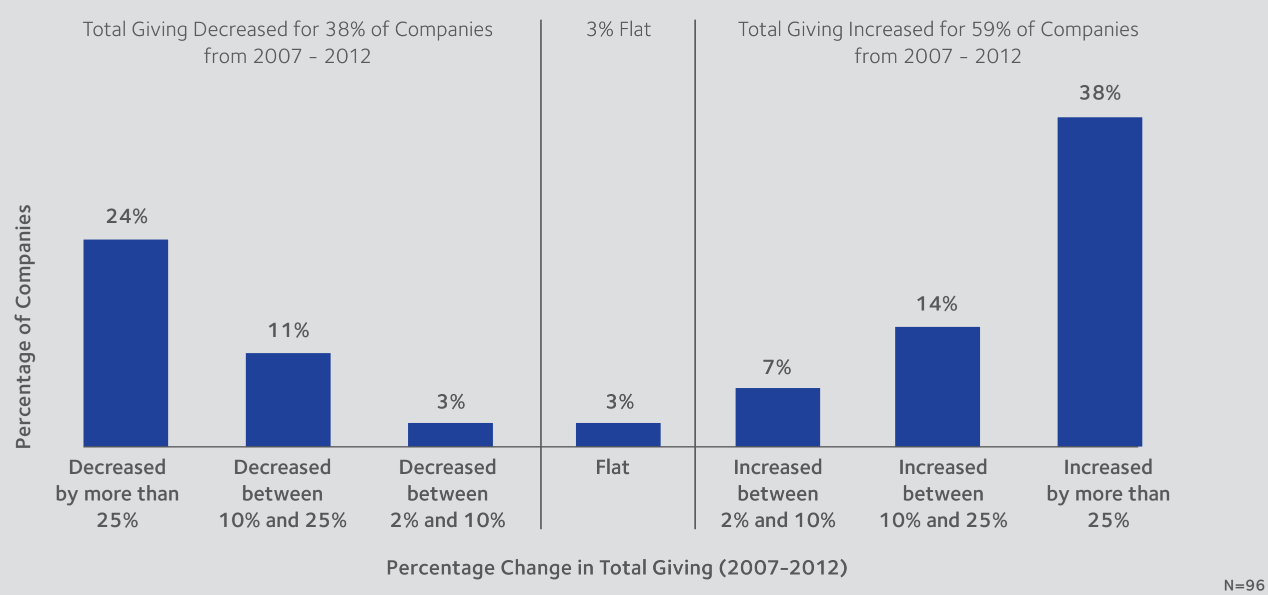
Revenue for the companies in this sample ranged between $2.4 billion and $469.2 billion in 2012. To benchmark on a level playing field, companies often use ratios such as giving as a percentage of pre-tax profit or giving as a percentage of revenue. Corresponding median ratios for the six-year span are provided here:

	Median Giving as a % of Pre-Tax Profit (N=66)	Median Giving as a % of Revenue (N=93)
2007	1.04%	0.14%
2008	1.27%	0.14%
2009	1.13%	0.15%
2010	1.05%	0.14%
2011	1.09%	0.15%
2012	1.09%	0.16%

Giving as a percentage of pre-tax profit spiked in 2008 due primarily to declining profits. The ratio has stabilized at just over 1% for the past three years. *See pages 6 and 7 for more benchmarking statistics.*

FIGURE 3

Distribution of Companies by Changes in Total Giving Between 2007 and 2012, Inflation-Adjusted, Matched-Set Data



RISE IN AGGREGATE TOTAL GIVING

Aggregate total giving, i.e., the sum of all giving in the sample, has risen by 42% ($4.48 billion) from 2007 to 2012. While this growth is certainly part of a greater historical trend in corporate giving, it is impressive because of the extreme impact of the recession on business performance (N=96):

	Cash Giving (Billions)	Non-Cash Giving (Billions)	Total Giving (Billions)
2007	$4.63	$6.16	$10.79
2008	$4.53	$6.05	$10.58
2009	$4.29	$6.98	$11.27
2010	$4.80	$8.55	$13.35
2011	$4.93	$9.43	$14.36
2012	$4.81	$10.46	$15.27

One limitation of aggregate giving analysis is that a small number of companies can significantly influence the results. For example, five companies out of the 96 in the matched set combined to give $1.7 billion more in 2010 than in 2009.

COMPONENTS OF TOTAL GIVING

The CGS Survey collects total contributions in the following giving types:

- **Direct Cash:** Cash giving from corporate headquarters or regional offices.
- **Foundation Cash:** Cash giving from the corporate foundation.
- **Non-Cash:** Product donations, pro bono service, and other non-cash contributions (e.g., office equipment) assessed at Fair Market Value.

MEDIAN TOTAL GIVING SPIKED IN 2012

Median total giving indicates what a typical company gave in a year, while controlling for extreme values that affect the outcome on aggregate measures.

Figure 4 illustrates how median giving fell from 2007 to 2009 and then remained relatively flat until a 23% ($6.57 million) spike from 2011 to 2012. Giving increased from 2011 to 2012 for many reasons, including growth in non-cash giving and improved business performance.

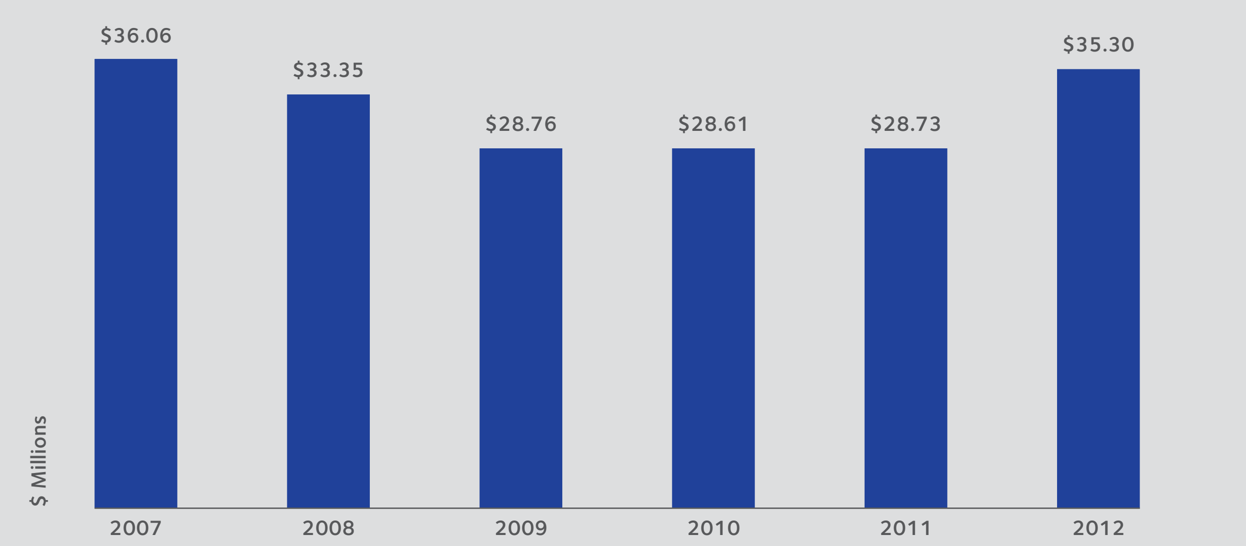
GROWTH IN NON-CASH CONTRIBUTIONS

Non-cash contributions accounted for more than 95% ($4.30 billion) of the aggregate giving increase between 2007 and 2012. The proportion of non-cash to total giving grew from 57% in 2007 to 69% in 2012 (N=96). These percentages are inflated by Pharmaceutical companies, which comprise more than 70% of aggregate non-cash giving per year through Patient Assistance Programs that provide immense levels of medicine donations to individuals without access to health care. Excluding Pharmaceutical companies from the matched set indicates that cash giving still dominates for the average company:

	Non-Cash as a Percentage of Total Giving	
	All Companies (N=96)	Without Pharmaceuticals (N=89)
2007	57%	28%
2008	57%	30%
2009	62%	32%
2010	64%	32%
2011	66%	37%
2012	69%	39%

FIGURE 4

Median Total Giving for All Companies, Inflation-Adjusted, Matched-Set Data



N=96

TRENDS IN CASH AND NON-CASH GIVING

CHANGES BY GIVING TYPE

Figure 5 illustrates the percentage change in giving since 2007 by giving type. Non-cash contributions increased by 10% or more for each year since 2008 as companies supported communities with unique resources, such as product or professional services. Foundation cash giving was the least volatile per year, driven by annual requirements to disburse specific amounts of funds, regardless of business performance.

The aggregate giving growth between 2009 and 2010 was driven by double-digit increases in each type of giving as companies made large multi-year commitments. One reason large increases in giving are not annualized is that multi-year commitments often include diminishing levels of support in the latter years of a contract. Corporate grantmakers often purposefully reduce funding over time as nonprofit partners build sustainable operational improvements and need less funding.

TOTAL GIVING CHANGES BY INDUSTRY

The majority of industries increased total giving between 2007 and 2012:

Industry	Median % Change in Total Giving from 2007 to 2012
Consumer Discretionary (n=16)	-6%
Consumer Staples (n=9)	+54%
Financials (n=26)	+8%
Health Care (n=14)	+52%
Industrials (n=9)	+8%
Information Technology (n=10)	+45%
Utilities (n=5)	+3%

Energy, Materials, and Telecommunications Services companies are excluded due to small sample sizes.

The significant increases by Consumer Staples, Information Technology, and Health Care industries (including Pharmaceuticals: see Appendix on page 43) were driven by an increase in large, non-cash contributions. In turn, this increase was driven by strategic changes and excess inventory resulting from unexpected low demand during the recession.

CHANGES IN CASH GIVING

The percentage change in cash giving since before the global recession also differs by industry:

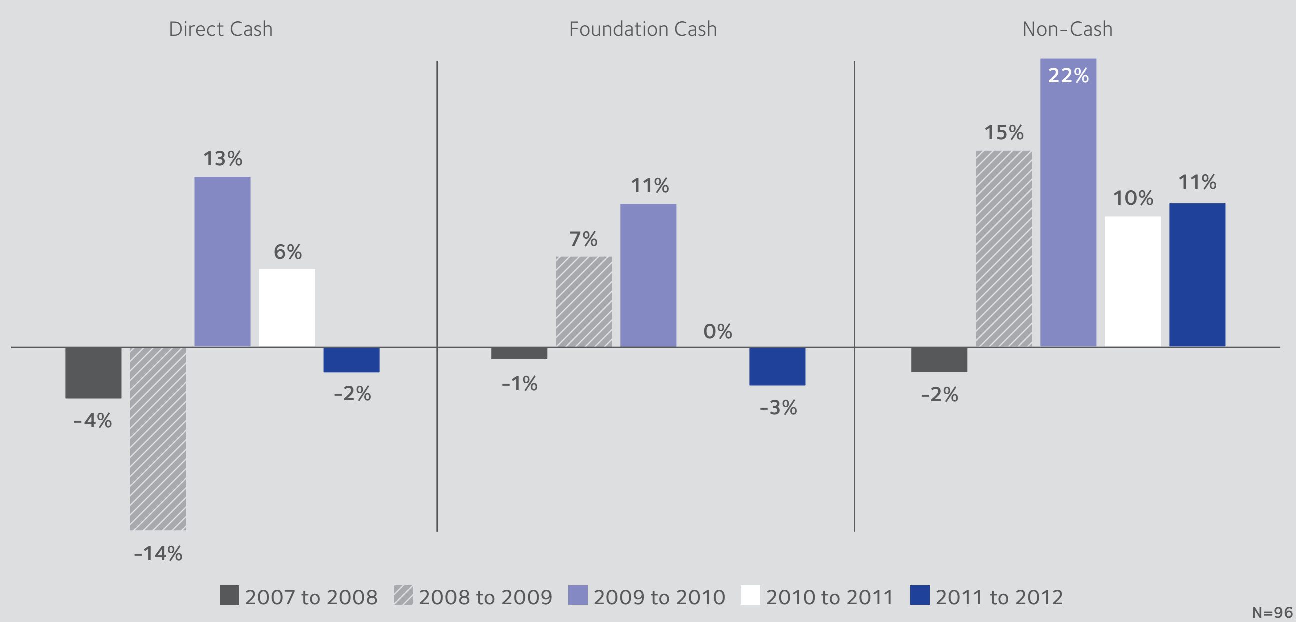
Industry	Median % Change in Cash Giving from 2007 to 2012
Consumer Discretionary (n=16)	-3%
Consumer Staples (n=9)	+11%
Financials (n=26)	+1%
Health Care (n=14)	-12%
Industrials (n=9)	+8%
Information Technology (n=10)	+2%
Utilities (n=5)	+4%

Energy, Materials, and Telecommunications Services companies are excluded due to small sample sizes.

Aggregate cash contributions grew by 4% from 2007 to 2012, with the largest increase (12%) occurring between 2009 and 2010.

FIGURE 5

Percentage Change by Giving Type, Inflation-Adjusted, Matched-Set Data



REASONS FOR INCREASED GIVING

Surging Sales Result in Increased Contributions

With median revenue increasing every year since 2009 (N=93), many companies are converting extra earnings into larger community investments. Some companies cited greater than expected cause marketing sales results as reasons for higher giving levels in 2012.

Aiming to Achieve Greater Societal Impact

Several companies cited increased community need as a reason for augmented giving budgets in 2012. Others identified goals to increase the number of people served through signature programs as a reason to give more to their community. At CECP's 2013 Summit, 63% of responding giving officers confirmed that their companies are measuring the societal impact of their grantmaking, while 35% of companies aspire to begin impact measurement in the future.

Increased Matching Gifts

Companies aim to engage employees by matching the contributions they make to qualifying nonprofit organizations. Increased matching gifts were driven by new program offerings, higher matching caps, and growing employment from 2011 to 2012. The median employee count increased from 51,705 in 2011 to 56,285 in 2012 (N=95). *See pages 27 and 28.*

Increased Non-Cash Contributions

Non-cash contributions, consisting of product donations, pro bono services, and other types of support, are typically the most volatile of giving types. In 2012, excess inventory led to higher levels of in-kind donations and several companies cited the increased *value* of products as reasons for increased non-cash giving levels. *See pages 11 and 12.*

Mergers and Acquisitions

Corporate mergers or acquisitions often resulted in combined giving levels that exceeded contributions by the separate companies, mainly due to increased revenue, profit, and employee levels. In 2012, 12% of surveyed companies reported acquisitions or mergers in the prior year (N=240).

Benchmarking Against Industry Standards

The benchmarking tables provided on pages 6 and 7 serve as a tool for gauging where a company stands compared to competitors. Several companies increased budgets in order to meet internal goals to match industry-level giving standards.

REASONS FOR DECREASED GIVING

Company-Wide Cost Reductions

Like other business units, corporate contributions budgets are typically reviewed on an annual basis. Company-wide cost-cutting measures led to a decrease in overall giving for several companies in 2012.

Reduced Disaster Spending

Despite companies' significant response to Hurricane Sandy in 2012, several companies cited lower than expected disaster recovery spending as a reason for decreased overall contributions. In a matched-set study of companies that supported Disaster Relief efforts in both 2011 and 2012, Disaster Relief contributions declined for 61% of those companies (N=44).

New Giving Strategies

Several companies indicated that their giving programs became more focused in 2012, resulting in cuts to program areas that do not align with the company's mission. However, as companies build new relationships in their more focused program area, giving is expected to increase in the future.

Poor Business Performance

Some companies cited general economic difficulties as the reason for lower giving in 2012. The median pre-tax profit for matched-set companies decreased from $3.6 billion in 2011 to $2.8 billion in 2012 (N=89). Decreases in revenue and employee levels were also seen to diminish contributions budgets. *See page 9.*

Investigating Non-Cash Giving Growth

Since 2007, aggregate giving has increased tremendously, due to higher levels of non-cash contributions. The growth in non-cash giving influences the nonprofit sector in unique ways, as grantees assess their need and ability to receive product and service support.

Non-cash giving accounted for more than 95% of aggregate giving growth since 2007, as 69% of companies in the matched set reported non-cash contributions in 2012—up slightly since 2007, when 65% of companies provided non-cash contributions (N=96). Of companies that provided non-cash support in 2007, the median percentage change in non-cash contributions was +38% in 2012 (n=62).

Of companies that increased non-cash contributions from 2007 to 2012, only 29% also increased cash giving (n=42).

TRENDS AMONG AMERICA'S LARGEST COMPANIES

FORTUNE MAGAZINE'S TOP 100 SURVEY RESPONDENTS

Each year, *Fortune* Magazine recognizes America's 500 largest companies, ranked by revenue. This page of *Giving in Numbers* identifies giving trends among 60 of the largest 100 companies from the list to examine how America's biggest corporations give back to the communities in which they do business.

The revenue cutoff for the 2012 top 100 ranking was $30.4 billion. Here are the median profile statistics of the largest American companies participating in the CGS Survey (N=60):

- Revenue: $57.8 billion
- Pre-Tax Profit: $6.3 billion
- Number of Employees: 120,000
- 2012 Contributions: $61.0 million

AGGREGATE GIVING INCREASES

Aggregate giving increased each year since 2007 for America's largest companies, driven by an 89% increase in non-cash contributions from 2007 to 2012. This non-cash giving growth was in turn driven by large increases by Pharmaceutical companies, as well as multiple large companies adding new non-cash offerings to their giving portfolio between 2007 and 2012.

AMERICA'S LARGEST COMPANIES PROVIDE MORE PRO BONO SUPPORT

Both America's largest companies and all other companies provide the majority of non-cash contributions in the form of product donations. However, the largest companies provided, on average, 22% of non-cash giving in the form of pro bono service (N=30), compared to an average of 13% for all other companies (N=87).

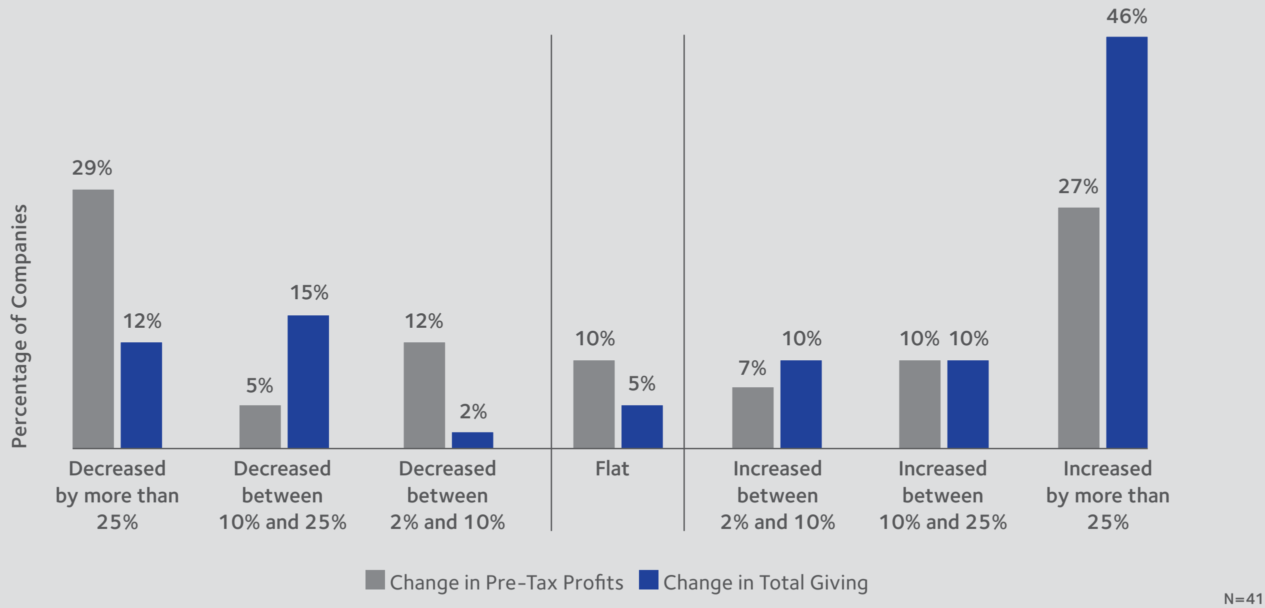
THE MAJORITY GAVE MORE IN 2012

Despite the effects of the recession, two thirds of America's largest companies gave more in 2012 than in 2007 (N=41). For all other companies, 52% increased giving from 2007 to 2012 (N=55). More than half of America's largest companies that reduced pre-tax profits since 2007 gave more in 2012. An analysis of business performance metrics shows that the largest companies' median profit fell by 33% from 2007 to 2008 (N=41), whereas all other companies' median profit fell by 52% (N=48). Median profits have steadily increased since 2008 for America's largest companies and are now higher than pre-recession levels—unlike those for the rest of the sample.

Figure 6 shows the distribution of America's largest companies by the percentage change in both pre-tax profits and total giving.

FIGURE 6

Distribution of Companies by Changes in Total Giving and Pre-Tax Profits Between 2007 and 2012, Inflation-Adjusted, Matched-Set Data, America's Largest Companies



PREDICTIONS FOR 2013 GIVING LEVELS

MODEST INCREASE EXPECTED

The CGS Survey asked respondents to forecast by what percentage they expect their company's total contributions to change from 2012 to 2013. Respondents were given seven ranges, as shown in Figure 7 (analysis omitted the 26 respondents who selected "Not able to estimate at this time").

Forty percent of companies expect giving to increase from 2012 to 2013, with most predicting an increase of less than 10%. Nine percent of companies expect a giving decrease of more than 10% in 2013, due in part to significant community investments that will not be replicated in 2013.

NOTES ON EXPECTATIONS

The median 2012 giving level for companies that expect a giving increase in 2013 was $17.62 million (n=55). These respondents expect increases driven by new signature programs, increased matching-gift program caps, and expected rises in revenue and profit.

The median 2012 giving level for companies that expect a giving decrease in 2013 was $23.43 million (n=25), nearly $6 million higher than companies expecting a giving increase.

While the majority of companies foresee little or no change in 2013, 18% of responding companies expect an increase or decrease of more than 10% in 2013 (N=139).

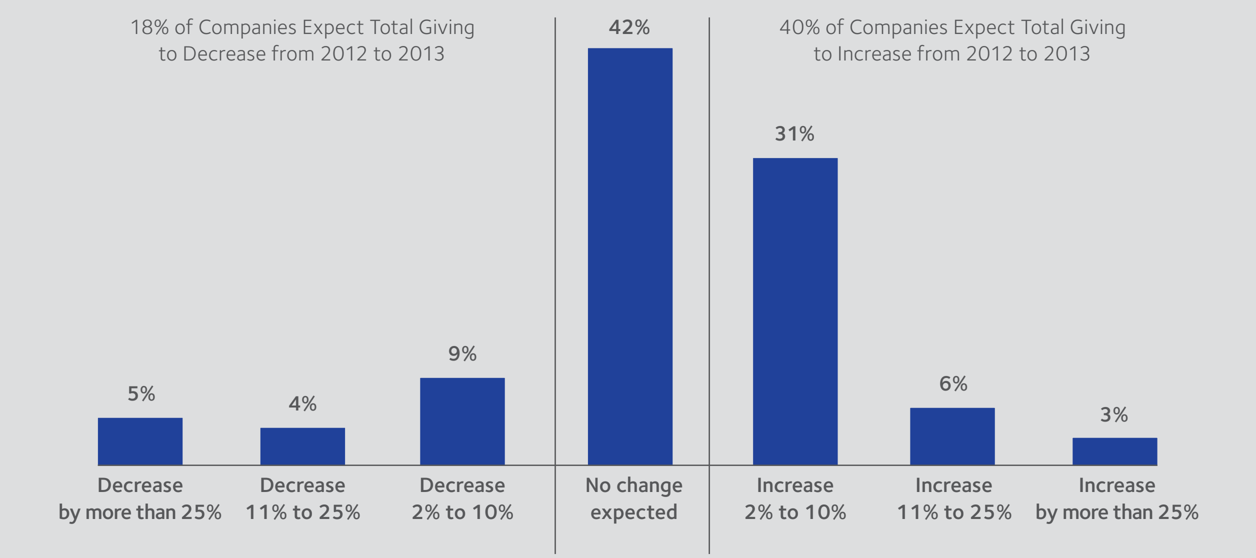
CONCLUDING THOUGHTS

As shown earlier in this section, non-cash giving accounts for more than 95% of the aggregate giving increase between 2007 and 2012. This growth is expected to continue in the future as companies provide new non-cash offerings.

At the 2013 CECP Summit, CECP asked attending corporate giving officers: "Is your company seeking new ways to incorporate non-cash giving into your giving portfolio (or seeking new ways to expand your current non-cash offering)?" Approximately 57% of those who responded said "yes" (N=125). As companies increasingly use their unique resources to address community needs, nonprofit organizations can expect new partnership models to emerge involving both cash and non-cash contributions.

FIGURE 7

Percentage of Companies Predicting How 2013 Total Giving Will Compare to 2012 Levels



N=139

Grant Portfolio Breakdown

KEY FINDINGS IN THIS SECTION:

Non-Cash Giving Driven by Large Givers

The companies giving the most provided the greatest proportion of non-cash contributions. Companies contributing more than $100 million in 2012 provided 45%, on average, in the form of non-cash contributions. By contrast, for the average company in 2012, cash contributions comprised 82% of community investments.
See page 17.

Education Takes the Top Spot

For the first time since the inaugural edition of *Giving in Numbers* was published in 2006, K-12 Education and Higher Education combined to become the top program area supported by companies in 2012. Health and Social Services remained a close second. *See page 18.*

Becoming More Focused

Companies aimed for deep societal impact by focusing contributions on single program areas, most notably to Health and Social Services and Education programs.
See page 19.

The Recession Influenced How Companies Give

During the recession, companies increased funding to areas directly aligned with struggling economic conditions. Support of Community and Economic Development grew during the recession while Culture and Arts funding declined. *See page 20.*

TYPES OF GIVING

DEFINING TYPES OF GIVING

All recipients of corporate giving in the CGS Survey must be 501(c)(3) organizations or the international equivalent. The value of employee volunteerism, management and program costs, and funds leveraged from other companies or foundations are not included in total giving figures. As introduced on page 11, the three types of giving defined in the CGS Survey are:

- **Direct Cash:** Cash giving from corporate headquarters or regional offices.
- **Foundation Cash:** Cash contributions from the corporate foundation. For many companies, this includes the corporate side of employee matching-gift programs.
- **Non-Cash:** Product donations, pro bono service, and other non-cash contributions (e.g., office equipment) assessed at Fair Market Value.

DIFFERENCES BY INDUSTRY

Figure 8 displays the average allocation of giving types by industry for 2012. Manufacturing companies provide a greater proportion of non-cash contributions than Service companies, typically because Manufacturing companies have greater access to excess product. Service companies do provide non-cash in other ways, such as pro bono service, use of facilities or space, or donations of land or property.

The Health Care industry gave the highest average percentage of non-cash contributions, in large part due to Pharmaceutical companies providing, on average, 88% of giving in the form of non-cash contributions (n=9). (See page 43 for more details on the giving programs of Pharmaceutical companies.) The Financials, Materials, and Utilities industries provided the highest proportion of cash giving, including both foundation and direct-cash contributions combined.

NON-CASH GIVING GROWTH

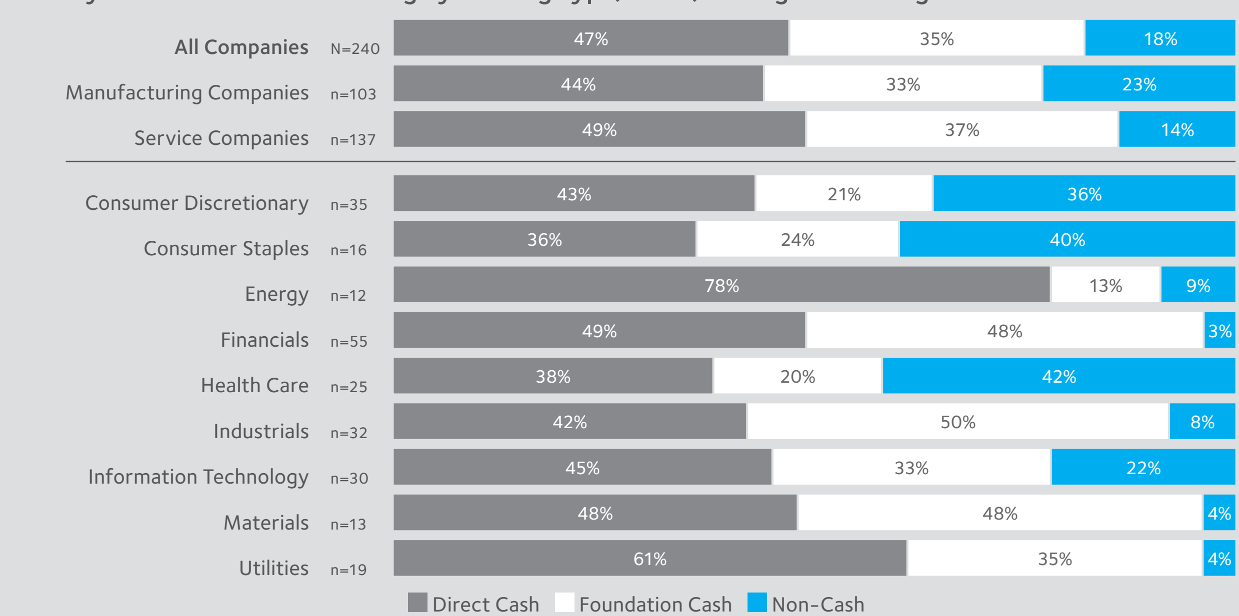
In 2012, total giving growth was driven by increased non-cash contributions (see page 11), yet the average company provided only 18% of giving in the form of non-cash contributions. It is interesting to note that the companies with the largest giving budgets in 2012 provided a greater proportion of non-cash contributions:

2012 Giving Level	Average % of Funding in the Form of Non-Cash
Over $100 Million (n=36)	45%
$50+ to $100 Million (n=28)	25%
$25+ to $50 Million (n=34)	9%
$15+ to $25 Million (n=38)	17%
$10+ to $15 Million (n=25)	13%
$5 to $10 Million (n=36)	6%
Under $5 Million (n=43)	10%

Twenty-one of the 36 companies that gave more than $100 million in 2012 were among the largest 100 companies in the FORTUNE 500. *See page 14.*

FIGURE 8

Industry Breakdown of Total Giving by Funding Type, 2012, Average Percentages



Telecommunications Services companies are excluded due to a small sample size.

GIVING BY PROGRAM AREA

PROGRAM AREA ALLOCATIONS

CGS Survey respondents categorize total giving into nine program areas defined in the "Definitions" section on page 51. Program areas reflect the purpose of the grant rather than the type of nonprofit.

Companies use a variety of methods to identify which program areas to support. Methods often balance customer input, leadership discretion, employee interest, internal resources and expertise, historical partnerships, and community need, among other factors. Most companies support several program areas with varying levels of funding. Figure 9 illustrates the breakdown of funding by program area for an average company in 2012.

EDUCATION TAKES THE TOP SPOT

For the first time since the introduction of *Giving in Numbers* in 2006, Education (K-12 and Higher Education combined) became the most popular program area, inching ahead of Health and Social Services for the top spot on the list.

Increased support for Education is attributed to a couple of factors. There were 19 new survey responders in 2012 that, on average, dedicated 32% of giving to Education programs. This contributed to the higher overall average for Education. In addition, companies that focused on Education often cited the importance of the "pipeline" from education to workforce and their desire to boost the talent pool available to them in the future.

INTERNATIONALLY BASED COMPANIES

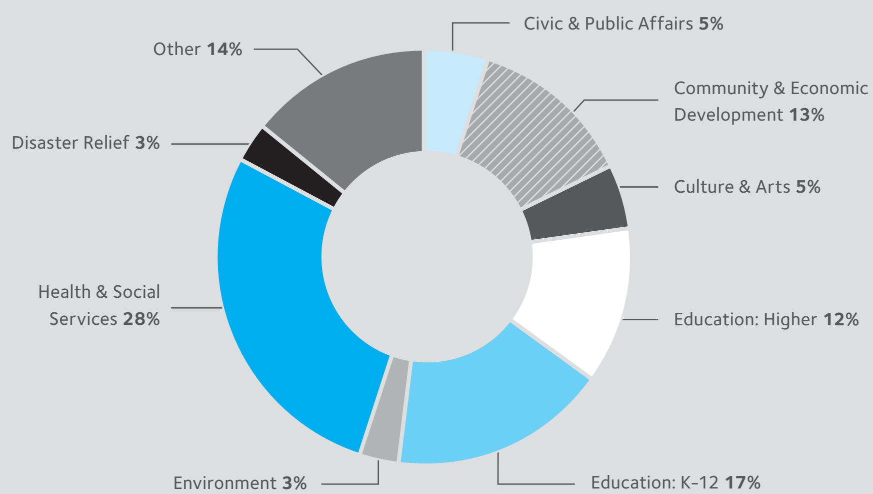
Companies based outside of the United States support program areas in distinct ways, compared to their U.S. counterparts.

For example, companies based outside of the U.S. support K-12 Education with 23% of their total budgets and Higher Education with only 5% (N=14). Companies based inside the U.S., on the other hand, support K-12 Education with 16% of their total budgets and Higher Education with 13% (N=158). Thus, companies based outside of the U.S. prioritize K-12 support over Higher Education more than firms headquartered inside the U.S., perhaps because college fees are subsidized to a greater degree in many countries outside of the U.S.

In addition, Culture and Arts support was higher for companies based outside of the U.S. (10%) than for companies based inside the U.S. (5%).

FIGURE 9

Program Area Allocations, 2012, Average Percentages



N=172

GIVING BY PROGRAM AREA CONTINUED

INDUSTRY DIFFERENCES

Figure 10 details the percentage breakdown of total giving to each program area by industry. Relative to industry peers, the industry providing the highest percentage of giving to a particular program area is highlighted.

Below are selected reasons why companies in particular industries focus on one area over another:

- Information Technology companies often support Science, Technology, Engineering, and Math (STEM) education initiatives to influence the future workforce talent pool.
- Health Care companies often support programs focused on Health and Social Services by utilizing their unique products, services, and medical expertise.
- Utilities companies often focus on energy efficiency, including alternative energy sources, which fall under Environment.

TOP FUNDERS BY DOLLAR VALUE

In 2012, the industries providing the highest median dollar amounts for each program area are shown below (sample sizes are listed in Figure 10):

Program Area	Industry / Highest Median Dollar Amount
Civic & Public Affairs	Industrials / $0.70 Million
Community & Economic Development	Financials / $4.00 Million
Culture & Arts	Consumer Staples / $1.08 Million
Disaster Relief	Financials / $0.56 Million
Education: Higher	Energy / $3.64 Million
Education: K-12	Materials / $4.16 Million
Environment	Utilities / $1.41 Million
Health & Social Services	Health Care / $66.16 Million

Note that the average percentages in Figure 10 do not indicate the magnitude of giving relative to other industries.

COMPANIES AIM FOR DEEPER IMPACT

In 2012, corporate giving programs became more targeted, with many companies focusing efforts on signature programs that align with the companies' expertise and aim to improve the lives of end-recipients. From 2007 to 2012, the percentage of companies reporting 50% or more in total giving to one program area was (N=51):

- 22% in 2007
- 18% in 2008
- 25% in 2009
- 31% in 2010
- 29% in 2011
- 33% in 2012

In each year, among companies that focus 50% or more of their funding to a particular program area, the majority supported Health and Social Services and Education (K-12 and Higher Education).

FIGURE 10

Program Area Allocations by Industry, 2012, Average Percentages

		Civic & Public Affairs	Community & Economic Development	Culture & Arts	Disaster Relief	Education: Higher	Education: K-12	Environment	Health & Social Services	Other
All Companies	**N=172**	5%	13%	5%	3%	12%	17%	3%	28%	14%
Consumer Discretionary	n=22	4%	11%	4%	3%	7%	23%	4%	30%	14%
Consumer Staples	n=13	2%	8%	3%	3%	5%	13%	4%	51%	11%
Energy	n=9	4%	14%	4%	3%	18%	13%	4%	16%	24%
Financials	n=40	5%	24%	7%	3%	12%	18%	1%	14%	16%
Health Care	n=16	2%	1%	2%	1%	10%	3%	0%	78%	3%
Industrials	n=25	7%	10%	5%	3%	14%	17%	3%	32%	9%
Information Technology	n=22	4%	14%	4%	8%	15%	24%	1%	14%	16%
Materials	n=9	2%	11%	8%	1%	11%	18%	8%	14%	27%
Utilities	n=14	10%	14%	10%	1%	17%	11%	10%	20%	7%

Telecommunications Services companies are excluded due to a small sample size.

GIVING BY PROGRAM AREA CONTINUED

GIVING TYPES BY PROGRAM AREA

Companies vary in the ratios of direct cash, foundation cash, and non-cash support provided to specific program areas. These donations are outlined in Figure 11. Program areas in this illustration are listed in order of the number of companies that offered support for that area in 2012.

Health and Social Services and Disaster Relief garnered the highest percentage of non-cash contributions. Product donations are often considered more valuable than cash during times of disaster recovery, as families need food, water, and other replacements for damaged goods that are not available locally.

Higher Education received the highest proportion of foundation cash, likely driven by high levels of matching gifts to employees' alma maters, as 61% of companies offering matching-gift programs managed at least a portion of their programs through the corporate foundation (N=181).

YEAR-OVER-YEAR TRENDS

Each year, the average allocations of giving by program area change minimally. Among the matched set of companies from 2007 to 2012 (N=51), the program areas with the highest percentage point differences between 2007 and 2012 were as follows:

- Culture and Arts: Decreased from 8.85% to 5.27% (-3.58%).
- Community and Economic Development: Increased from 13.38% to 15.34% (+1.96%).
- Disaster Relief: Increased from 0.74% to 2.69% (+1.95%).
- Civic and Public Affairs: Decreased from 6.37% to 4.81% (-1.56%).

Disaster Relief is difficult to analyze as a trend, because support depends on the types and magnitude of natural disasters in a given year. In 2012, the impact of Hurricane Sandy on the east coast of the U.S. resulted in the development of new matching-gift programs and strategies to support affected areas. *See pages 27 and 28*.

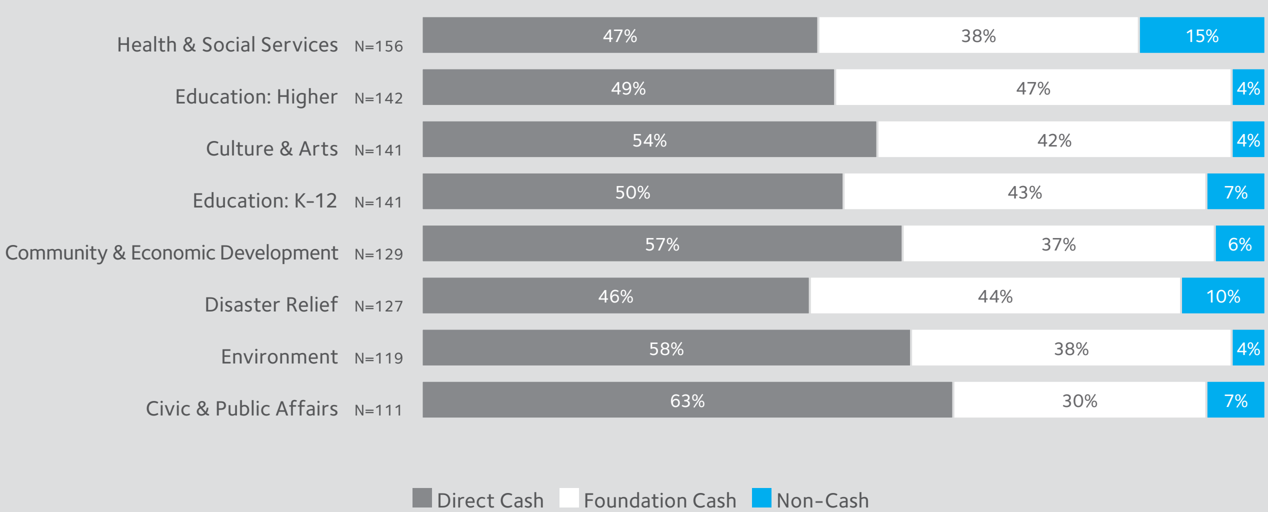
REASONS FOR YEAR-OVER-YEAR CHANGES

In response to the economic forces of the recession, many companies re-examined program areas to respond to community needs. Most notably, companies increased support of Community and Economic Development at the peak of the recession, with 17% of funds going to this program area in 2009, compared to 13% in 2007 (N=51).

By analyzing the changes in Culture and Arts since 2007, the decrease in support was found to be due to declining gift sizes, rather than companies walking away from partnerships altogether. Among companies supporting Culture and Arts programs in 2007, the median contribution was just over $3 million (N=46). In 2012, the corresponding value was $1.9 million (N=46). The decline in Culture and Arts spending was evident among companies that both increased and decreased overall giving from 2007 to 2012, indicating this shift was not merely a result of shrinking budgets.

FIGURE 11

Types of Giving by Program Area, 2012, Average Percentages



MOTIVATIONS FOR GIVING

DEFINING THE MOTIVATIONS

While all corporate giving in the CGS Survey provides societal benefit by supporting 501(c)(3) organizations or the international equivalent, the business benefits vary depending on specific grant intentions:

- **Charitable:** Reactive community giving for which little or no business benefit is expected. Examples include disaster relief, matching-gift programs, raffle donations, and undirected bulk gifts to an in-kind distributor.
- **Community Investment:** Proactive grants that simultaneously aid long-term business goals and serve a critical community need. Multi-year grants and signature programs are typically community investments.
- **Commercial:** Philanthropy in which a benefit to the corporation is the primary motivation. Examples include cause marketing and giving to organizations as requested by clients or customers.

There are no "right" or "wrong" motivations. The labels provided here aim simply to identify intent.

GIVING MOTIVATION BY HEADQUARTERS LOCATION

Figure 12 illustrates the different giving motivations displayed by the location of a company's headquarters, specifically their United States Census Region, and abroad, for 2012.

Companies based outside of the U.S. stand out as most heavily focused on Community Investment, more so than any U.S. region. This coincides with findings that suggest that companies based outside of the U.S. support K-12 Education at a higher percentage of total giving than U.S.-based companies do, as K-12 Education support is often aligned with long-term workforce-development goals. Companies based in the American South provide the most Charitable contributions, driven by several Service companies that identify 100% of their contributions as Charitable in nature and support Health and Social Services initiatives more than any other program area.

YEAR-OVER-YEAR CHANGES

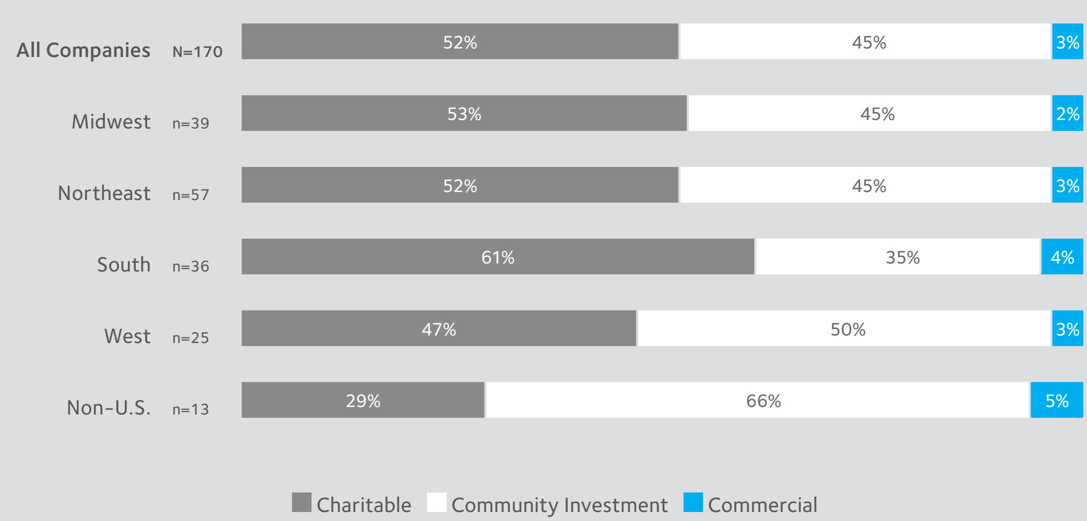
Since 2008, Manufacturing companies transitioned their giving motivations to help meet both business goals and nonprofit needs, increasing giving categorized as Community Investments to 64% of total giving by 2012. Service companies, on the other hand, decreased Community Investments slightly during the same timeframe.

	Community Investment % by Year	
	Service (N=26)	Manufacturing (N=29)
2007	45%	56%
2008	41%	55%
2009	45%	57%
2010	45%	57%
2011	43%	60%
2012	42%	64%

Both Manufacturing and Service companies increased giving categorized as Charitable from 2007 to 2008, as communities sought greater general, reactive support due to the effects of the recession, the Sichuan earthquake in China, and wildfires in California.

FIGURE 12

Giving Motivations by Geographic Headquarters Location, 2012, Average Percentages



Giving Internationally

KEY FINDINGS IN THIS SECTION:

Majority of Companies Give Internationally

In 2012, 71% of companies gave to international end-recipients. These "international givers" dedicated, on average, 21% of their contributions budget to international end-recipients. *See page 23.*

Manufacturing Companies Lead International Giving

Of companies providing international contributions, Manufacturing companies contributed a higher percentage of total giving to international end-recipients than Service companies in each year from 2007 to 2012. Energy companies, many with global operations, provided a greater percentage of giving to international end-recipients than any other industry. *See page 24.*

Business Strategies Drive International Giving

Corporate giving officers identified business strategy and employee footprint as the strongest drivers for the expansion of international giving. Other reasons for expansion included societal need and revenues generated abroad.
See page 24.

INTERNATIONAL GIVING REGIONS AND PROGRAM AREAS

GIVING DOMESTICALLY AND ABROAD

In the CGS Survey, "domestic" applies to a company's corporate headquarters country, while "international" refers to all other countries. In 2012, 92% of responding companies were based in the United States (N=240).

Of companies reporting the location of grant end-recipients, 71% gave to international end-recipients (N=163). These "international givers" gave, on average, 21% of total giving to international end-recipients. Figure 13 highlights that international giving as a percentage of total giving varies significantly by industry.

Some companies give to only domestic causes. The Utilities and Financials industries include many of the companies that provide funds only for domestic end-recipients. The Utilities industry typically serves a defined domestic market, while the Financials industry has many insurance companies that serve only the domestic market.

GIVING BY GEOGRAPHIC REGION

The following table shows the average allocation provided to each geographic region for all companies (N=112):

Region	Average % Regional Breakdown of Total Giving
North America	72%
Latin America & the Caribbean	6%
Asia & the Pacific	5%
Europe	4%
Middle East & Africa	3%
Breakdown Unavailable	4%
Global (Region-Nonspecific)	6%

The five geographic regions are defined in the CGS Valuation Guide. The samples for this analysis include only international givers that provided regional breakdown information in the CGS Survey. Manufacturing and Service companies were very similar in a comparison of regional allocations of international contributions.

GIVING BY PROGRAM AREA

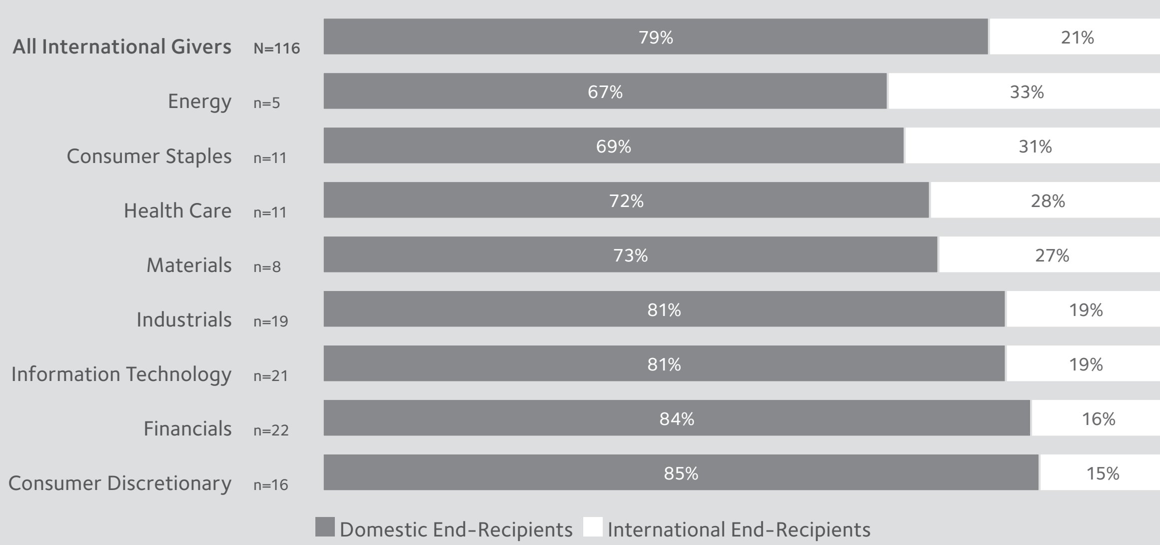
Disaster Relief is historically a top focus for companies supporting international end-recipients, yet the results from 2012 show that Disaster Relief support was only 5% of the average company's international giving portfolio (N=68):

- Health & Social Services: 26%
- Education: K-12: 19%
- Community & Economic Development: 13%
- Other: 12%
- Education: Higher: 10%
- Environment: 9%
- Disaster Relief: 5%
- Civic & Public Affairs: 4%
- Culture & Arts: 2%

International program area allocations do not necessarily mirror overall program area allocations. For example, nearly a third of companies providing more than 50% of funds to Health and Social Services abroad did not make that program area their top domestic focus in 2012 (N=25).

FIGURE 13

International Giving as a Percentage of Total Giving For Companies Providing International Gifts in 2012, Average Percentages



Telecommunications Services and Utilities companies are excluded due to small sample sizes.

INTERNATIONAL GIVING TRENDS

MANUFACTURING AND SERVICE COMPANIES – GIVING TRENDS

Manufacturing companies provided a higher proportion of total giving to international end-recipients than Service companies, likely due to a greater corporate footprint abroad. Manufacturing companies reported an average of 51% of their revenue as being international in origin, compared to 30% for Service companies (n=51 and n=40, respectively).

As illustrated in Figure 14, the percentage of giving to international end-recipients for Manufacturing companies remained fairly steady from 2007 to 2012, while for Service companies it fluctuated. The fluctuations in international support from Service companies were likely driven by support of Disaster Relief initiatives. For example, the 2011 earthquake in Japan contributed to the peak level of international funding shown in Figure 15. While Manufacturing companies provide more consistent support abroad, Service companies are often more likely to make reactive one-time grants.

EMPLOYEE FOOTPRINT AND INTERNATIONAL GIVING

At the 2013 CECP Summit, corporate giving officers identified business strategy and employee presence as the strongest drivers of international giving expansion. A new CGS question asked for more details on selecting international end-recipients by country:

Which of the following best describes the role of employee footprint in developing your company's international giving strategy? (N=120)

- 36%: Any country in which my company has employees
- 31%: A limited list of countries in which my company has employees
- 20%: Only the country in which my company is headquartered
- 13%: Countries that have the greatest societal need or strategic value, irrespective of whether my company has employees in those countries

GIVING TO BRIC COUNTRIES

Giving to BRIC countries (Brazil, Russia, India, and China) is noteworthy because of their particularly strong economic performance among emerging markets. Of non-BRIC headquartered companies that shared giving levels to BRIC countries, 39% gave to all four countries (N=62). On average, 22% of giving to international end-recipients is allocated to end-recipients in BRIC countries (N=62).

Manufacturing companies that gave internationally allocated more to BRIC countries, on average, as shown in the table below:

	BRIC Recipients as a Percentage of International Giving
Manufacturing (n=40)	25%
Service (n=22)	16%

FIGURE 14

International Giving as a Percentage of Total Giving, Average Percentages, Matched-Set Data

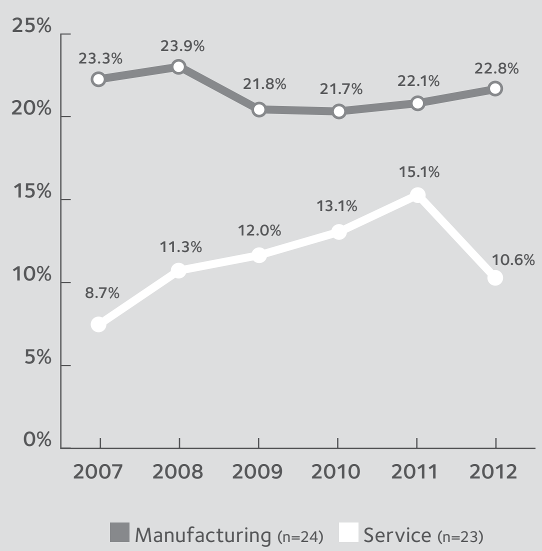


FIGURE 15

Median International Giving and International Giving as a Percentage of Total Giving, Average Percentages, Matched-Set Data

N=47

GLOBAL GIVING TOOLS AND RESOURCES

Effective international corporate giving strategies take into account the defining characteristics of each locale where contributions occur. Excerpts from two studies on this topic are presented here.

CECP *GLOBAL GUIDE* DATA

CECP's *Global Guide* presents benchmarking data on country contributions and tracks distinct giving trends in order to inform strategy development.

Country Data

As shown in the table, international corporate contributions focus on emerging markets and tend to stay close to home. This analysis includes only international giving: contributions to recipients outside of a company's headquarters country.

India, an emerging market, tops the list of countries where most companies invest international giving dollars. This is likely because of its strong potential as a growth market coupled with its reputation as a country of great need. (India ranks 136th on the United Nation's Human Development Index.) Respondent companies, which were predominantly from North and South America, also reported high levels of giving in their home regions; Canada, Mexico, Brazil, Argentina, and Colombia are all on the list of Top 10 Recipient Countries.

Tracking Trends

In countries where the development of a robust and independent civil society faces challenges, alternative institution types become important corporate contribution recipients. For example, there are places where government institutions may be the most effective partner in managing Disaster Relief contributions. An institution wishing to perform charitable work may choose to register as a legal entity typically associated with for-profit businesses in order to avoid certain barriers pertaining to registering as a charitable entity.

For reasons such as these, the *Global Guide* collects giving information to "alternative" institution types.

In 2012, 51% of companies contributed to for-profit institutions (social enterprises) and 55% of companies contributed to government institutions (N=49).

These are preliminary results from CECP's *Global Guide* analysis of 2012 contributions. Please visit cecp.co/global for expanded results on global giving for the 60 respondent companies, as well as detailed information on the *Global Guide* standard.

Top 10 Recipient Countries By Percentage of Companies Contributing, N=32

	India	Canada	China	Mexico	U.K.	Argentina	Brazil	Australia	Indonesia	Colombia
% of Companies Contributing	72%	69%	66%	66%	66%	59%	59%	56%	56%	53%
% of Aggregate International Giving	2%	8%	4%	2%	9%	2%	3%	7%	1%	2%

FINDINGS FROM THE CONFERENCE BOARD RESEARCH WORKING GROUP ON GLOBAL PHILANTHROPY

In 2012, as part of a research working group that convened 20 of its member companies around the world, The Conference Board released *Corporate Philanthropy with a Global Footprint,* a report designed to equip giving professionals with high-level best practices for international grantmaking, as well as to provide specific country and regional context and guidance. Included here are select key takeaways. Find the full report by visiting: www.conference-board.org/publications.

Macro Trends

- Global corporate social investment strategy should be issues-focused, outcome/impact-oriented, and flexible enough to allow for local adaptation and implementation.
- Global companies are leveraging corporate social investment for market expansion and economic development, but less so for new market entry.
- Investment, not philanthropy, is the preferred terminology and approach internationally.

Implementation Findings

- Using intermediary organizations is favored by U.S.-based companies to make social investments in international locations.
- Expenditure responsibility is the preferred method to ensure that a U.S.-based company's social investments are used for charitable purposes, in compliance with U.S. laws and regulations.
- NGOsource is a recently launched equivalency determination information repository.

Employee Engagement

- Employee engagement activities should be considered in the specific cultural context of the country where activities will occur.
- Volunteerism is the primary way to engage employees in international locations; local, homegrown initiatives tend to be most successful.
- The companies with the best engagement track records 1) identified desired outcomes and worked backwards, 2) concentrated on inspiring practices rather than best practices, and 3) aimed to be strategic globally, yet relevant locally.

Employee and Stakeholder Engagement

KEY FINDINGS IN THIS SECTION:

Matching-Gift Contributions Grew Since 2007

The median level of matching-gift contributions rose by 8.1% from $3.7 million in 2007 to $4.0 million in 2012, driven primarily by increasing employee levels. *See page 28.*

Growth in Disaster Relief Matching Gifts

Driven by large-scale natural disasters from 2010 to 2012, the percentage of companies offering a Disaster Relief matching-gift program increased from 22% of companies in 2007 to 39% in 2012.

See page 28.

Companies Empower Employees to Support Communities

The percentage of companies offering Paid-Release-Time or Outside-Company-Time programs grew since 2007. Companies headquartered in the American Northeast are most likely, on average, to offer a domestic Paid-Release-Time volunteer program.

See pages 29 and 30.

Companies as Fundraisers

Among funds raised from employees, customers, vendors, suppliers, and nonprofit partners, the median dollar amount raised from non-employees was $2.33 million, equal to that from employees. Since 2010, the number of nonprofits supported through employee fundraising grew for 56% of companies in 2012, indicating that matching-gift and other fundraising programs are leaving more discretion to employees in determining where contributions are made.

See page 32.

MATCHING GIFTS

MATCHING-GIFT PROGRAMS

As shown in Figure 16, the majority of matching-gift program allocations were focused on Workplace Giving Campaigns and Year-Round Policy. The CGS Survey includes the corporate portion of matching gifts in total giving; total giving excludes employee contributions, but they are recorded separately (see page 32). Below is an overview of matching-gift policies assessed in the 2012 survey:

Year-Round Policy:
Giving that occurs year-round and not as part of a specific campaign.

- **Eligibility:** Both full- and part-time employees are typically eligible, sometimes limited to those who have been with the company for at least one year.
- **Median Percentage of Employees Who Participated:** 8.0% (N=15).
- **Ratio:** Majority of companies offer a 1:1 match, while some companies offer a 2:1 or higher match for specific nonprofit organizations.
- **Caps:** The most common cap per employee per year was $5,000, but responses ranged from $300 to $50,000. Some companies allow unlimited matches per employee but capped the company's total contribution at a set amount.

Workplace Giving Campaigns: Fundraising drives that occur for a defined time period.

- **Eligibility:** Often limited to full-time employees. Many companies exclude retirees and board members.
- **Median Percentage of Employees Who Participated:** 43.5% (N=28).
- **Ratio:** The most common match ratio is 1:1. Few companies offer more than 1:1, and several companies offer a partial match, contributing 20% or 50% of every dollar donated by an employee.
- **Caps:** Most programs are limited to $5,000 to $15,000 per employee annually.

Dollars for Doers: Contributions in recognition of a certain level of employee-volunteer service. While most Dollars for Doers programs are offered year-round, companies also develop programs when the company is affected by a disaster, such as Hurricane Sandy in 2012.

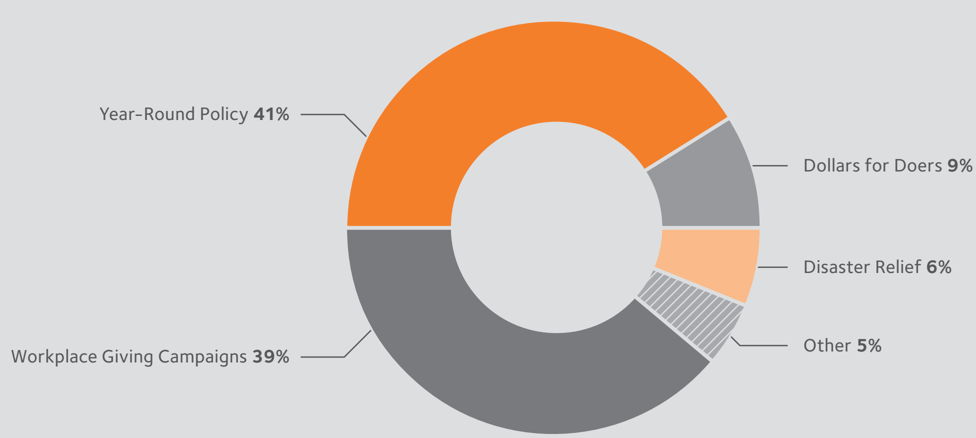
- **Eligibility:** Most companies offer programs to full- and part-time employees, often including spouses and children.
- **Median Percentage of Employees Who Participated:** 1.5% (N=10).
- **Ratio:** Majority of companies offer approximately $10 to $15 per hour volunteered.
- **Caps:** The most common caps were between $500 and $750 per employee.

Disaster Relief Matching Programs: Matching programs benefitting disaster-related crisis relief, recovery, rebuilding, and/or preparedness. Programs are often started when the company's community is directly affected by a disaster.

- **Eligibility:** Most programs aligned Disaster Relief eligibility with other matching-gift programs (Year-Round or Workplace Giving Campaigns).
- **Median Percentage of Employees Who Participated:** 3.0% (N=5).
- **Ratio:** Most programs offer a 1:1 match, with some companies offering more depending on the severity of the disaster.
- **Caps:** While an annual limit of $5,000 to $6,000 is common, most companies set overall program caps at varying levels based on the severity of the disaster.

FIGURE 16

Matching-Gift Program Allocation, 2012, Average Percentages



N=181

TRENDS IN MATCHING-GIFT CONTRIBUTIONS LEVELS

Adjusted for inflation, from 2007 to 2012, 46% of companies increased while 47% decreased the dollar amounts contributed to nonprofits through matching-gift programs (N=76). The other 7% of companies remained flat in matching-gift funding. The median level of matching gifts rose from \$3.7 million in 2007 to \$4.0 million in 2012 (N=76).

Changes in overall matching-gift contribution levels were driven by many factors. Most notably, the median employee base grew 8% from 2007 to 2012 for companies that increased matching-gift contributions (n=35), whereas the median employee base fell -3% for companies decreasing matching gifts (n=36) from 2007 to 2012. In addition, Disaster Relief matching gifts were higher in 2012 than in 2007, as illustrated in Figure 17.

MATCHING GIFTS BY INDUSTRY

Matching gifts comprised a median of 12% of a company's total cash giving in 2012 (N=181). Industries differed in their approach to engaging employees through matching gifts. Below are the comparisons by industry for the level of matching gifts as a percentage of total cash giving (medians):

- Consumer Discretionary (n=21): 6%
- Consumer Staples (n=13): 9%
- Energy (n=8): 17%
- Financials (n=46): 14%
- Health Care (n=20): 13%
- Industrials (n=26): 15%
- Information Technology: (n=23): 16%
- Materials (n=10): 11%
- Utilities (n=13): 9%

Energy companies provided the highest level of matching gifts as a percentage of total cash giving, followed closely by Information Technology companies. Telecommunications Services companies were not included due to a small sample size.

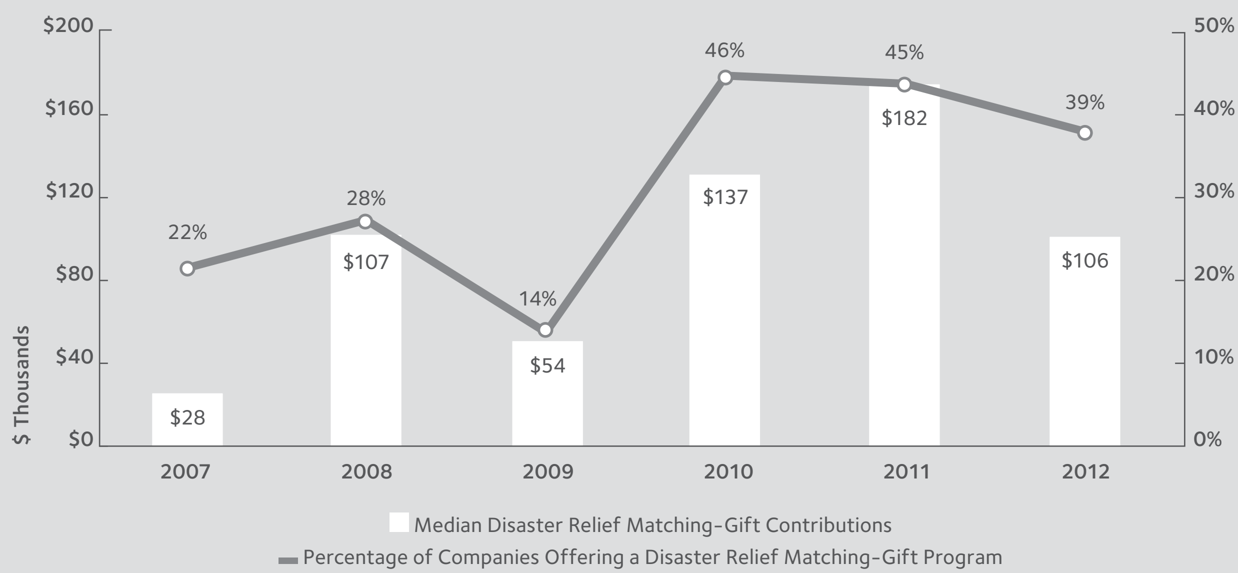
DISASTER RELIEF MATCHING GIFTS

Figure 17 illustrates how Disaster Relief matching-gift programs have grown more common from 2007 until 2012. The line on the graph highlights the percentage of companies that matched employee donations for Disaster Relief efforts each year. Among companies offering a Disaster Relief matching-gift program, the bars illustrate the median value of matching contributions provided in each year.

Disaster Relief matching-gift programs are typically offered in response to specific natural disasters. Program offerings and funding levels increased in 2010 for a number of disasters, including the Haitian earthquake and floods in Pakistan. Disaster Relief matching gifts were typically focused on earthquakes in Japan in 2011 and Hurricane Sandy in 2012. The 2008 spike was driven by the Sichuan earthquake in China and California wildfires.

FIGURE 17

Median Disaster Relief Matching-Gift Contributions and Percentage of Companies Offering a Disaster Relief Matching-Gift Program, Inflation-Adjusted, Matched-Set Data



N=76

EMPLOYEE VOLUNTEERISM

TYPES OF VOLUNTEER PROGRAMS

The CGS Survey defines a formal employee-volunteer program as a planned, managed effort that seeks to motivate and enable employees to volunteer under the employer's sponsorship.

In 2012, 188 companies reported having a formal domestic employee-volunteer program, a formal international employee-volunteer program, or both. Of these companies:

- 60% offered both domestic and international programs.
- 40% offered domestic programs only.

MOST OFFERED PROGRAMS

Figure 18 represents the percentage of companies offering each type of employee-volunteer program. Dollars for Doers volunteer programs were the most frequently offered domestic program, despite the fact that only 1.5% of employees participated in the program. *See page 27.*

MOST SUCCESSFUL PROGRAMS

The CGS Survey asks respondents to identify the volunteer programs that appear to be most successful within their companies. The most successful engagement programs in 2012 included, in order:

Domestic (N=171)	International (N=93)
Paid Release Time (75 Companies)	Paid Release Time (41 Companies)
Dollars for Doers (72 Companies)	Company-Wide Day of Service (37 Companies)
Company-Wide Day of Service (71 Companies)	Employee-Volunteer Awards (31 Companies)
Employee-Volunteer Awards (50 Companies)	Flexible Scheduling (26 Companies)
Flexible Scheduling (39 Companies)	Team Grants (24 Companies)

While this result is skewed to favor programs offered more widely, the results do not exactly match the programs offered most frequently. For domestic programs, the top three programs were much more frequently cited as more successful than any of the rest.

TRACKING VOLUNTEER PARTICIPATION

Paid-Release-Time programs allow employees to volunteer with a 501(c)(3) organization during a normal paid work schedule. Accordingly, their employer incurs costs for the time they spend away from the office:

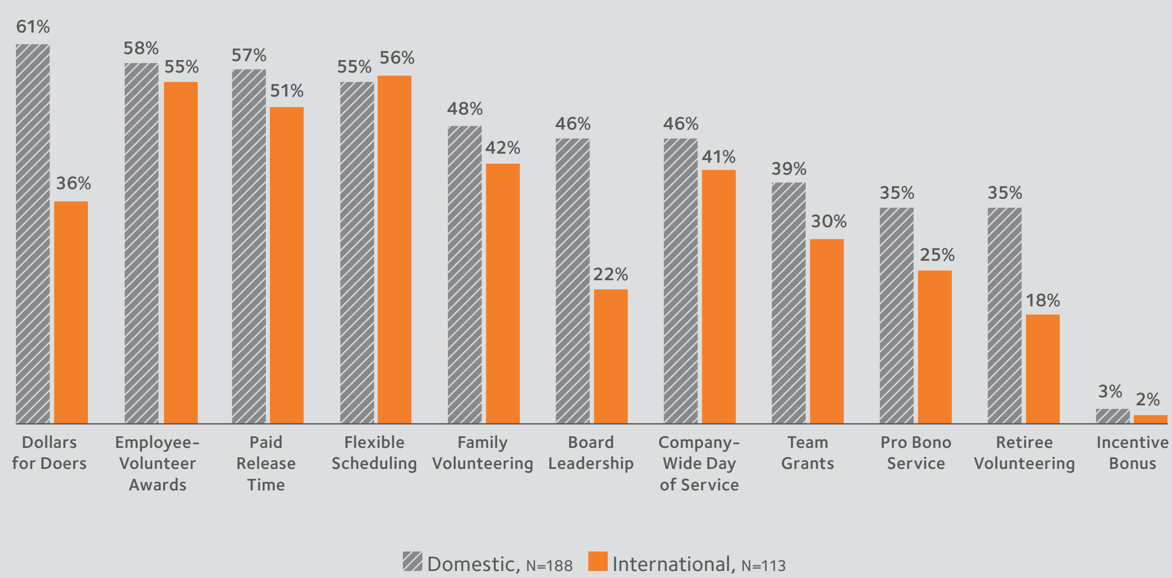
- 41% of employers had a formal system to track Paid-Release-Time hours (N=175).
- The median cost to a company for Paid-Release-Time programs was $2.2 million (N=26).
- The median number of Paid-Release-Time hours was 31,132 (N=82).

For companies that responded to the CGS Survey with total Paid-Release-Time hours in both 2011 and 2012, 60% increased the number of hours reported in 2012 (N=52).

Outside-Company-Time volunteer programs are company-sponsored community activities that occur outside a paid work schedule, so the company incurs no compensation costs. The median number of Outside-Company-Time hours was 62,085 in 2012 (N=80).

FIGURE 18

Corporate Volunteer Opportunities, 2012, Percentage of Companies Offering Each Program



CHANGES OVER TIME

As shown in Figure 19, analysis over a six-year period reveals that since before the global recession, companies are now offering more volunteer programs both on and off company time, despite the slight decline from 2009 to 2011 reported last year.

As corporate profits declined in 2008 and 2009, cash giving budgets were tightened and some corporate contributions professionals looked within their companies to find unique ways to continue supporting communities. Many companies offered volunteer support to nonprofit partners, in addition to funds, in a given year. The program growth in Figure 19 reflects this sentiment as 70% of companies in the matched set offered Paid-Release-Time programs in 2012. Paid-Release-Time offerings increased both for companies that increased total giving and decreased total giving from 2007 to 2012.

REGIONAL VOLUNTEER OFFERINGS

Common business goals for employee-volunteer programs are to improve employee morale, increase retention, and assist recruitment efforts for high-performing job candidates. As companies often compete for top talent by city or region, *Giving in Numbers* assessed how companies based in each of the Census Bureau's regions (and outside of the U.S.) compared in offering domestic Paid-Release-Time programs:

- All Companies (N=188): 57%
- Northeast (n=61): 66%
- Midwest (n=42): 64%
- South (n=37): 51%
- Non-U.S. (n=15): 47%
- West (n=33): 45%

Companies in the American Northeast and Midwest offered Paid-Release-Time volunteer programs more frequently than other regions. For other programs, companies based in the American West offered the highest percentage of Dollars for Doers programs (70%), while companies based in the American South offered the highest percentage of Family Volunteering Programs (59%).

REGIONAL PARTICIPATION COMPARISONS

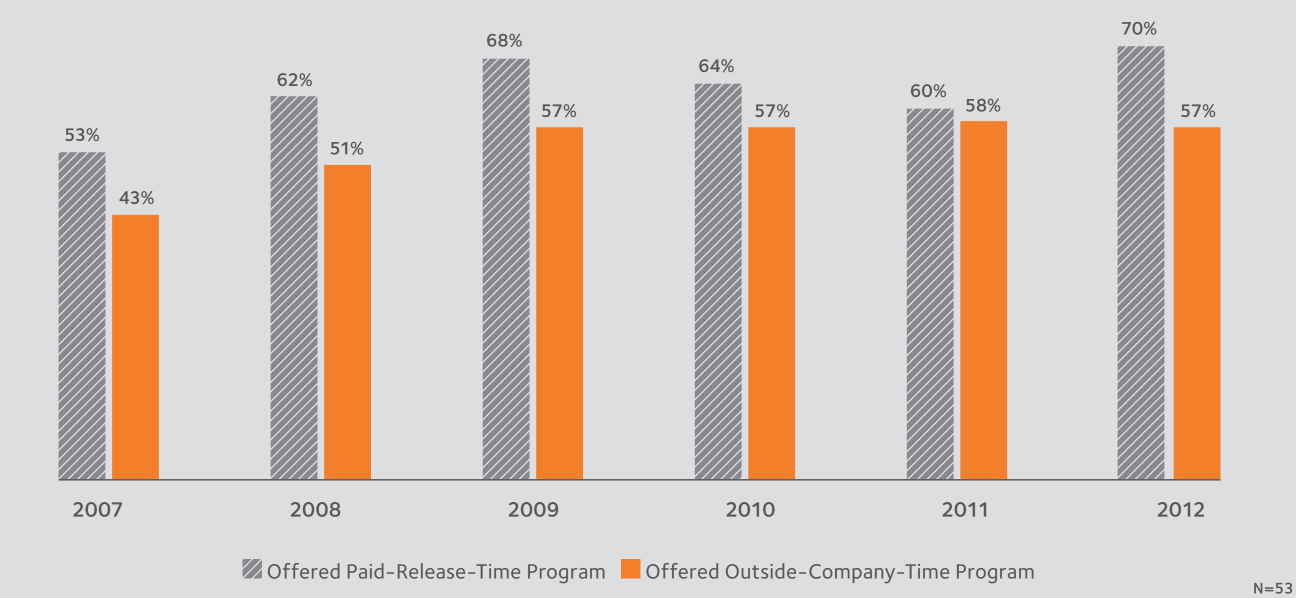
The culture and norms of a region likely influence how companies conduct philanthropy programs and engage employees. In terms of volunteer participation, companies based in the American Midwest had the highest average percentage of employees volunteering at least one hour in 2012, followed closely by the American Northeast:

- All Companies (N=90): 30%
- Midwest (n=19): 34%
- Northeast (n=30): 33%
- West (n=20): 28%
- South (n=14): 27%
- Non-U.S. (n=7): 18%

It is important to recognize that just because a company is headquartered in a region does not mean that the majority of its employees work in that region. Some companies have stores or branches around the globe. Thus, these statistics are more reflective of companies' efforts to encourage volunteerism and track the results than the volunteer levels occurring within a region.

FIGURE 19

Percentage of Companies with Paid-Release-Time and Outside-Company-Time Volunteer Programs, Matched-Set Data



PRO BONO SERVICE

UNIQUE CHARACTERISTICS OF PRO BONO SERVICE

Pro bono service is distinct from other forms of skills-based employee engagement in the following three ways:

1. **Commitment:** The company is responsible for staffing the project, ensuring its completion and quality, and applying the highest professional standards to the engagement.
2. **Professional Services:** Participating employees must use their core job skills as specified in their official job descriptions. Projects that utilize only a portion of an employee's core competencies are considered volunteerism rather than pro bono service.
3. **Indirect Services:** All services must be provided through a 501(c)(3) organization or the international equivalent.

Based on the inherent differences between pro bono service and other forms of employee engagement, pro bono service is reported in the CGS Survey as non-cash and valued at Fair Market Value (FMV). The CGS Valuation Guide includes instructions for reporting pro bono service hours at FMV.

NON-CASH DIFFERENCES BY INDUSTRY

Figure 20 displays the average percentage breakdown of non-cash giving by industry for 2012. As in past years, Service companies provided a greater percentage of pro bono service and "Other Non-Cash" donations, such as written-down office equipment, real estate, or the use of company facilities. Manufacturing companies provided the majority of non-cash contributions through product donations.

Many companies offer pro bono support but are currently unable to track hours or report the value of these donations reliably. Thus, despite the tremendous growth of non-cash contributions detailed earlier in this report, the level of non-cash contributions being reported in 2012 appears to be a conservative measure of overall support.

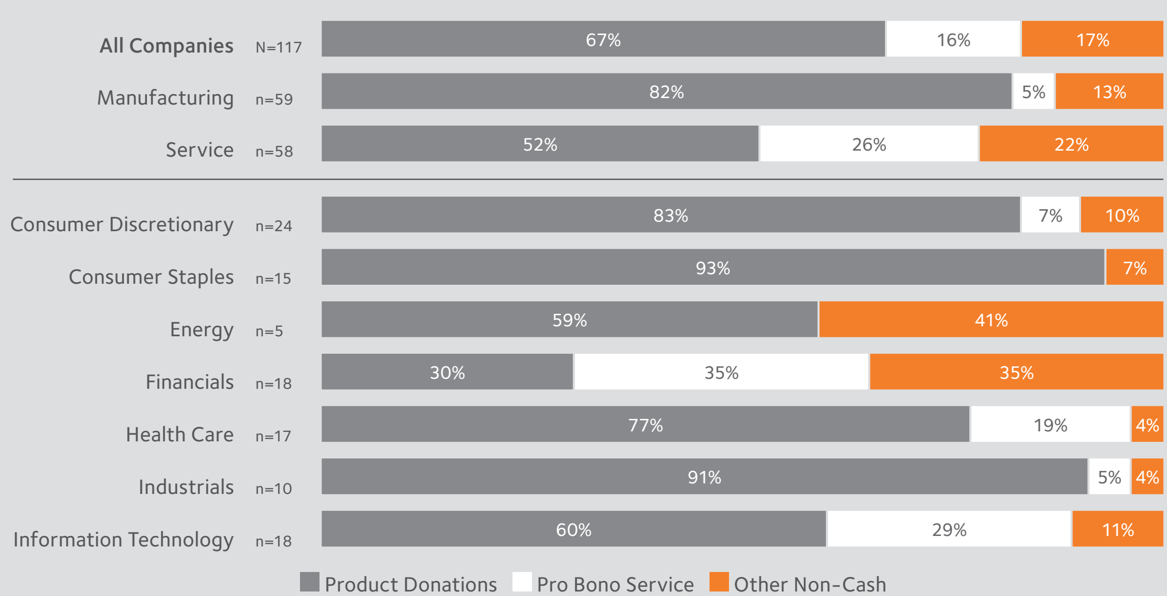
TRENDS IN PRO BONO SERVICE

Pro bono programs require close company supervision to identify and manage projects. Despite the difficulty in managing such programs, the percentage of companies offering either a domestic or international pro bono program grew from 32% in 2008 (the first year in which pro bono programs were tracked) to 50% of companies in 2012 (N=68). In addition to offering pro bono programs, the number of companies reporting a dollar value for pro bono service has grown from 17 companies in 2008 to 36 companies in 2012. For 2012, among all survey respondents, 36 companies reported a median value of $340,750 worth of pro bono support.

Companies aim to support communities with the unique skills and resources of their staff. Particularly for companies without a tangible product to contribute, pro bono service provides meaningful ways for companies to impact the operational capacity of nonprofit partners while also developing a rewarding experience for employees.

FIGURE 20

Breakdown of Non-Cash Giving by Industry, 2012, Average Percentages



Materials, Telecommunications Services, and Utilities companies are excluded due to small sample sizes.

PHILANTHROPIC LEVERAGE

COMPANIES AS FUNDRAISERS

In an effort to understand the full reach of a company's investment into communities around the globe, CECP, in association with The Conference Board, collects data on the funds leveraged for nonprofits through company relationships with customers, vendors, suppliers, and employees.

To be included as philanthropic leverage funds, dollars must be raised from formal campaigns meeting the following criteria:

- **Corporate Commitment:** Formal campaigns must be company-sponsored, organized by a professional giving officer, and run nationally (at least). Campaigns that occur only in particular offices, regions, or stores are excluded.
- **Nonprofit Beneficiaries:** Fund recipients must be 501(c)(3) organizations or the international equivalent.
- **What to Exclude:** Any contribution provided by the company.

FUNDRAISING FROM EMPLOYEES

Figure 21 shows that the median total dollar amount raised from employees, often through matching-gift programs, was $2.33 million in 2012. The analysis covered a matched set of companies from 2010 until 2012 and the number of nonprofits being supported through employee fundraising increased for 56% of companies, remained flat for 22% of companies, and decreased for 22% of companies (N=27).

Companies vary widely on the range of 501(c)(3) organizations that are made available for payroll deductions. The increase in the number of supported nonprofits since 2010 indicates that companies are allowing employees more discretion in determining which nonprofits they choose to support through payroll deductions and matching-gift programs, likely in an effort to make the programs more meaningful for participating employees.

FUNDRAISING FROM NON-EMPLOYEES

The median dollar amount raised from non-employees was also $2.33 million, driven primarily by customer-facing corporations, including "at the register" fundraising from retailing companies. A similar model in the Finance industry involves fundraising at bank branches. In 2012, several banks offered customers the opportunity to support Disaster Relief efforts directly through an ATM transaction. Utility companies often allow customers to make donations on their monthly bill.

Such programs offer nonprofits a broad reach to develop funds through their corporate partnership, often resulting in contributions above and beyond what could be possible if a corporation made only cash contributions. In addition to dollars raised, companies often have the ability to provide marketing support for nonprofit partners through philanthropic campaigns.

FIGURE 21

Philanthropic Leverage: Median Contributions Raised from Corporate Fundraising Campaigns, 2012

MONEY RAISED FROM NON-EMPLOYEES		Median
Number of Fundraising Campaigns Offered Per Year	N=35	1
Total Number of Campaign Days (Across All Campaigns)	N=26	56
Total Marketing/Administrative Dollars Spent	N=13	$30,000
Number of Nonprofit Partners Supported	N=29	9
Total Dollar Amount Generated for Nonprofit Partners	N=35	$2.33 Million
MONEY RAISED FROM EMPLOYEES		
Total Dollar Amount Raised from Employee Payroll Deductions	N=81	$2.33 Million
Total Dollar Amount Raised from Other Employee Contributions	N=82	$747,725
Number of Nonprofit Partners Supported	N=77	587

Administration Practices and Program Costs

KEY FINDINGS IN THIS SECTION:

Majority Have Corporate Foundations

81% of companies reported having a corporate foundation, the most common of which is a predominately pass-through structure. *See page 34.*

Corporate Foundations Support Education

On average, corporate foundations support Education programs more, as a percentage of total giving, than direct corporate headquarters contributions departments.

See page 34.

Corporate Community Affairs Departments Gain Control

Corporate Community Affairs departments increased control over corporate giving budgets from 36% in 2007 to 42% in 2012, driven primarily by growth in total non-cash contributions controlled by the Community Affairs department.

See page 35.

Fewer Grants, But Higher Grant Amounts

Study results indicate that corporate giving professionals manage fewer but larger grants in an attempt to drive deeper societal impact with each community investment.

See page 36.

CORPORATE FOUNDATIONS

FOUNDATION STRUCTURES

In 2012, 81% of companies reported having a corporate foundation (N=199). Respondents classified their foundation structures as follows:

- **Predominately Endowed:** Funded primarily from returns on an endowment (asset reserves invested to make a return).
- **Predominately Pass-Through:** Funded annually by the company, with typically 100% of those funds distributed throughout the year.
- **Hybrid:** Combination of endowed and pass-through foundation models, with neither structure dominating.
- **Operating:** Functions as a stand-alone nonprofit, granting at least 85% of its assets in programming or services directly to end-recipients.
- **Other:** Structure different from the types listed.

As displayed in Figure 22, predominately pass-through foundations were most common in 2012 (N=162).

CORPORATE TRANSFERS OF FUNDS

Out of the 162 companies with a foundation, 94 companies (58%) reported transferring funds to the corporate foundation in 2012:

- **Predominately Endowed:** 24% of companies transferred funds (n=37). The median transfer amount was $7.1 million.
- **Predominately Pass-Through:** 71% of companies transferred funds (n=70). The median transfer amount was $7.8 million.
- **Hybrid:** 63% of companies transferred funds (n=30). The median transfer amount was $10.0 million.
- **Operating:** 90% of companies transferred funds (n=10). The median transfer amount was $7.1 million.
- **Other:** 47% of companies with a foundation type different from those listed transferred funds (n=15). The median transfer amount was $13.8 million.

Some endowed foundations make contributions based on levels of investment income that varies year by year. Corporate foundations often also have access to principal dollars with approval from the board of directors.

CORPORATE FOUNDATIONS FOCUS ON EDUCATION SUPPORT

Of companies that reported a breakdown of foundation giving by program area, the average percentage of support going to Education programs was higher for foundation cash at 34% (N=134) than for direct cash contributions at 24% (N=166). Direct cash contributions had higher levels of uncategorized funds and slightly more focus on Civic and Public Affairs and Community and Economic Development.

INDIVIDUAL BUDGET AUTHORITY

The largest grant dollar value that the senior-most person in the corporate giving department and/or foundation can award independently (i.e., without the review of a committee or board) is often considered a measure of autonomy for the corporate giving department or foundation.

Corporate Side (N=130):

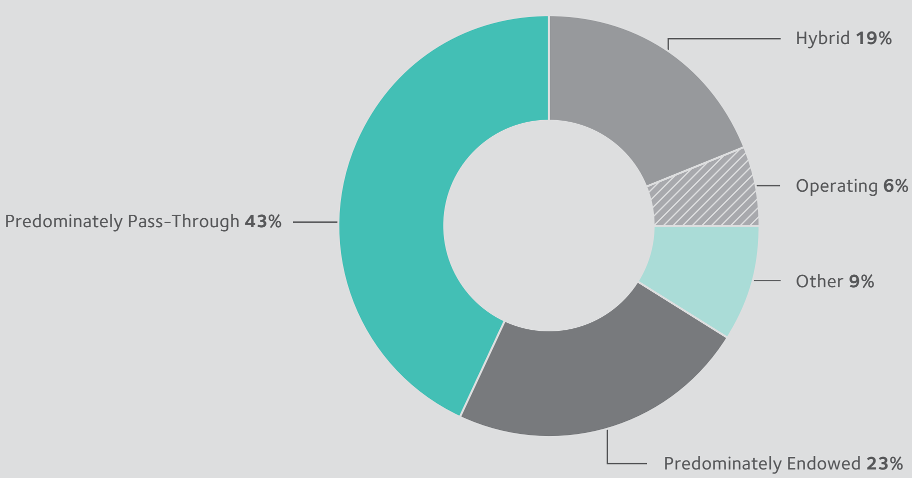
- $50,000 = Median approval level
- $0 to $5,000,000 = Range of approval levels

Foundation Side (N=116):

- $50,000 = Median approval level
- $0 to $1,500,000 = Range of approval levels

FIGURE 22

Percentage of Companies by Corporate Foundation Structures, 2012



N=162

BUDGET OVERSIGHT

BUDGET TERM DEFINITIONS

An analysis of giving by budget source indicates the extent to which corporate headquarters manages a company's total giving portfolio. In the CGS Survey, companies separate their total giving (inclusive of direct cash, foundation cash, and non-cash) into three budget source designations, each indicating the group from which the community investment was drawn:

- **Corporate Community Affairs:** Giving from one centralized philanthropy budget. This represents giving by the corporate headquarters contributions department (e.g., Corporate Community Affairs, Community Relations, External Affairs).
- **Corporate Foundation:** Giving from the corporate foundation. Funding for the foundation must originate from the company and not from private individuals, suppliers, or vendors.
- **All Other Groups:** Giving from all other offices, regions, business units, or groups outside the corporate headquarters contributions department or corporate foundation.

INDUSTRY DIFFERENCES

Figure 23 displays the average allocation by budget source for each industry in 2012. A company, on average, provided 78% of its annual budget from the Corporate Community Affairs department or Corporate Foundation, indicating that a fairly centralized approach is taken to corporate community investments.

MANAGING NON-CASH CONTRIBUTIONS

Industries that provide greater levels of non-cash giving typically rely more on non-centralized budgets as different business units often determine how and where products will be donated. For example, Consumer Staples companies often have stores or distribution centers that manage non-cash contributions. Of companies reporting the budget source for non-cash giving, 46% of these contributions, on average, were controlled by all other groups (N=117). Only 18% of cash contributions, on the other hand, were controlled by all other groups (N=186).

CHANGES OVER TIME

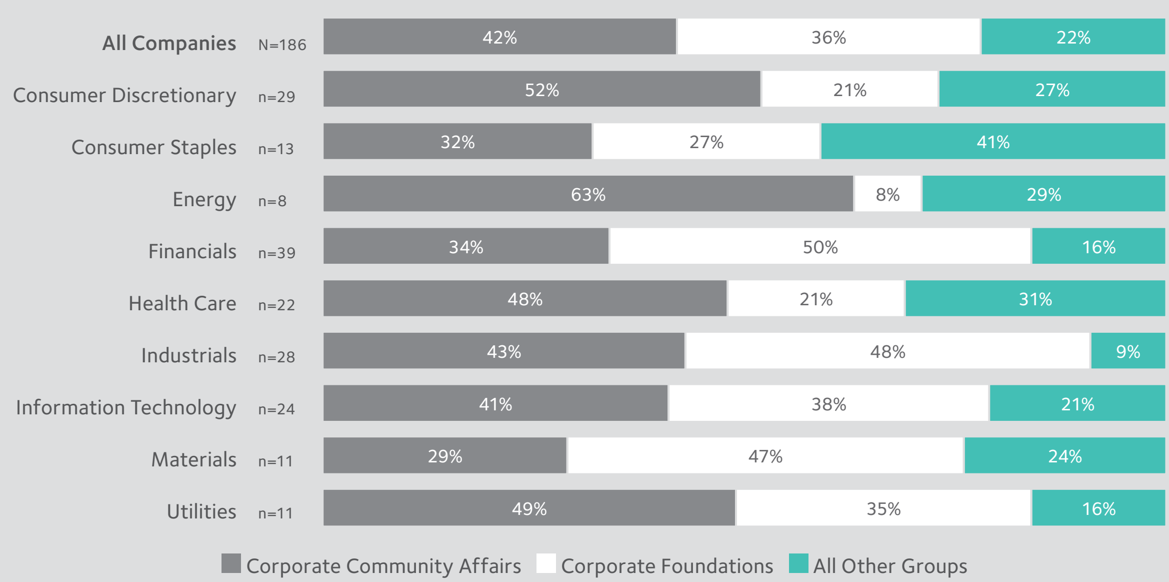
The average allocations of Corporate Community Affairs funding, as a percentage of total giving, have grown from 36% to 42% from 2007 to 2012 (N=54):

	Corporate Community Affairs	Corporate Foundation	All Other Groups
2007	36%	37%	27%
2008	34%	38%	28%
2009	34%	38%	28%
2010	40%	36%	24%
2011	39%	36%	25%
2012	42%	34%	24%

The increase in Corporate Community Affairs giving was driven by non-cash contributions managed by the contributions department, which grew by 82% from 2007 ($1.7 billion) to 2012 ($3.1 billion).

FIGURE 23

Total Giving by Budget Source, 2012, Average Percentages



Telecommunications Services companies are excluded due to a small sample size.

STAFFING TRENDS

DEFINING CONTRIBUTIONS FTEs

Successful implementation of a company's community investment strategy is largely dependent on the personnel dedicated to managing corporate giving departments, corporate foundations, and employee-volunteer programs.

Full-Time Equivalent (FTE) contributions staff oversee, manage, and/or directly administer a corporate giving, corporate foundation, or employee-volunteer program. To be counted, a contributions FTE must spend at least 20% of his or her time working within Corporate Community Affairs or the corporate foundation or have "corporate giving" or "volunteer coordination" in his or her job description. Figure 24 displays median grantmaking statistics, based on responses from companies to survey questions on total giving, contributions FTEs, and number of grants disbursed. This analysis excludes matching-gift contributions.

INDUSTRY DIFFERENCES

The median numbers of contributions FTEs for each industry in 2012 were:

Industry	Median FTEs
Energy (N=5)	20
Utilities (N=12)	13
Financials (N=50)	9
Health Care (N=23)	9
Consumer Discretionary (N=28)	8
Consumer Staples (N=13)	8
Materials (N=12)	8
Industrials (N=29)	7
Information Technology (N=25)	4

Telecommunications Services companies are excluded due to a small sample size.

Some of these differences may be attributed to the types of giving provided by each industry and the resources necessary for management. For example, Energy companies have the largest teams of any industry, driven in part by the need for local representation in operations across the globe. A higher percentage of Energy companies reported internationally based FTEs than any other industry in 2012.

GRANTMAKING TRENDS

Among the matched set of companies responding to staffing questions since 2007, the median grant size administered by a corporate contributions professional has increased from $20,050 in 2007 to $26,614 in 2012 (N=41). Companies are aiming for a deeper impact with fewer but larger grants, as the median number of grants fell from 1,681 in 2007 to 1,287 in 2012 (N=41).

The changes in grant size and number of overall grants indicate that companies are strategically assessing grants to maximize societal and business returns from each of their community investments. This trend aligns with findings that more companies are focusing exclusively on particular program areas in the hope of making deeper societal impact with community investments. *See page 19.*

FIGURE 24

Median Contributions Staffing and Workload, 2012

2012 TOTAL GIVING		Contributions FTEs	Grants per Contributions FTE	$ Disbursed per Contributions FTE	Grant Size
All Companies	N=125	8	78	$1.80 Million	$26,614
Over $100 Million	n=19	15	166	$16.53 Million	$125,818
$50+ to $100 Million	n=15	23	102	$2.03 Million	$24,406
$25+ to $50 Million	n=16	10	95	$2.81 Million	$43,144
$15+ to $25 Million	n=17	10	63	$1.76 Million	$25,232
$5 to $15 Million	n=41	6	52	$1.48 Million	$19,071
Under $5 Million	n=17	2	34	$0.88 Million	$24,724

MANAGEMENT AND PROGRAM COSTS

GRANTMAKING COSTS

In the CGS Survey, respondents reported management and program costs, which are not included in total giving, associated with three categories:

- **Compensation:** Staff salaries and benefits for all contributions FTEs.
- **Programmatic Expenses:** Funds used to support specific grants, such as office supplies, postage, travel, printing, and catering.
- **Operating Expenses/Overhead:** The cost of day-to-day operations for philanthropy at the company or foundation and not associated with specific grants. Examples include software fees, travel to industry conferences, and contracting outside vendors.

While not included in total giving, median management and program costs were 6.1% of a company's giving in 2012 (N=72).

HIGHER GIVING, LOWER COSTS

Figure 25 shows median management costs as a percentage of total giving, broken out by 2012 total giving tiers. Companies with larger giving budgets tend to have lower management and program costs in relation to total giving.

One reason costs are higher for companies giving less is that these are typically smaller companies with less access to grants management software, thus increasing workload for staff managing grants. Figure 26 illustrates that companies with fewer than 20,000 employees have higher management costs as a percentage of total giving than larger companies (based on employee footprint). In addition, companies with larger giving budgets typically provide larger funding agreements, some of which may be multi-year contracts. As such, costs tend to be more evenly disbursed over several years, in contrast to the costs associated with giving out smaller grants more frequently.

TRENDS IN COSTS

Companies spent more on management and program costs in 2012 than in 2007, after adjusting for inflation. Median management and program costs for the matched set of companies participating in this study were (N=16):

	Median Management and Program Costs
2007	$1,557,267
2008	$1,613,612
2009	$1,939,056
2010	$2,197,420
2011	$1,864,785
2012	$2,055,203

The increase in Paid-Release-Time volunteer offerings (as seen on page 30) likely influenced the growth in management and program costs. In 2012, management and program costs were 7.2% (n=38) of total giving for companies with Paid-Release-Time programs and 4.3% (n=25) for companies without Paid-Release-Time programs.

FIGURE 25

Median Management and Program Costs as a Percentage of Total Giving, 2012

2012 GIVING LEVEL		Management Costs as a Percentage of Total Giving
Over $100 Million	n=9	3.1%
$50+ to $100 Million	n=10	5.1%
$25+ to $50 Million	n=11	3.5%
$15+ to $25 Million	n=8	5.4%
$5 to $15 Million	n=20	9.9%
Under $5 Million	n=14	8.3%

FIGURE 26

Median Management and Program Costs as a Percentage of Total Giving, 2012

2012 EMPLOYEE COUNT		Management Costs as a Percentage of Total Giving
More than 100,000 Employees	n=16	3.9%
50,000+ to 100,000 Employees	n=7	3.3%
30,000+ to 50,000 Employees	n=10	6.7%
20,000+ to 30,000 Employees	n=9	2.0%
10,000+ to 20,000 Employees	n=10	8.7%
Fewer than 10,000 Employees	n=18	10.7%

Tools for Benchmarking

USING THIS REPORT

***Giving in Numbers* is a powerful reference tool that equips corporate giving professionals with accurate contextual data and methods for assessing the scope and scale of their philanthropic programs.**

This section of the report includes:

- Instructions for Benchmarking
- A Year-Over-Year Giving Template

The Benefits of Benchmarking

Benchmarking corporate contributions enables giving professionals to do the following:

- Present the company's historical contributions in preparation for budget discussions.
- Contextualize corporate contributions within broader industry and peer group trends to identify alignment and differences.
- Highlight opportunities for new corporate community investment programs or policies.
- "Make the business case" for increased levels or types of funding support.

Opportunities to Use Benchmarking

Benchmarking can be used year-round, but companies tend to benchmark prior to:

- Foundation or corporate leadership meetings
- Strategy or senior leadership meetings
- Meetings with a newly appointed CEO

GETTING STARTED WITH BENCHMARKING

STEP 1. Gather and Record Your Company's Year-Over-Year Data

The template on page 40 is intended to help the reader create a high-level snapshot of year-over-year corporate contributions. The template does not have to be complete to be informative, as different sections of the report correspond to different sections of the template.

STEP 2. Identify Internal Trends

Many insights can be gleaned by simply looking at which elements of giving rose or fell year-over-year. For example:

Revenue, Pre-Tax Profit, and Employees: *By how much will recent changes in profit affect your philanthropy budget?* Lines 1-3 capture your company's financial performance and employee workforce. Depending on how philanthropy budgets are crafted at your company, a rise or fall in these figures can affect contributions this year or in future years.

Total Giving: *Are some types of giving on the rise while others are steady or declining?* Lines 4-7 of the template show the types of giving that are increasing or decreasing at your company. This level of detail is useful because each giving type carries with it a distinct degree of flexibility. There are no limitations on how direct cash can be contributed, while foundation cash is subject to "self-dealing" regulations (i.e., regulations having to do with potential conflicts of interest). Non-cash gifts require logistical coordination.

International Giving: *Is giving abroad rising as your company expands globally?* Many companies direct a portion of their philanthropy toward international end-recipients. Even those who do not typically direct money abroad may do so when a natural disaster strikes overseas. Lines 24-28 show where giving originates as well as the geographical location of its end-recipients.

STEP 3. Build Comparisons from the Benchmarking Tables

The four benchmarking tables on pages 6 and 7 display commonly analyzed metrics of corporate giving. The tables are sorted by industry, pre-tax profit range, revenue range, and the number of employees. In these tables, **2012** revenue, pre-tax profit, and employee figures are used in all calculations. Medians are calculated on a column-by-column basis for each row; therefore, the data in each row are not necessarily from the same company.

Using your year-over-year giving profile as a reference, select a benchmarking table and identify the row that best describes your company in 2012. Reading across that row will provide key 2012 metrics for companies of similar size or industry. Moving from one table to the next, you will generate multiple values for the same metric based on the different categorizations of your company.

Multiple values for these data points should not be seen as contradictory; rather, multiple values are useful in determining an applicable range of data. Ultimately, using a data range is a more practical approach to setting a multi-year corporate contributions strategy than linking giving to one definitive benchmark.

KEY QUESTIONS TO ANSWER:

Total Giving (Line 7)

Is the total dollar value of your company's giving above or below the median values you have generated from each table? Is there an opportunity to make the case for a budget increase?

Giving Metrics (Lines 9-13)

How does your company's ratio on each of these metrics compare to the median across all companies? Within your industry? Within companies of similar size and scale?

STEP 4. Benchmark with the Other Findings in this Report

KEY QUESTIONS TO ANSWER:

Total Giving (Lines 4-7)

What type of giving at your company changed the most and how does that relate to other companies that increased or decreased giving? See Figure 5.

Program Area Giving (Lines 14-23)

How is your company's allocation across program areas similar to or different from the allocations in your industry? See Figure 10.

Do your company's allocations sync with its corporate culture?

Motivations for Giving (Lines 29-32)

Is your company's giving becoming more or less reactive over time? How does your company's mix of giving motivations compare with others in your geographic region? See Figure 12.

How has the changing economy affected the mix of giving motivations at your company?

YEAR-OVER-YEAR GIVING TEMPLATE

Member companies that participate in the Corporate Giving Standard Survey have free access to an online report pre-populated with this data. The report is entitled "My Company – Numbers Snapshot" in the CGS system. Other companies can use the following template to create a high-level snapshot of their year-over-year philanthropic contributions. Download this form as a free Excel template from CECP: cecp.co/measurement/tools/assess-your-program.

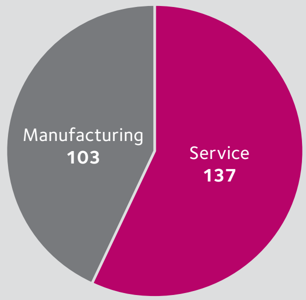
	CORPORATE FINANCIAL INFORMATION	2011	2012	Change
1	Revenue	$	$	%
2	Pre-Tax Profit	$	$	%
3	Number of Employees	#	#	%
	TOTAL GIVING			
4	Direct Cash	$	$	%
5	Foundation Cash	$	$	%
6	Non-Cash	$	$	%
7	TOTAL	$	$	%
	MATCHING EMPLOYEE GIVING			
8	Matching Contributions	$	$	%
	GIVING METRICS			
9	Total Giving ÷ Revenue	%	%	%
10	Total Giving ÷ Pre-Tax Profit	%	%	%
11	Total Cash ÷ Pre-Tax Profit	%	%	%
12	Matching Gifts ÷ Total Cash Giving	%	%	%
13	Total Giving per Employee	$	$	%
	CONTRIBUTIONS BY PROGRAM AREA			
14	Civic & Public Affairs	$	$	%
15	Community & Economic Development	$	$	%
16	Culture & Arts	$	$	%
17	Disaster Relief	$	$	%
18	Education: Higher	$	$	%
19	Education: K-12	$	$	%
20	Environment	$	$	%
21	Health & Social Services	$	$	%
22	Other	$	$	%
23	TOTAL	$	$	%
	GIVING BY GEOGRAPHY			
24	Domestic to Domestic	$	$	%
25	Domestic to International	$	$	%
26	International to Domestic	$	$	%
27	International to International	$	$	%
28	TOTAL	$	$	%
	GIVING BY MOTIVATION			
29	Charitable	$	$	%
30	Community Investment	$	$	%
31	Commercial	$	$	%
32	TOTAL	$	$	%

Appendices

2012 SURVEY RESPONDENT PROFILE

TOTAL GIVING	Number of Companies
Over $100 Million	36
$50+ to $100 Million	28
$25+ to $50 Million	34
$15+ to $25 Million	38
$10+ to $15 Million	25
$5 to $10 Million	36
Under $5 Million	43

Giving: Total giving per company ranged from $544,597 to $3.08 billion. Median total giving in the 2012 CGS Survey sample was $19.89 million.



Classification: Of the 240 survey respondents, there were more Service companies (57%) than Manufacturing companies (43%), due in part to the large number of participating Financials companies.

INDUSTRY	Number of Companies
Consumer Discretionary	35
Consumer Staples	16
Energy	12
Financials	55
Health Care	25
Industrials	32
Information Technology	30
Materials	13
Telecommunications Services	3
Utilities	19

Industry: The CGS Survey uses the 10 sectors from the Global Industry Classification Standard (GICS), developed by Morgan Stanley Capital International and Standard & Poor's, to classify companies in distinct industry groups. To be included in an industry-specific figure, an industry must be represented by at least five company responses.

PRE-TAX PROFIT	Number of Companies
Over $10 Billion	23
$5+ to $10 Billion	25
$3+ to $5 Billion	23
$2+ to $3 Billion	28
$1+ to $2 Billion	49
$0 to $1 Billion	59
Under $0	11
Not Reported	22

Pre-Tax Profit: 2012 pre-tax profit ranged from losses to profit of $78.73 billion. Privately held companies were not required to submit pre-tax profit data. The median pre-tax profit among participants (including those reporting a loss) was $1.72 billion.

REVENUES	Number of Companies
Over $100 Billion	14
$50+ to $100 Billion	27
$25+ to $50 Billion	44
$15+ to $25 Billion	33
$10+ to $15 Billion	28
$5+ to $10 Billion	42
Under $5 Billion	39
Not Reported	13

Revenue: 2012 revenue for survey participants ranged from $1.18 billion to $469.16 billion. Privately held companies were not required to submit revenue data. The median revenue among participants was $15.69 billion.

NUMBER OF EMPLOYEES	Number of Companies
Over 100,000	51
50,001 to 100,000	34
30,001 to 50,000	36
20,001 to 30,000	27
10,000 to 20,000	39
Under 10,000	43
Not Reported	10

Employees: The total number of employees at participating companies ranged from 1,478 to 2.20 million. The median number of employees in the 2012 CGS sample was 31,701.

2012 DATA SNAPSHOT: PHARMACEUTICALS INDUSTRY

Twenty-five companies in the Health Care sector responded to the CGS Survey. These included nine Pharmaceuticals and 16 Non-Pharmaceuticals. See "Respondent Listing by Industry" on page 46 for a list of companies in each grouping. Non-Pharmaceutical companies include Biotechnology, Health Care Providers and Services, and Health Care Equipment and Supplies companies.

Within the Health Care sector, Pharmaceuticals traditionally have the largest non-cash giving budgets by a substantial margin. Given the effect this trend has on the data, these tables allow Pharmaceuticals and Non-Pharmaceuticals to benchmark against their peers in the larger Health Care sector with more accuracy. Only survey questions with a sufficient number of Pharmaceutical respondents are shown.

BENCHMARKING OVERVIEW		Median Total Giving (in Millions)	Median Total Giving as a % of Revenue	Median Total Giving as a % of Pre-Tax Profit	Median Total Cash Giving as a % of Pre-Tax Profit	Median Matching Gifts as a % of Total Cash Giving	Median Total Giving per Employee
All Health Care Companies	N=25	$59.42	0.27%	1.04%	0.65%	12.76%	$542
Health Care: Pharmaceuticals	n=9	$716.20	1.93%	12.96%	0.79%	12.90%	$18,273
Health Care: Non-Pharmaceuticals	n=16	$13.83	0.04%	0.59%	0.57%	11.58%	$429

TOTAL GIVING BY FUNDING TYPE (AVERAGE PERCENTAGES)		Direct Cash	Foundation Cash	Non-Cash
All Companies	N=240	47%	35%	18%
Health Care: Pharmaceuticals	n=9	9%	3%	88%
Health Care: Non-Pharmaceuticals	n=16	54%	30%	16%

BREAKDOWN OF TOTAL NON-CASH GIVING (AVERAGE PERCENTAGES)		% Product Donations	% Pro Bono Service	% Other Non-Cash
All Companies	N=117	67%	16%	17%
Health Care: Pharmaceuticals	n=8	99%	0%	1%
Health Care: Non-Pharmaceuticals	n=9	59%	35%	6%

TOTAL GIVING BY MOTIVATION (AVERAGE PERCENTAGES)		% Charitable	% Community Investment	% Commercial
All Companies	N=170	52%	45%	3%
Health Care: Pharmaceuticals	n=7	48%	50%	2%
Health Care: Non-Pharmaceuticals	n=11	72%	28%	0%

TOTAL GIVING BY BUDGET SOURCE (AVERAGE PERCENTAGES)		% Corporate Community Affairs	% Corporate Foundation	% All Other Groups
All Companies	N=186	42%	36%	22%
Health Care: Pharmaceuticals	n=8	55%	2%	43%
Health Care: Non-Pharmaceuticals	n=14	44%	31%	25%

2012 DATA SNAPSHOT: FINANCIALS INDUSTRY

Fifty-five Financials companies responded to the CGS Survey, with 85% of those companies based in the United States. These included 27 Diversified Financials companies, 15 Insurance companies, 11 Banks, and two Real Estate Financials companies. See "Respondent Listing by Industry" on page 45 for a list of all Financials companies participating in this year's study.

In all, Banks provided the highest median total giving among the Financials sector's industry groups. Diversified Financials companies provided the highest proportion of matching-gift contributions as a percentage of total giving and also contributed the highest level of giving per employee. The Diversified Financials group includes a variety of consumer and commercially oriented companies that offer varying financial services and products. Insurance companies gave the highest proportion of total giving to domestic end-recipients.

Due to a small sample size, data could not be provided for Real Estate Financials in this snapshot.

BENCHMARKING OVERVIEW		Median Total Giving (in Millions)	Median Total Giving as a % of Revenue	Median Total Giving as a % of Pre-Tax Profit	Median Total Cash Giving as a % of Pre-Tax Profit	Median Matching Gifts as a % of Total Cash Giving	Median Total Giving per Employee
Banks	n=11	$47.67	0.33%	1.55%	1.55%	8.12%	$837
Diversified Financials	n=27	$23.91	0.16%	1.00%	0.99%	17.39%	$925
Insurance	n=15	$14.00	0.07%	0.97%	0.97%	14.35%	$740

TOTAL GIVING BY FUNDING TYPE (AVERAGE PERCENTAGES)		Direct Cash	Foundation Cash	Non-Cash
All Companies	N=240	47%	35%	18%
Banks	n=11	42%	58%	0%
Diversified Financials	n=27	48%	48%	4%
Insurance	n=15	49%	49%	2%

DOMESTIC VERSUS INTERNATIONAL CONTRIBUTIONS			Includes Only Companies That Gave To International End-Recipients	
		# of Companies Giving to International End-Recipients	Average % of Giving to Domestic End-Recipients	Average % of Giving to International End-Recipients
All Companies	N=163	116	79%	21%
Banks	n=9	3	61%	39%
Diversified Financials	n=16	12	86%	14%
Insurance	n=11	6	89%	11%

TOTAL GIVING BY MOTIVATION (AVERAGE PERCENTAGES)		% Charitable	% Community Investment	% Commercial
All Companies	N=170	52%	45%	3%
Banks	n=10	51%	42%	7%
Diversified Financials	n=14	45%	53%	2%
Insurance	n=8	66%	34%	0%

TOTAL GIVING BY BUDGET SOURCE (AVERAGE PERCENTAGES)		% Corporate Community Affairs	% Corporate Foundation	% All Other Groups
All Companies	N=186	42%	36%	22%
Banks	n=9	32%	58%	10%
Diversified Financials	n=17	28%	50%	22%
Insurance	n=11	37%	51%	12%

RESPONDENT LISTING BY INDUSTRY

2007 to 2012 matched-set companies are in boldface; the largest 100 companies from the FORTUNE 500 are indicated with a †. The number following each company's name indicates the number of years that company has completed the CGS Survey.

CONSUMER DISCRETIONARY (N=35)

AEG (2)
Amway Global (1)
Apollo Group, Inc. (2)
Best Buy Co., Inc.† (7)
Carlson (11)
Darden Restaurants, Inc. (3)
DIRECTV (6)
Discovery Communications, Inc. (1)
The Estée Lauder Companies Inc. (1)
Gap Inc. (10)
General Motors Foundation† (1)
Hallmark (1)
Harley-Davidson, Inc. (1)
Hasbro, Inc. (12)
The Home Depot, Inc.† (11)
Honda North America (2)
J. C. Penney Company, Inc. (7)
JM Family Enterprises, Inc. (3)
Johnson Controls, Inc.† (4)
Macy's, Inc. (7)
Marriott International, Inc. (2)
Mattel, Inc. (9)
The McGraw-Hill Companies (11)
Newell Rubbermaid Inc. (3)
Ogilvy & Mather (7)
Pearson plc (8)
Starbucks Coffee Company (3)
Starwood Hotels & Resorts Worldwide, Inc. (5)
Target† (11)
Time Warner Inc. (12)
Toyota Motor North America, Inc. (11)
Toys"R"Us, Inc. (8)
The Walt Disney Company† (8)
Wyndham Worldwide Corporation (2)
Yum! Brands Inc. (2)

CONSUMER STAPLES (N=16)

Altria Group, Inc. (11)
Anheuser-Busch InBev (2)
Cargill (8)
The Clorox Company (1)
The Coca-Cola Company† (11)
CVS Caremark Corporation† (9)
General Mills, Inc. (8)
The Hershey Company (9)
The Hillshire Brands Company (1)
Kellogg Company (1)
Kimberly-Clark Corporation (7)
McCormick & Company, Incorporated (3)
PepsiCo† (8)
The Procter & Gamble Company† (4)
S.C. Johnson & Son, Inc. (1)
Wal-Mart Stores, Inc.† (9)

ENERGY (N=12)

Chesapeake Energy Corporation (3)
Chevron Corporation† (12)
CITGO Petroleum Corporation (3)
ConocoPhillips† (7)
Exxon Mobil Corporation† (7)
Hess Corporation† (6)
Marathon Oil Company† (2)
Peabody Energy Corporation (4)
Shell Oil Company (10)
Spectra Energy (1)
Total S.A. (1)
TransCanada Corporation (1)

FINANCIALS (N=55)

Allstate Insurance Company† (8)
Ally Financial (1)
American Express† (8)
Ameriprise Financial, Inc. (2)
AXA Equitable (5)
Banco Bilbao Vizcaya Argentaria, S.A. (5)
Bank of America Corporation† (12)
Barclays (3)
Bloomberg (3)
BNY Mellon (8)
Capital One Financial Corporation (5)
The Charles Schwab Corporation (1)
Citigroup Inc.† (10)
Citizens Financial Group, Inc. (7)
Deloitte Touche Tohmatsu Limited (12)
Deutsche Bank (8)
Fannie Mae† (7)
First Niagara Financial Group, Inc. (1)
The Goldman Sachs Group, Inc.† (10)
The Guardian Life Insurance Company of America (4)
The Hartford (6)
HSBC Bank USA, N.A. (9)
ING U.S. (6)
JPMorgan Chase & Co.† (12)
KeyCorp (2)
KPMG LLP (10)
Legg Mason, Inc. (6)
Lincoln Financial Group (2)
Macquarie Group (2)
Marsh & McLennan Companies, Inc. (3)
Massachusetts Mutual Life Insurance Company† (5)
MetLife, Inc.† (9)
Moody's Corporation (8)
Morgan Stanley† (11)
Neuberger Berman (2)
New York Life Insurance Company† (5)
Northern Trust Corporation (1)
Northwestern Mutual (3)
NYSE Euronext (8)
The PNC Financial Services Group, Inc. (8)
Popular, Inc. (4)
PricewaterhouseCoopers LLP (3)
Principal Financial Group (7)
Prudential Financial, Inc.† (9)
Royal Bank of Canada (3)
State Farm Mutual Automobile Insurance Company† (9)
State Street Corporation (6)
T. Rowe Price Group, Inc. (3)
TIAA-CREF† (2)
The Travelers Companies, Inc. (7)
UBS (6)
U.S. Bancorp (2)
Wells Fargo & Company† (11)
Weyerhaeuser Company (2)
Zurich Insurance Group (5)

HEALTH CARE – NON-PHARMACEUTICALS (N=16)

Aetna Inc.† (11)
Agilent Technologies, Inc. (9)
Amgen Inc. (3)
BD (7)
Boston Scientific Corporation (2)
Cardinal Health, Inc.† (6)
CIGNA (4)
DaVita Inc. (4)
Express Scripts, Inc.† (4)
HCA Inc.† (8)
Humana Inc.† (4)
Kaiser Permanente (2)
McKesson Corporation† (9)
Medtronic, Inc. (4)
Quest Diagnostics Incorporated (4)
UnitedHealth Group† (7)

HEALTH CARE – PHARMACEUTICALS (N=9)

Abbott† (7)
Bristol-Myers Squibb Company (12)
Eli Lilly and Company (12)
GlaxoSmithKline plc (11)
Johnson & Johnson† (10)
Merck† (9)
Novo Nordisk A/S (1)
Pfizer Inc† (10)
Sanofi (5)

INDUSTRIALS (N=32)

3M (9)
The Boeing Company† (6)
Caterpillar Inc.† (5)
Crane Co. (9)
CSX Corporation (4)
Cummins Inc. (2)
Eaton Corporation (4)
Emerson Electric Co. (8)
FedEx Corporation† (5)
Fluor Corporation (1)
General Electric Company† (11)
Grupo Votorantim (1)
Honeywell International Inc.† (3)
Illinois Tool Works Inc. (6)
John Deere† (3)
Lockheed Martin Corporation† (6)
Masco Corporation (3)
Meritor, Inc. (7)
Mitsubishi Corporation (Americas) (9)
Northrop Grumman Corporation (6)
Owens Corning (2)
PACCAR Inc (3)
Pitney Bowes Inc. (6)
Raytheon Company (3)
Rockwell Automation, Inc. (2)
Rockwell Collins, Inc. (3)
Ryder System, Inc. (4)
Southwest Airlines Co. (2)
Union Pacific Corporation (3)
United Parcel Service, Inc.† (2)
United Technologies Corporation† (10)
Xylem (2)

INFORMATION TECHNOLOGY (N=30)

Accenture (8)
Adobe (6)
AOL (1)
Applied Materials, Inc. (4)
BMC Software (9)
CA Technologies (6)
Cisco Systems† (12)
Corning Incorporated (2)
Dell Inc.† (7)
eBay Inc. (3)
EMC Corporation (3)
Google Inc.† (3)
IBM Corporation† (12)
Intel Corporation† (6)
MasterCard Worldwide (8)
Microsoft Corporation† (6)
Motorola Solutions, Inc. (1)
NetApp (3)
NVIDIA Corporation (1)
Qualcomm Incorporated (7)
Sabre Holdings (4)
salesforce.com (8)
Samsung Electronics America, Inc. (3)
SAP AG (1)
Symantec Corporation (4)
Synopsys, Inc. (1)
Texas Instruments Incorporated (5)
Toshiba America Foundation (1)
The Western Union Company (7)
Xerox Corporation (8)

MATERIALS (N=13)

Alcoa Inc. (8)
Bemis Company, Inc. (1)
The Dow Chemical Company† (9)
Eastman Chemical Company (1)
FMC Corporation (4)
Gerdau (1)
MeadWestvaco Corporation (2)
Monsanto Company (1)
Mosaic Company (4)
Praxair, Inc. (4)
The Sherwin-Williams Company (1)
Vale (2)
Vulcan Materials Company (3)

TELECOMMUNICATIONS SERVICES (N=3)

AT&T Inc.† (2)
Verizon Communications Inc.† (10)
Vodafone Group Plc (3)

UTILITIES (N=19)

American Electric Power Company, Inc. (3)
Arizona Public Service Company (2)
Consolidated Edison, Inc. (12)
Dominion Resources, Inc. (3)
DTE Energy Company (1)
Duke Energy Corporation (8)
Entergy Corporation (8)
Exelon Corporation (6)
FirstEnergy (4)
Indianapolis Power & Light Company (2)
Pepco Holdings, Inc. (1)
PG&E Corporation (8)
Portland General Electric Company (1)
PPL Corporation (1)
Public Service Enterprise Group Incorporated (5)
Sempra Energy (7)
Southern California Edison (8)
Southern Company (2)
TECO Energy, Inc. (4)

SIX-YEAR MATCHED-SET PROFILE

In order to illustrate the year-over-year trends, the study employed a six-year matched set of 96 companies for many of the analyses in this report. These companies are shown in boldface in the respondent listing on pages 45 and 46. Each of the 96 companies provided 2007, 2008, 2009, 2010, 2011, and 2012 giving data. Forty-one of the largest 100 companies in the FORTUNE 500 were included in this six-year set. The combined total giving for all 96 companies in 2012 was $15.27 billion and the median was $35.30 million.

Industry	Number of Companies
Consumer Discretionary	16
Consumer Staples	9
Energy	4
Financials	26
Health Care	14
Industrials	9
Information Technology	10
Materials	2
Telecommunications Services	1
Utilities	5

2012 Total Giving	Number of Companies
Over $100 Million	26
$50+ to $100 Million	13
$25+ to $50 Million	16
$15+ to $25 Million	15
$10+ to $15 Million	11
$5 to $10 Million	7
Under $5 Million	8

CALCULATIONS

SAMPLE SIZE MATTERS

Throughout the report, the convention **"N=" or "n="** indicates the number of companies used in each calculation. "N" references the total sample size for that analysis, whereas "n" denotes a segment of the total sample size. The number will vary from one figure or data point to the next because respondents do not necessarily answer every question in the survey. This happens when a company either does not participate in the type of philanthropy in question (for example, if a company does not have an employee-volunteer program) or when the company does not have the data needed to respond.

To analyze specific trends from one year to the next, this study relies on **matched-set data**, which is the data from companies that participate in CGS Surveys over consecutive years. The sample sizes for figures based on matched sets are always lower than the total number of companies responding in 2012 because companies that have not completed the survey each year from 2007 to 2012 will not be used to identify year-over-year trends.

In some cases, identifying specific trends requires the exclusion of certain data, resulting in different outcomes for the same data point. For example, median total giving across all companies in 2012 was $19.89 million (based on 240 surveys), while the same data point across the six-year matched set was $35.30 million (based on 96 surveys). For this reason, it is helpful to note which years (and how many surveys) are included in the computations behind each figure.

Data for "all companies" are shown in several figures throughout the report, along with an industry breakdown. While some underrepresented industries are excluded from the specific breakdowns (such as Telecommunications Services), the companies within these industries are included in the "all companies" aggregate. This causes the sample sizes for the breakdown to sum to a lower number than the sample size for the "all companies" aggregate.

CALCULATION TERMINOLOGY

Aggregate Values

An aggregate value is the straight sum of all of the values in a calculation. For example, aggregate total giving is the sum of the total giving of all companies participating in the survey. In the 2012 CGS Survey, this amounted to more than $20.3 billion.

Average Percentage

An average percentage is used in place of an aggregate percentage to preserve the relative proportions of giving for each company. To calculate average percentage, each individual company's giving is first translated into percentages. Then, percentages across all companies are averaged. Average percentages for an industry do not indicate the magnitude of giving relative to other industries.

Distributions

Several figures in this report show companies grouped into categories based on how much their pre-tax profit or total giving changed from one year to the next. To sort companies into these categories most accurately, this study calculates percentage changes to six decimal points. It is extremely rare that a company falls exactly on the threshold between one category and the next. In instances when this does occur, the report conservatively lists the company in the lower range.

Median

When a group of numbers is sorted from highest to lowest, the median value is the number in the middle of the list. If the list has an even number of entries, the median is the average of the middle two figures. Medians are used in CGS calculations because they are less sensitive to extreme values than averages, which can be skewed by very high or very low values.

WHAT'S IN, WHAT'S OUT?

Only giving to 501(c)(3) organizations or the international equivalent is recorded in the CGS Survey. The company or corporate foundation can have no expectation of repayment. Contributions to public schools are included. Giving to Patient Assistance Programs (PAPs) by pharmaceutical companies and Public Service Announcements (PSAs) by media companies are also included. Giving to political action committees, individuals, or any other non-501(c)(3) organization is not included.

In the CGS Survey, total giving does not include contributions from employees, vendors, or customers. While many companies solicit funds from customers or employees, total giving includes only funds tied directly to a company's financial assets. For multi-year grants, only the portion of the grant actually paid in the fiscal year examined in the survey is included, not its total, multi-year value.

Total Giving

The CGS Survey defines total giving as the sum of three types of giving:

- **Direct Cash:** Corporate giving from either headquarters or regional offices.
- **Foundation Cash:** Corporate foundation giving, which often includes the corporate side of employee matching-gift contributions.
- **Non-Cash:** Product or pro bono services assessed at Fair Market Value.

Total giving does not include management and program costs or the value of volunteer hours.

Download a Free CGS Valuation Guide:
cecp.co/surveyguide

DEFINITIONS

AMERICA'S LARGEST COMPANIES

Compiled and published by *Fortune* Magazine, the FORTUNE 500 is an annual ranking of the top 500 American public corporations as measured by gross revenue. This report refers to the largest, or top, 100 companies from the FORTUNE 500 as America's largest companies.

FAIR MARKET VALUE (FMV)

The CGS Survey values non-cash gifts, also known as in-kind donations, at Fair Market Value. IRS publication 561 defines Fair Market Value as "the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts." If the direct customer for the product is a wholesaler, FMV is the price at which the item was sold to the wholesaler (as FMV is based upon the next point of sale). Reference the CGS Valuation Guide for further detail on special circumstances affecting Fair Market Valuations.

FISCAL YEAR

The CGS Survey asks companies to report revenues, pre-tax profits, employees, and total contributions on a fiscal year basis (end date for 12 months of data). For most companies, this is 12/31/2012 or the end of the income tax reporting year if not following calendar year convention. If the corporate or foundation giving year ends before the end of the calendar year, the earlier date is used. If the last day of the corporate giving year is different from the last day of the foundation giving year, the latter date of the two is to be used.

FULL-TIME EQUIVALENT (FTE) STAFF

The CGS Survey defines contributions FTE staff as those who contribute, through oversight or direct involvement, to at least one of the following initiatives or programs:

- Corporate or foundation giving (including workplace giving campaigns, matching, and in-kind giving)
- Employee volunteering
- Community or nonprofit relationships
- Community and economic development
- Communications, media relations, sponsorships, administration, or public relations focused on community affairs, contributions, or volunteering
- Sponsorships related to corporate giving
- Administration related to community affairs, contributions, and volunteering

To be counted, a contributions FTE must spend at least 20% of his or her time working directly in Corporate Community Affairs or a similarly named department; working for the corporate foundation(s); or working in a branch office, retail store, local or regional business unit, or other non-headquarter/non-foundation location but having "corporate giving" or "volunteer coordination" included in his or her job definition.

A staff member spending a fraction of his or her time in such a capacity is recorded as the decimal equivalent of that fraction. For example, someone who spends 50% of his or her working time on corporate giving is 0.5 of a contributions FTE.

INTERNATIONAL GIVING

The CGS Survey inquires as to how total giving is distributed among domestic and international end-recipients.

Geography of End-Recipient: Domestic refers to the company's headquarters country and international refers to anywhere outside of the company's headquarters country. Geography refers to the location of the end-recipient and not the location of the nonprofit.

Regional Breakdowns: Regions are categorized based on the United Nations Statistics Division Codes:

- Asia and the Pacific: Asia – includes all countries in Eastern Asia, Central Asia, South-Eastern Asia, Southern Asia (with exception of Iran) and also includes the following five countries from Western Asia: Armenia, Azerbaijan, Cyprus, Georgia, and Turkey. Oceania – includes Australia, New Zealand, Melanesia, Micronesia, and Polynesia.
- Europe: Includes all countries in Eastern Europe, Northern Europe, Southern Europe, and Western Europe.
- Latin America and the Caribbean: Includes all countries in the Caribbean, Central America and Mexico, and South America.
- Middle East and Africa: Africa – includes all countries in Eastern Africa, Middle Africa, Northern Africa, Southern Africa, and Western Africa. Western Asia – includes all countries in Western Asia with the exception of Armenia, Azerbaijan, Cyprus, Georgia, and Turkey. Southern Asia – includes just Iran.
- North America: Includes the United States, Bermuda, Canada, Greenland, Saint Pierre, and Miquelon.

MOTIVATIONS

To determine which motivation label suits a grant, the CGS Survey asks: "What was the primary anticipated outcome?" Such categorization is simply a way of articulating grantmaking intent so that a company may determine whether its giving goals are being met.

Charitable: Reactive or input-driven giving. A company expects little or no business benefit in return for its giving, except perhaps acknowledgement that the business is responsive and cares about its community. The money is not aligned with a particular giving objective, the results of the giving are rarely tracked, and frequently this giving is distributed to a local group. In Charitable giving, the company is not seeking to play any kind of advisory or management role; once the gift is delivered, the transaction is over. Short-term, one-off grants typically fall into this category.

Community Investment: Proactive and primarily outcome-driven giving in which a corporation makes gifts that are simultaneously important to the long-term success of the business and serve a critical community need. Establishing a meaningful, long-term relationship with nonprofit partners that have mission statements in line with a company's philanthropic priority areas distinguishes Community Investment from Charitable giving. Often the company seeks to measure the outcome or positive result achieved and also likes to participate in the design and execution of the initiative or program. Multi-year grants are typically Community Investment.

Commercial: Philanthropy in which benefit to the corporation is the primary reason for giving; the good it does the cause or community is secondary. The goal may be to entertain a client or donate to a cause that is important to a key vendor or customer. Unless initiated by a client, this giving is typically proactive on the company's part and justified by a clear tie to business success. Cause marketing falls into this category.

PHILANTHROPIC LEVERAGE

For some companies, part of their philanthropic effort involves raising funds from employees, customers, suppliers, and/or vendors. These funds are not included in total giving; only contributions that tie directly to a corporation's financials are included in total giving. These fundraising amounts are reported in a separate question, however, to allow for benchmarking.

To be included in this survey question, funds must be raised from formal campaigns meeting the following criteria:

- **Corporate Commitment:** These campaigns must be company-sponsored, organized by a professional giving officer, and run nationally (at least). Campaigns that occur only in particular offices, regions, or stores are not included.
- **Nonprofit Beneficiaries:** Recipient organizations of the funds raised must be 501(c)(3) organizations or the international equivalent.
- **What to Exclude:** Any contribution provided by the company. All corporate contributions to 501(c)(3) organizations or the international equivalent are included in total giving.

PRO BONO SERVICE

Pro bono service is a type of employee engagement that falls within skills-based service. However, unlike any other type of employee engagement, pro bono service is recorded in the CGS Survey as a non-cash or in-kind contribution. The criteria below, all of which must be met, distinguish pro bono service from other paid-release employee time:

- **Commitment:** The company must make a formal commitment to the recipient nonprofit organization for the final work product. The company is responsible for granting the service, staffing the project, and ensuring its timely completion and overall quality. Projects that occur informally as a result of an employee's personal interest and availability are not included.
- **Professional Services:** Pro bono donations are professional services for which the recipient nonprofit would otherwise have to pay. Employees staffed on the project must use the same skills that constitute the core of their official job descriptions. Projects that use only some of an employee's basic job knowledge are not included in pro bono.
- **Indirect Services:** Pro bono services must be indirect, meaning that the corporation must provide the service through a 501(c)(3) organization or international equivalent.

Additional examples of pro bono service and guidance on valuing pro bono service hours at Fair Market Value can be found in the CGS Valuation Guide.

PROGRAM AREAS

Respondents to the CGS Survey are assisted on how to categorize contributions' ultimate end-recipients, rather than the general organization type. For additional guidance on what is included in each of these categories, please refer to the CGS Valuation Guide.

Civic and Public Affairs: Includes contributions to justice and law, state or local government agencies, regional clubs and fraternal orders, and grants to public policy research organizations (e.g., American Enterprise Institute and The Brookings Institution).

Community and Economic Development: Includes contributions to community development (aid to minority businesses and economic development councils), housing and urban renewal, and grants to neighborhood or community-based groups.

Culture and Arts: Includes contributions to museums, arts funds or councils, theaters, halls of fame, cultural centers, dance groups, music groups, heritage foundations, and non-academic libraries.

Disaster Relief: Contributions that support preparedness or relief, recovery, and/or rebuilding efforts in the wake of a natural or civil disaster or other emergency hardship situation.

Education, Higher: Includes contributions to higher educational institutions (including departmental, special projects, and research grants); education-related organizations (e.g., associations for professors and administrators, literacy organizations, and economic education organizations); and scholarship and fellowship funds for higher education students through intermediary organizations and other education centers, foundations, organizations, and partnerships.

Education, K–12: Includes contributions to K–12 institutions (including departmental, special projects, and research grants); education-related organizations (e.g., associations for teachers and administrators, literacy organizations, and economic education organizations); and scholarship and fellowship funds for K–12 students through intermediary organizations and other education centers, foundations, organizations, and partnerships.

Environment: Includes contributions to environmental and ecological groups or causes including parks, conservancies, zoos, and aquariums.

Health and Social Services: Includes contributions to United Way and other workplace giving campaigns and grants to local and national health and human services agencies (e.g., Red Cross, American Cancer Society), hospitals, agencies for youth (excluding K-12 education), senior citizens, and any other health and human services agencies, including those concerned with safety, family planning, and drug abuse.

Other: Contributions that do not fall into any of the main beneficiary categories or for which the recipient is unknown.

REGIONAL ANALYSIS

The CGS Survey asks companies where their corporate headquarters is located by country, state, and city. Each company is classified according to the following U.S. Census Bureau Regional Breakouts:

Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Non-U.S.: Includes all companies based outside of the United States.

ABOUT THE CORPORATE GIVING STANDARD

The Corporate Giving Standard is unsurpassed as corporate philanthropy's most comprehensive measurement initiative. No other industry tool offers immediate, on-demand reporting and benchmarking while preserving the anonymity of each company's giving data.

What Makes the CGS Unique?

The Corporate Giving Standard (CGS) is a peer benchmarking tool for corporate giving professionals. Through an annual survey, researchers collect and report data on numerous aspects of corporate giving programs. Launched in 2001, the CGS now accounts for more than $130 billion in corporate giving data.

Actionable Data

The data in the CGS are reported by the corporate respondents. Researchers take great care to ensure that survey questions and results are interpreted consistently across companies. In addition to providing respondents with training sessions, documentation, and one-on-one support, researchers review each survey to ensure accurate reporting. The result is a reliable data repository that serves as a solid foundation for strategy development and program evaluation.

Depth of Research

The CGS is unrivaled in its granularity and its targeted, robust participation. This detailed corporate survey embraces the full scope and scale of leading companies' community involvement.

Public Reports

Understanding the impact of the significant flow of resources from the private sector to areas of social need requires an assessment of what precisely companies have contributed. Toward that end, the annual *Giving in Numbers* report is offered as a free resource containing the most comprehensive and up-to-date analyses of trends in corporate giving.

Readers are encouraged to review the CGS Survey and Valuation Guide, also available as free downloads, and to contact the authors with any questions or comments about the findings in this and past editions of the report. During the year, webinars on corporate giving trends provide an opportunity for further discussion around the findings.

Custom Analysis

The CGS reporting website provides 24/7 access to peer-to-peer company comparisons, aggregated industry benchmarks, and internal year-over-year spending analyses. Giving professionals define their own peer groups to create online customized reports, which are particularly valuable in planning giving strategies and presenting the business case for corporate philanthropy to senior management.

The CGS data can be calculated in myriad ways, producing more than 40 reporting options with the click of a button. Details about the CGS can be found online at cecp.co/measurement/cgs.

One-On-One Support

Giving professionals can work with researchers to contextualize year-over-year changes within broader trends in corporate giving, as well as prepare for senior leadership or board meetings by designing custom presentations and reports tailored to feature a company's contributions in the context of industry and peer-company trends.

Join Us!

Interested companies are invited to join this landmark campaign. To schedule an online demonstration of the Corporate Giving Standard, contact:

CECP
info@cecp.co
212-825-1000

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CECP

5 Hanover Square, Suite 2102
New York, NY 10004
P: 212.825.1000
F: 212.825.1251

cecp.co