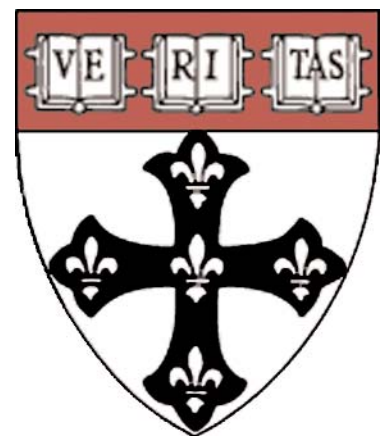


# How Much Do Kids Count in Corporate Board Rooms? Results from a Survey of 2001 Fortune 1000 Companies

A study by:

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March 2003

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### **About the Author**

Dr. Thompson is Associate Professor of Risk Analysis and Decision Science at the Harvard School of Public Health and Children's Hospital Boston. She is the author of over 50 papers and two books: *Risk in Perspective: Insight and Humor in the Age of Risk Management* (AORM, 2003) and *Overkill: How Our Nation's Abuse of Antibiotics and Other Germ Killers Is Hurting Your Health and What You Can Do About It* with Debra Bruce (Rodale, 2002). Professor Thompson created and maintains the Age of Risk Management web site ([www.aorm.com](http://www.aorm.com)) that provides links to all of her work, and she is the creator and director of the Kids Risk Project. Dr. Thompson earned her Doctor of Science degree from the Harvard School of Public Health and a Bachelor of Science and Master of Science Degrees from the Massachusetts Institute of Technology.



### **About the Kids Risk Project**

Dr. Thompson started the Kids Risk Project at the Harvard School of Public Health in 2000. The Kids Risk Project seeks to promote informed decision making by kids, parents, and policy makers on issues related to children's risks, provide context using the tools of risk analysis and decision science to help put risks and interventions in perspective, promote actions that improve children's health and well-being, and cover multiple disciplines and risk areas to bridge the gaps and make connections between the various communities that seek to improve life for children.

### **Acknowledgments**

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### **Disclaimers**

Dr. Thompson is solely responsible for the contents of this report, and this report should not be construed to represent the views of The Annie E. Casey Foundation, Kids Count, or Harvard University. The companies that provided data for this study did so confidentially, and none of the data on any individual company is reported or available - don't ask. The statements, quotes, and graphics contained in boxes within this report have been used with permission to provide important examples of the extent of commitment of companies to children, but they should not be interpreted to imply an endorsement from any company or individual for this report.

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Thompson KM. How Much Do Kids Count in Corporate Board Rooms? Results from the First Study of Fortune 1000 Companies. *Medscape General Medicine*. March 26, 2003. Available at: <http://www.medscape.com/viewarticle/45188>. This report reprints the study (with permission) and it also includes within bordered boxes company statements and quotes from corporate leaders that provide additional context for the findings that were not printed in the study.

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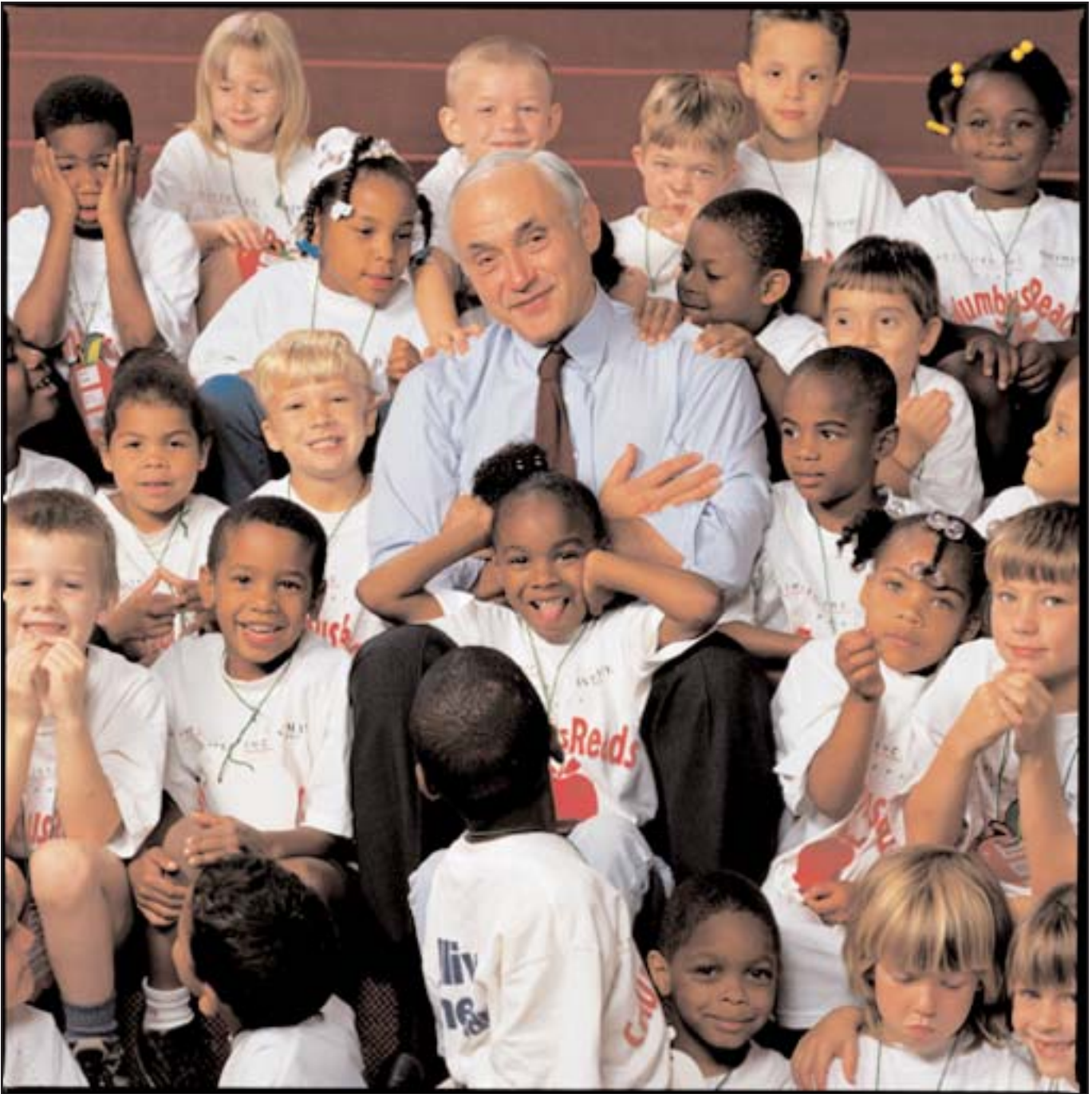
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by Kimberly M. Thompson, ScD

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I don't believe a responsible organization can do well without also doing good. And in this regard, I'm prouder of this organization, and our people, than ever. Our businesses led United Way efforts in the cities where we are based, and our Associates took time throughout the year to teach young people to read. Altogether (in 2002) we raised almost \$11 million for United Way and gave 21,000 hours of one-on-one reading tutoring for children. We focused our Foundation's giving where it mattered most, on those key issues closest to our Associates and our customers: empowering women, improving education and mentoring children.

Les Wexner  
Chairman and Chief Executive Officer  
Limited Brands

## Abstract

**Objective:** The objective of this study was to characterize the extent of the business community's commitment to children, particularly with respect to understanding its role in assuring children's health and development, by conducting a survey of the largest U.S. companies.

**Method:** A survey of year 2001 Fortune 1000 companies was performed to determine whether their mission statements, vision statements, or guiding principles include a commitment to children; whether they employ people under the age of 18 in the U.S.; whether they encourage their employees to mentor children under the age of 18 years; whether they have an affiliated philanthropic foundation; whether their company's philanthropy focuses specifically on children; and whether they participate in any activities that particularly help disadvantaged children. The survey consisted of 2 mailings followed by phone calls to companies to obtain answers to the questions listed above and answers to additional questions that asked specifically about the company's financial expenditures for parental leave, child care, and health care for children of employees and about the company's specific philanthropic giving aimed at helping children. Descriptive information about some of the ways that companies impact the lives of children was also obtained to provide context for the responses.

**Results:** Data were obtained from 333 Year 2001 Fortune 1000 companies (33%) between March 20, 2002 and March 20, 2003, with a good representation of all industry sectors. These data suggest that approximately 33% of the companies that responded have mission statements, vision statements, or guiding principles that specifically include a commitment to children. Employment opportunities for children under the age of 18 years in the U.S. exist at approximately 41% of these companies. These companies clearly see mentoring as a major theme, with 77% of them encouraging their employees to mentor children under the age of 18 years. Approximately 60% of the companies that responded support affiliated, independent philanthropic foundations, and approximately 55% of the companies that responded indicated that they focus their philanthropy specifically (although not exclusively) on children. Approximately 80% of these companies indicated that they participate in at least one activity that helps disadvantaged children. Many companies faced challenges in estimating their overall investments in children, particularly given their large and decentralized nature, but they were able to provide an overall sense of their commitment and they indicated that they could provide quantitative data prospectively if they knew it would be requested.

**Conclusions:** Many companies that responded play a major role in supporting children's health and development in the U.S. both directly and indirectly. Further efforts to better quantify the business community's aggregate commitments to improving children's health and development should be sought to allow better estimation of the amount of resources expended and the impact of these investments on children.



Marshall & Ilsley Corporation is proud to make a difference in the lives of children by encouraging a family-first philosophy and volunteerism within its corporate culture, supporting programs in our schools that promote good citizenship, and providing funding for children's programs in our communities. Our hope is that these efforts will have a lasting positive impact on the young people in the communities we serve.

James B. Wigdale  
Chairman

## Introduction

The well-established and important role of the business community in the lives of Americans continues to evolve, most recently, with growing expectations associated with meeting the increased challenges of globalization in an uncertain world (1). Studies suggest that health and wealth appear to be intimately linked both on the aggregate and individual levels (2,3). Businesses provide employment opportunities, healthcare to their employees and their dependents, and financial, volunteer, and other resources to communities and society. Nonetheless, the impact of their role on children, particularly on children's health and development, has not been extensively studied, and it is difficult to assess the relative importance of the business community compared with other stakeholders (eg, government, non-profit groups).

Clearly businesses may invest in children out of altruism or because they recognize that today's children are tomorrow's employees. They may also, however, decide to invest in children because they sell products and services that are directed at children and families and their good deeds toward these groups may improve their visibility and competitiveness. In addition, they might find advantages in providing support in the form of child care, healthcare, education, and sponsorship of community events because their employees value these for their own children.

Whatever their motivation, businesses have the potential to be significant stakeholders in children's health and development, with spending on children in the billions of dollars each year. The choices and policies they make related to children impact whether children have healthcare and high-quality day care and education, and whether community groups have resources to help children succeed. It is not possible to determine whether we are investing sufficiently in children without determining what we are investing and the impacts of these investments. Understanding corporate commitments to children is a critical first step in beginning to assess the magnitude of the business community's investment in children. The current lack of information about corporate giving aimed at children partly arises from the typical characterization of corporate philanthropic activities with categories like education, health and human services, civic and community activities, culture and the arts, etc., but not specifically focusing on youth (4). A recent study indicated that education accounted for the largest portion of philanthropic contributions between 1978 and 1996, but contributions for health and human services were higher before 1978 and in 1997 (5). Given that support for activities related to education and health services is often targeted at youth, studies that show that these dominate corporate philanthropic efforts imply that companies do invest significantly in youth.

The communities in which Darden Restaurants operates represent much more to us than restaurant locations. We live and work in these communities and raise our families there. We're neighbors who take an active part in community life and take a hands-on approach to making our communities better.

Joe R. Lee  
Chairman and Chief Executive Officer

**DARDEN**<sup>®</sup>  
RESTAURANTS



In the first known study to focus on corporate programs that support youth, a survey of approximately one-third of the 1997 Fortune 500 companies found that 99% of the companies that responded reported supporting youth and youth programs at some level (4). The study measured philanthropic giving for youth in grades K-12 by the approximately 170 companies that responded, and found that approximately 27% of the companies directed 60% or more of their total giving towards youth and 69% of these companies had corporate foundations (4). Studies of corporate volunteerism also suggest that most companies have extended their efforts in social investment programs well beyond traditional philanthropy, and they now support volunteerism in a variety of ways that benefit the community, their employees, and the corporation (6,7).

Given the fact that children lack rights as individuals in the U.S., the commitments of parents, the government, and other stakeholders in their health and development are critical, and efforts are needed to assess the sufficiency of current investments. At the same time that health policy analysts ask government agencies and foundations to specifically characterize their investments and spending on children and challenge them to evaluate their effectiveness and impact, we must also assess the roles of other key players and expect to measure their investments and impact. All such efforts must begin with an understanding of the current expectations and baseline data, and this study sought to provide baseline data about the significant corporate contributions to children by surveying the 2001 Fortune 1000 companies.

### **Highlights of findings from Ref. 4 (reprinted with permission from Diane Gingold)**

Survey results from a self-reported mail survey of 1997 Fortune 500 companies (where one-third of the companies responded):

- 99% of respondents support youth and youth programs at some level
- 77% of respondents had employee volunteer programs, 98% of them support programs that benefit youth and of these, 58% direct 40% or more of their support to programs that benefit youth
- 69% have corporate foundations, with 96% of these supporting youth programs, and 78% have corporate giving programs separate from foundations, with 99% of these supporting youth programs
- 27% of respondents direct 60% or more of their corporate philanthropy to youth
- Percent of overall philanthropic resources dedicated to youth (n=102, 13% did not respond):
  - 15% of companies contribute between 0 and 19% to youth
  - 24% of companies contribute between 20 and 39% to youth
  - 23% of companies contribute between 40 and 59% to youth
  - 18% of companies contribute between 60 and 89% to youth
- 9% of companies contribute between 80 and 99% to youth
- 36% have cause-related marketing, 88% supporting youth-related issues (education being the most common issue)
- 67% donate in-kind services, with 90% of these donating some services to programs that benefit youth
- 66% of respondents ask subsidiaries to follow social responsibility guidelines, 53% report that their subsidiaries have independent programs to support youth

For additional information about this study contact Diane Gingold & Associates, Washington, DC. (202)966-7121, [www.strategic-philanthropy.com](http://www.strategic-philanthropy.com).

## Methods

To begin to characterize the commitment of the largest corporations to children under the age of 18 years in the U.S., we surveyed the 2001 Fortune 1000 companies (8). The Fortune 1000 companies represent a significant part of the U.S. labor force, accounting for over 29,000,000 employees (ie, equivalent to approximately one-tenth of all Americans) and in 2001 they collectively produced revenues of over 8 trillion dollars. Only 16 of these companies employed greater than 200 but less than 1000 employees; the remaining 984 companies all employed over 1000 employees, with 8 companies employing more than 300,000 and 1 company (Wal-Mart) employing over 1,000,000 workers.

We asked each company specifically the following questions:

- Does your company have a commitment to children as part of its mission statement, vision statement, or guiding principles?
- Do you encourage your employees to mentor children under the age of 18?
- Do you employ people under the age of 18 in the U.S.?
- Does your company have an affiliated, independent philanthropic foundation?
- Does your company's philanthropy focus specifically on children?
- Does your company participate in at least one activity that helps disadvantaged children?

We sent letters with the survey to the CEOs of all of the 2001 Fortune 1000 companies on March 20, 2002 and a single follow-up letter in April of 2002. Following these mailings, we began randomly contacting companies that had not responded by phone until we had responses from at least one-third of the companies (see the Appendix for the list of the 333 companies that responded). We also requested qualitative information about what the companies did for any of the questions above to which they responded "yes," and we checked every company's Web site for information and to determine which companies had created any Web sites specifically for children.

Finally, we requested quantitative information about company spending on children. Given data that suggested that more than 99% of private firms that employ more than 1000 people offer one or more major health plan (9), we assumed that all of these companies offered health insurance to their employees and the employees' minor dependents. Consequently, we asked each company about the amount of resources it spent providing coverage for minor children in the United States in 2000. With the growth in company-sponsored child care programs for children of employees and coverage of parental leave, we also asked about the dollar amount spent in the year 2000 in the U.S. for these programs. Finally, we requested estimates of the percentage of the company's philanthropy that was directed at helping children, and specifically at disadvantaged children.

We report the aggregate results from this survey as the percentage of companies that responded that answered "yes" to each of the 6 key questions, and we provide examples to demonstrate the types of efforts that companies described when we asked them for more information about their efforts. We obtained limited information on financial expenditures, and consequently, we report estimates based on the data that we did obtain as hypotheses to be explored in future studies. In particular, many companies found it difficult to estimate their spending for children's health care separate from spending on all dependent care because they do not typically capture these data. Further, the large and decentralized nature of these companies also made it difficult in some cases for them to aggregate over the entire company.

## Results

This is the largest study to date to attempt to characterize what the largest companies do for children in the United States. [As the following examples show, companies act on many dimensions and they can provide evidence of extensive commitments.]

For almost 30 years, Compuware has nurtured a corporate culture that promotes and sustains a deep commitment to children and their families – in the workplace and in the surrounding community.

**Compuware's Workplace Commitment to Children** – For our employees and their dependents, Compuware pays the full premium for family health care coverage at no cost to employees. We also provide a subsidized daycare facility and discounted daycare services for our employees' children. To help mitigate the cost of dependent care, Compuware offers dependent care reimbursement accounts that help employees offset their expenses using pre-tax dollars. Family friendly time-off policies help accommodate the personal time employees require for medical matters and family events. Additional benefits we offer include a yearly internship program that employs the children of many Compuware employees, an elaborate summer picnic for our employees and their families, and a summer YMCA camp for younger children who still require summer daycare. Finally, and perhaps more importantly, Compuware actively promotes and supports employee volunteer programs that benefit children and their families. For years, Compuware employees have volunteered their time at Judson Center, Gleaners, Cornerstone Schools, Orchards Children's Services and HAVEN. In addition to these charities, Compuware is proud to provide monetary support to Junior Achievement, Children's Hospital of Michigan, Generation of Promise, Mosaic Youth Theater of Detroit, Think Detroit, City Year Detroit, March of Dimes, Goodfellows, Alternatives for Girls and the YMCA of Greater Detroit, among others.

**Compuware's Philanthropic Commitment to Children** – During Fiscal Year 2001 (April 1, 2000 to March 31, 2001) Compuware gave more than \$100,000 to 42 children/family charities the company actively supports. Fiscal Year 2002 corporate donations have increased significantly. They include a \$35,000 donation to the Newspapers in Schools program or two years and a pledge to donate \$750,000 over five years to the Children's Center of Detroit.

In addition to Compuware's monetary gifts, our company is well-known for its association with a premiere youth hockey program that Compuware Chairman and CEO Peter Karmanos, Jr. began building in 1974 for the children in Southeast Michigan. Internationally recognized for its sophisticated player development and winning tradition, Mr. Karmanos' dedication to youth hockey has provided ongoing support to numerous youth teams at various levels for almost three decades.

COMPUWARE



Polaroid products generate a lot of enthusiasm with children as demonstrated by the success of the Polaroid i-Zone Instant Pocket Camera, a youth-oriented product that quickly became the best-selling camera in the world after its launch in the fall of 1999. But perhaps the company's commitment to children can best be seen by this excerpt from a press release issued by Save the Children on March 10, 2000:

"Save the Children workers in flood-ravaged Mozambique are using instant film and cameras, donated by Polaroid Corporation, to reunite hundreds of children with their families. As the muddy, polluted waters recede in the wake of Mozambique's worst flooding in recent years, they are leaving behind many children separated from their families. But the wonder of instant photography holds promise for many of them. 'We started registering children at the Chiaquelane refugee camp this week,' said Charles F. MacCormack, president of Save the Children in the United States. 'We're taking Polaroid pictures of each child, coding the shots with serial numbers, and then circulating them in refugee camps, where relatives will hopefully see a familiar face. We've already had some success stories.'"



People forget just how much magic our instant images hold. Not only was Polaroid technology able to help bring these children back to their families, it also gave many of them a first chance to see themselves on film. We were glad to be in a position to help.

ExxonMobil recognizes the importance of safeguarding children's health, and we are committed to the responsible manufacture, testing and safe use of our products. It is our policy to identify and evaluate health risks related to our operations and products and implement programs and protective measures to control such risks. We specify precautions required in the handling and use of our products and take reasonable steps to communicate them to customers and others that might be affected. We conduct and support research to extend knowledge about the health, safety, and environmental effects of our products, promptly apply findings, and share them with customers and the public.



Some examples of our children's health activities include:

- 1) Participation in the U.S. Environmental Protection Agency's Voluntary Children's Chemical Evaluation Program
- 2) Participation in the U.S. Environmental Protection Agency's Children's Health Protection Advisory Committee (a Federal Advisory Committee).
- 3) Sponsorship of scientific workshops and symposia on issues such as the causes of childhood asthma.
- 4) Publication in the scientific peer reviewed literature by company scientists on the issue of assessing children's exposure to chemical agents.
- 5) ExxonMobil Biomedical Sciences, Inc (EMBSI) and its 160-member staff of industrial hygienists and medical professionals represent an industry leading commitment to children's health and health and product safety more broadly.
- 6) Active support for completing the elimination of lead from motor gasoline around the world.
- 7) Funding for a new pediatric asthma research effort at the University of Texas Southwestern Medical Center in Dallas.

Lee Raymond, Chairman and Chief Executive Officer, said in announcing the \$1 million pledge to UT Southwestern Medical Center that "ExxonMobil is committed to improving public health in communities where we have major operations. The research and outreach provided will advance studies in crucial areas of public health and, hopefully in the long-run, create a healthier living environment for our children, our employees, and the entire community." Mr. Raymond emphasized the pediatric asthma research effort has the opportunity to impact public health far beyond Dallas.

The company continually looks for ways to help meet critical social needs and to enhance social and economic conditions in the communities where we live and do business. Our recent report "Corporate Citizenship in a Changing World" (available from [www.exxonmobil.com](http://www.exxonmobil.com)) provides additional detail on how we translate our commitment to good corporate citizenship into action.

We realize that the future of our communities depends on the well-being of our children and we actively support programs that address child protection, youth development and child care. We emphasize improving educational programs in science and math, particularly among underprivileged or under-represented population groups, at the pre-college, college, graduate and professional levels. We work to address community health issues that put children at risk.

Examples of company activities with direct benefits to children include:

- 1) Contributions to colleges and universities along with organizations that support higher education initiatives
- 2) Programs to promote youth development, neighborhood assistance and volunteer involvement. The company's efforts target high-risk children through educational enrichment activities in extended day care programs for younger learners and programs that offer alternative, nontraditional opportunities for adolescents and teens to achieve educational goals.
- 3) "Help Us Help" is a program in Central America, the Caribbean, and South America, which includes a dozen campaigns for substance abuse education, medical equipment for burn victims, support for the blind, and earthquake recovery.
- 4) Broad corporate involvement in Junior Achievement and in our employee volunteer program that widely benefits children.
- 5) ExxonMobil is funding the Harvard Malaria Initiative and Medicines for Malaria aimed at developing new anti-malarial drugs through private-public research partnerships. With more than a million people dying each year from malaria, these efforts have an important impact on children's health especially in Africa.
- 6) In Chile, our employees work closely with municipal, health, and educational authorities to educate children about drug and alcohol abuse. In addition, an alliance between a Chilean doctors group and ExxonMobil created 22 years ago, is providing free medical assistance to childhood burn victims and represents the only comprehensive center of its kind in Latin America.

Like other global companies, ExxonMobil is called upon to address an ever-broadening range of issues and challenges. The resourcefulness, professionalism, and dedication of the directors, officers, and employees of ExxonMobil make it possible for us to meet these challenges. Our well-trained, culturally diverse workforce focused on performance and proud of its high standards and integrity is prepared to do its part in meeting the needs of children.

FleetBoston Financial has a long-standing and deep commitment to children. We strive to enhance the lives of children and families by expanding access to programs and services through financial and programmatic support, and by demonstrating a genuine respect and appreciation for individual and family diversity. Through our FleetBoston Financial Foundation, we contribute to national and community initiatives focused on youth development, school improvements, arts and cultural initiatives, and promotion of social and economic justice. We also provide our employees - 70% of whom are women, and more than 50% of whom have children under age 12 - with the practical services they need to manage career and family responsibilities. Our goals are two-fold: first, to offer meaningful resources to benefit our employees and their children in any situation, thereby helping working parents provide their children with a stronger quality of life; and second, to provide resources that can help lessen the "priorities tug" between family and work by creating situations where working parents, not limited to ours, can feel successful in both worlds. By making the right investments in our people, we believe we're helping to build stronger families, and ultimately, stronger, more stable communities across the country. The following are some examples of the many ways in which Fleet demonstrates its abiding commitment to the children of our employees, as well as children in our communities:

- The award-winning FleetKids.com Web site includes games and a related teachers' guide for classroom use. FleetKids is a series of interactive computer games designed to teach elementary-school-age children about saving, budgeting, setting goals, teamwork, and social responsibility.
- Fleet is a leading corporate sponsor of City Year, a national service program uniting young people, ages 17 to 24, for a full year of rigorous community service.
- Fleet has been a leading corporate sponsor of Boston's Countdown to Kindergarten program each of the program's two years in operation.
- Fleet is a generous sponsor of the United Way, which funds a variety of community-based child welfare programs, including the Boys & Girls Clubs of America and the *Success By 6* initiative. Anne Szostak, Fleet Bank-RI President and EVP & Director, Corporate Human Resources and Diversity, is chairman-elect of the Boys & Girls Club's national board.
- Fleet's Diversity Resource Groups receive \$35,000 from the FleetBoston Financial Foundation to contribute to community organizations of their choice. In 2002, recipient organizations included Girls Incorporated of the Greater Capital Region (NY), Partners for Youth with Disabilities (MA), and the RI Children's Crusade for Higher Education.
- Fleet has committed \$2 million to a public/private collaborative that donated \$25 million to expand after-school programs in Boston public schools. The Massachusetts *After-School Partnership for All* seeks to increase the number of affordable after-school slots in schools, churches, and community centers to 5,000 by 2006.
- Fleet offers the University of Massachusetts Scholarship Program to employees to help them afford quality education.
- Fleet has its own Parents Resource Group, which sponsors the *Partners in Parenting* award to recognize Fleet managers who support a family-friendly workplace.
- Fleet participates each year in *Take Our Daughters and Sons to Work Day*. Regular, full-time employees receive two full days off with pay each year to volunteer with the non-profit organization of their choice. Recipient organizations included Special Olympics, the Boys and Girls Clubs of America, and the American Red Cross.
- Fleet has long supported women's choice to breastfeed their babies following their return to work, and the company offers private, secure facilities called Mothers' Rooms to allow working moms to continue this practice.
- Fleet's interest-free Employee Emergency Loan Program is solely for employees who experience a catastrophic emergency resulting in extreme financial hardship. This program has proved helpful to single women with children.
- Employees attend cultural and family programs at discounted rates through our Music, Museums and More Program. Employees enjoy 20% discounts to the Children's Museum of Boston; free admission to Boston's Museum of Science; free admission to the Brooklyn Children's Museum in New York; 40% discounts on Wednesday matinee performances at Lincoln Center's Vivian Beaumont Theater, and much more.
- Fleet was the founding institution for the Boston Plan for Excellence (BPE) and Fleet Chairman & CEO Chad Gifford is Chairman of the Board. As an independent working partner with the Boston Public Schools, BPE works with the schools to support principals and teachers as they learn about instruction that's most effective for their students.
- Fleet sponsors 26 Tutoring Centers located throughout Fleet's corporate footprint. These centers are run in conjunction with local United Way agencies and provide valuable after-school services to urban children.
- *Fleet Works*, Fleet's employee volunteer program, provides opportunities each month for employees to help out in their communities - offering more than 120,000 total hours of service each year.



AMS is proud of our commitment to the communities we serve. Our initiatives are focused on positively affecting the lives of children through our volunteer resources and corporate contributions. We partner with non-profit agencies, giving them the financial support and professional assistance they need to address critical issues that touch upon the smallest and most vulnerable members of our society. As the "soul" of our communities, non-profits are taking on even more responsibility for the programs that serve children. As a result, AMS is focusing our financial aid on the organizations that concentrate on children's issues.



But community involvement at AMS goes beyond financial assistance. Year after year, our employees volunteer their time and talent to charitable organizations that serve children. As highly skilled professionals working in a global business and IT business consulting firm, they donate the most valuable assets of all - IT and IQ. They apply their technical expertise to help non-profit organizations do more with limited resources. And they apply their considerable intelligence in projects that directly improve the lives of the children they work with - tutoring, mentoring, and encouraging positive behavior and responsibility. The projects they support with thousands of volunteer hours range from providing children with positive role models as mentors and tutors to educating our youth on technology and teaching ethical responsibility.

**Seasons of Giving** - AMS employees are generous also in their donations of food, school supplies, books and toys for needy children and their families. During 2003, they will contribute to four company-wide seasonal drives - during the spring, collecting books for public libraries; in the summer, donating food to replenish local food banks; in the fall, filling backpacks with supplies for children in foster care; and in the winter, donating thousands of new toys for the Toys for Tots campaign.

**School Partnerships** - AMS employees are enthusiastic participants in partnerships with public schools across the country, tutoring students, chaperoning trips to local museums, becoming pen pals, judging science fairs, and helping wire schools for Internet access.

**National Volunteer Week** - during this annual event, teams of AMS people at offices across the United States and Canada join other corporations and individuals in volunteer projects that benefit children, including cleaning up school playgrounds, serving at soup kitchens and working at homeless shelters.

In fiscal year 2002, AMS and our employees contributed more than \$500,000 to non-profit agencies, with a primary focus on agencies addressing children's issues.



Verizon is committed to the health and well-being of our country's youth, their families and communities. The long-term success of corporate America depends on a future workforce that is well educated, skilled in problem solving and able to harness the power of technology. With this vision sharply in focus, Verizon's corporate social responsibility strategy assists young people as they strive for success. In this way, Verizon's initiatives provide educational opportunities, help create jobs, teach basic reading skills, improve delivery of health and human services, enhance the arts and build safe, strong communities. Supporting children is the surest way to nurture vibrant communities that promote self-sufficiency and strengthen families.

At Avista, we strive to be a valued and trusted corporate neighbor, integral to the fabric of the communities we serve.



Wyeth has achieved prominence around the world by developing innovative products that enhance and improve people's lives. We pride ourselves on being a company concerned with children's health and have focused much of our talent and resources on developing vaccines for infants and young children. Several of these products, such as Prevnar®, Wyeth's pneumococcal conjugate vaccine, are landmark products that have made an immediate impact on disease incidence and continue to provide significant public health benefits. Prevnar® is the only vaccine licensed for infants and toddlers to help protect them against infections, such as meningitis, bacteremia and pneumonia caused by the bacteria *Streptococcus pneumoniae* (also known as *S. pneumoniae*, pneumococcus, and/or pneumococcal bacteria.)

Capitalizing on our expertise in conjugate vaccine technology and other opportunities made possible by biotechnology, Wyeth will continue developing innovative new vaccines for infants and young children. Products in the Wyeth pipeline include combination vaccines against meningococcus and pneumococcus, as well as vaccines against respiratory syncytial virus and parainfluenza virus. We are also developing vaccines with unique delivery systems, such as intranasal vaccines, to reduce the number of injections required for immunization.

Vaccines have contributed significantly to world health in the 20<sup>th</sup> century, preventing and, in some cases, eliminating diseases that once claimed millions of lives annually. In the future, innovative new vaccines will have the potential to protect children and adults against an increasing number of diseases and to expand beyond disease prevention into the realm of disease treatment.

In addition to our biomedical research and medicines, Wyeth employees are active in advancing children's health by participating in numerous "walks" or "runs" and fundraising events for organizations such as the March of Dimes and Juvenile Diabetes Foundation. Robert Essner, Wyeth's Chairman, President and Chief Executive Officer serves as Chairman of the Corporate Council of the Children's Health Fund and Wyeth is a major corporate sponsor of this innovative program, which brings quality health care to a large at-risk population of young children and teenagers across America.

# Wyeth

Dominion encourages its employees to be active participants in community life through programs of their choosing. The company supports employee efforts in a number of ways, which are described below:

*Volunteer leave policy* – Company policy allows eight hours of paid volunteer time per non-union employee per year. Employees may use the time in one-hour or more increments to participate in activities of their own choosing. Activities frequently involve children – coaching youth sports and volunteering at local schools, for example.

*Recognition for volunteerism* – Each year the company honors employees who have made significant contributions to their communities. The employees are recognized at an awards ceremony and dinner. The program is held in two locations to enable a large number of volunteers to attend.

*Matching gifts* – Through the Dominion Foundation, the company provides a dollar-for-dollar match for employee contributions to most charitable organizations. To recognize volunteer involvement, the program includes a two-for-one match once per year for each employee who serves on an organization's board of directors or has contributed 50 hours of service to the organization within the previous 12 months.

*Employee volunteer teams* – Virtually every company location has a volunteer team that evaluates community requests and chooses projects to support. Company resources support the grassroots program.

*Grants for K-12 education* – To enhance math and science education for students in grades K through 12, Dominion offers annual mini-grants and program grants on a competitive basis. Eligible recipients include accredited public and private schools, state agencies, non-profit educational organizations and accredited institutions of higher learning. Program grants of \$1,000 to \$5,000 are awarded in three areas: to help schools raise standardized test scores, to increase the role of parents, and to develop students' math, science and technology skills through study of the environment.

In each of these endeavors there is a strong interest in activities that support children – from direct involvement with parent-teacher organizations and youth sports to indirect involvement through service to boards of such organizations as the YMCA, YWCA, Boys and Girls Clubs, and Scouting. The choice of focus, however, is at the discretion of each employee.

Through its corporate Foundation, Dominion also makes a significant number of grants to the community non-profit organizations in the following categories: Environment, Education, Culture and the Arts, Community Development, and Health and Human Services. Although many grants benefit children and children's programs, that is not a separate focus area for Dominion's charitable giving.



We Energies has a long history of demonstrating its commitment to children. Our employees are encouraged to bring their children, or other interested young people, to safe workplaces in order to shadow their parents or chaperones during the annual "Take A Child To Work Day." It is in this endeavor in which young people interact with the We Energies "Kids Korner" Website, watch videos and attend two demonstrations highlighting electrical hazard awareness and gas safety.

Our organization also offers generous family health care and life insurance programs to ensure employees' families have solid choices, quality health care and excellent coverage for children and adults. If necessary, health coverage of minors can be extended to age 23, depending on academic status.

"We firmly believe in a continuous and sincere commitment to young people, for they are our future on a variety of fronts," says Richard A. Abdo, chairman and chief executive officer of We Energies. "It is in the best interest of our employees and community at large to adhere to such a necessary goal."

Currently, We Energies is in the process of creating a new secondary education development program that will serve to interest young people about the opportunities available in the utility industry. This program will align with the "Women in Hard Hats" program that encourages teenage girls and women to consider non-traditional careers and participate in a greater Milwaukee job fair and an interactive career workshop integrating more than 40 business and educational institutions.

We Energies makes every attempt to support employees' children by providing generous paid time-off programs, which extend beyond the requirements mandated by federal law. As the workplace has become increasingly populated by employees who are single parents or have spouses working outside the home, We Energies has widened the door to work closely with parental employees who have varying scheduling needs.

Each year, the company supports children in the "Belize Bound" program which provides a unique, educational experience for high school students and teachers to study tropical ecology in Central America during the summer months. We believe this commitment is essential, as it adheres to our commitment of global environmental leadership. The project, which protects endangered forest land that was threatened by conversion to agricultural land, promotes the conservation of the country's natural heritage and wise use of its natural resources.

There is also a scholarship program and a school loan program to assist children of employees with their educational resources. Our mentoring programs and partnerships with the YMCA encourages employees' involvement with children in their local school districts who may need additional adult support.

Throughout the year, We Energies provides tickets to employees at reduced prices for events and theatricals that are of great interest to children, such as Great America theme park, Noah's Ark water park and Disney productions.

Our commitment to children will continue to intertwine itself with the variety of on-going activities at We Energies.



If we are to improve our communities and Delta's connections to them, we must focus our efforts on the areas where we can make the biggest impact. We believe supporting targeted youth programs is the most effective way to enhance our communities and shape our future leaders.

Under the theme "Taking Youth to New Heights," Delta supports youth programs in three key areas: wellness, leadership development, and cultural understanding.

**Youth wellness:** At Delta Air Lines, we are committed to improving the quality of life for millions of children. This includes addressing their physical and emotional needs. We believe that starting with healthy minds and bodies will encourage youth to become successful, productive citizens.

**Leadership Development:** We proudly support non-profit organizations that help children develop strong character, leadership skills and positive self-esteem, as well as programs that teach personal development, conflict resolution and team building.

**Cultural Advocacy:** Delta supports organizations and programs that help youth embrace their differences and enrich their understanding of diverse peoples and cultures. By funding educational programs and visual and performing arts, we are helping youth appreciate diversity so they can bridge the gap between the world's cultures.



Table 1 shows the breakdown of the 2001 Fortune 1000 companies by industry and the corresponding breakdown of our sample. Overall, this sample appears to represent companies in all of the industries reasonably well, although we did not get responses from any of the 6 companies in the “Building materials, Glass” category or any of the 4 Railroads, and both of the toy companies did respond.

**Table 1: Breakdown of the 2001 Fortune 1000 companies by industry overall and in the sample (8)**

Industry	Total number of companies	Sample	
		Number	Percent
Advertising, marketing	5	1	20%
Aerospace and Defense	11	3	27%
Airlines	10	4	40%
Apparel	10	2	20%
Automotive Retailing, Services	7	2	29%
Beverages	9	3	33%
Building materials, Glass	6	0	0%
Chemicals	32	14	44%
Commercial Banks	42	18	43%
Computer And Data Services	22	10	45%
Computer Peripherals	9	4	44%
Computer Software	12	6	50%
Computers, Office Equipment	12	3	25%
Diversified Financials	20	9	45%
Diversified Outsourcing Services	13	6	46%
Electronics, Electrical Equip.	21	5	24%
Energy	14	5	36%
Engineering, Construction	27	10	37%
Entertainment	5	1	20%
Food and Drug Stores	19	3	16%
Food Consumer Products	19	5	26%
Food Production	12	1	8%
Food Services	11	5	45%
Forest and Paper Products	19	5	26%
Furniture	6	3	50%
General Merchandisers	16	2	13%
Health Care	37	17	46%
Hotels, Casinos, Resorts	12	5	42%
Industrial and Farm Equipment	32	8	25%
Insurance: Life, Health (mutual)	12	6	50%
Insurance: Life, Health (stock)	18	7	39%
Insurance: P & C (mutual)	6	1	17%
Insurance: P & C (stock)	21	5	24%
Mail, Package, Freight Delivery	6	3	50%
Medical Products & Equipment	8	6	75%
Metal Products	17	8	47%
Metals	12	1	8%
Mining, Crude-oil production	15	6	40%
Motor vehicles and Parts	23	6	26%
Network and Other Communications Equipment	11	3	27%

**Table 1 (continued)**

Industry	Total number of companies	Sample	
		Number	Percent
Oilfield Services	2	1	50%
Petroleum Refining	16	3	19%
Pharmaceuticals	11	6	55%
Pipelines	8	2	25%
Publishing, Printing	20	6	30%
Railroads	4	0	0%
Real estate	4	2	50%
Rubber and Plastic Products	8	2	25%
Savings Institutions	9	2	22%
Scientific, Photo, Control Equip.	13	5	38%
Securities	13	6	46%
Semiconductors and Other Electronic Components	22	8	36%
Soaps, Cosmetics	9	4	44%
Specialty Retailers	57	20	35%
Telecommunications	22	9	41%
Temporary Help	7	2	29%
Textiles	7	2	29%
Tobacco	5	2	40%
Toys, Sporting Goods	2	2	100%
Transportation	2	1	50%
Transportation Equipment	4	1	25%
Trucking, Truck Leasing	13	2	15%
Utilities: Gas & Electric	55	17	31%
Waste Management	3	1	33%
Wholesalers: Diversified	19	3	16%
Wholesalers: Electronics and Office Equipment	18	4	22%
Wholesalers: Food and Grocery	11	4	36%
Wholesalers: Health Care	8	2	25%
zMiscellaneous	9	1	11%
<b>Total</b>	<b>1000</b>	<b>333</b>	<b>33%</b>



For more than 100 years, Springs Industries and the Springs and Close Foundations have demonstrated concern for the health and well-being of Springs employees and their families in many ways: organizing the first public schools in our community; providing on-site day care while mothers worked during the war effort in the 1940s; leading education reform efforts in South Carolina, our home state; and providing early and substantial support for 1<sup>st</sup> Steps, which prepares South Carolina preschoolers and supports their families to ensure that success begins at an early age. Personal and Family Well-Being is one of our seven core values.

Crandall Bowles  
Chairman and Chief Executive Officer

## Commitment in Mission and Vision

We found that approximately 33% of the companies that responded reported that their mission statements, vision statements, or guiding principles specifically include a commitment to children. These commitments generally included specific mention of the company's philanthropic focus on children, and in some cases specifically on disadvantaged children, or mention of the company's efforts to be involved in the community, primarily by supporting or engaging in children's educational activities. In spite of the lack of a large social movement demanding a corporate commitment to children (eg, comparable to the demands for corporate environmental responsibility), the fact that nearly a third of all companies have a commitment to children at this level is significant, and it represents a clear vision by the leaders of these corporations about investing in the future of business by investing in today's children.

WellPoint is guided by a mission, vision, and set of values that recognize a healthy population – a nation's most important asset – begins with healthy children. What families need to raise healthy children is affordable health coverage providing access to culturally competent, linguistically sensitive, quality care. WellPoint continuously innovates its products, programs, and services in order to offer families, which vary in their composition, health status, and financial situations, a range of coverage options. WellPoint is a partner to and makes significant investments in government-sponsored health programs to ensure that low-income children have the same access to quality care as all other children and low-income pregnant women receive prenatal care. WellPoint also advocates for public policy that removes barriers to affordability, expands coverage, and simplifies enrollment into government-sponsored health programs. WellPoint's efforts are directed internally, as well, through family-oriented benefits, such as family leave and adoption support, educational resources, and a parenting initiative to help employees balance work and life.



Leonard D. Schaeffer  
Chairman and Chief Executive Officer

The future of our company — and of our world — will someday depend on the children of today.

Through our businesses and our philanthropic efforts, we actively support many programs that enrich the lives of youngsters by educating them, by helping them gain important skills and by giving them an opportunity to have fun in a safe and healthy setting.

Closer to home, we offer a wide range of scholarships to the children of our employees in what may be the largest corporate scholarship program in America. We also strive to enhance the home lives of those children by providing their parents a great place to work, great benefits and family-friendly programs.



**PEPSICO**



Steve Reinemund  
Chairman and Chief Executive Officer

A smile. A roof overhead. A safe playground. Encouragement and knowledge. These are but a few of the areas on which CA concentrates its charitable efforts around the world. Because our goal is to make tomorrow better today, CA's philanthropic initiatives focus on children and activities that help them build the confidence they need to succeed.

We have donated significant financial resources, thousands of employee hours and numerous technology solutions to over 4,000 charities in the communities where CA employees live and work worldwide. We continue to commit time and resources to make a difference in a number of areas:

**Employee Volunteer Programs:** *We match ourselves with non-profit organizations who need us most*

**Non-profit Partnerships:** CA works with a select group of charitable organizations that share our vision of empowering children to succeed including: Computer Associates' Digital Schoolhouse Foundation, Habitat for Humanity, Junior Achievement, KaBOOM!, National Center for Missing and Exploited Children, and The Smile Train.

**Dedicated Giving:** We continually seek to identify the most critical and unmet needs and look for ways our funding can impact children in a positive manner, creating real-life solutions.

These efforts include: Breakfast to Charity, Community and Diversity Grants, Matching Charitable Gifts Program, and NY Kin Fund.

**CA in the Community:** Here's where we live, work, and contribute.



Sanjay Kumar  
Chairman and Chief Executive Officer

Computer Associates™



Eaton employees are committed to strengthening the communities where our operations are located. And, since youth are the future of our nation, we are proud to be involved – through financial support and/or volunteer service – in programs that directly benefit children.

Alexander M. Cutler  
Chairman and Chief Executive Officer

We donate to the Alliance for Education, Junior Achievement, Independent Colleges of Washington, and several other educational programs, but more importantly we have an intern program, a mentoring program, and many of us speak at K-12 schools and at universities.

Peter J. Rose  
Chairman and Chief Executive Officer



Office Depot's charitable mission is centered around providing meaningful ways to make a direct and positive impact on the lives of children, particularly in the areas of education, health and welfare. We are very passionate about helping children in need, and focus most of our attention on the local communities where our employees and customers work and live each day.

Bruce Nelson  
Chief Executive Officer

## Creating Opportunity

Jobs also represent a significant contribution of the business community to children. Not only do companies employ parents and enable them to be productive members of society, they also provide important employment and career opportunities for youth as well. In our survey, we found that approximately 41% of the companies that responded provide employment opportunities for children under the age of 18 years in the United States. These opportunities included internships, summer and after-school hour jobs, and vocational-training opportunities, primarily part-time jobs for high school students. Companies provide incentives for these young employees to encourage them to complete high school, for example by specifically limiting the number of after-school hours that youth can work per week, setting minimum grade point average requirements for employment, and in some cases offering on-site courses that help employees pass the General Educational Development (GED) test. Companies also encourage young employees and the children of employees to pursue a college education by offering scholarships and work-study programs.

We place our greatest emphasis on the support we provide for educational programs for children. As a foundation for the future, education is a key to the growth and development of our communities. We recognize the growing importance of challenging the best and brightest of our students to achieve academic excellence, particularly in today's highly competitive workforce environment. It is our hope and expectation that, through the MassMutual Scholars program, we actively encourage students to reach for their dreams through continued outstanding scholastic performance. Through this program, MassMutual contributes \$200,000 annually to graduating seniors in the greater Springfield (MA) and Hartford (CT) communities. Forty students each receive a \$5,000 scholarship to help defray the cost of continuing their education. In addition, each of the students is eligible to participate in a unique summer internship program designed to complement their academic goals. In addition, the MassMutual Academic Achievement Award annually recognizes students who have maintained a "B" average or better over four consecutive marking periods. We have also worked with local schools to establish Achiever Clubs for these students, as well as a Rising Achievers sub-group that is for students who are close to the grade requirement, but may need a little help or encouragement to get there. Finally, our systematic change initiative is underway in the Springfield and Hartford schools. We are working with a diverse group of stakeholders (parents, teachers, elected officials, boards of education) to help develop a "culture of achievement" throughout the school system. Our intent is to initially work with three schools to develop a model that we can export to other business partners, encouraging them to fund similar initiatives in other schools throughout the region.

Robert J. O'Connell  
Chairman, President and Chief Executive Officer



Responses to this question also revealed that many multinational companies now also have or are developing strict policies on child labor, primarily related to their overseas operations, a direct result of globalization and concerns about human rights.

***Baxter***

"Our reputation and integrity are central to our ability to do business worldwide. They allow us to gain respect and support from regional communities, are cornerstone for competitive advantage, and help us attract and retain people of high standards," said Harry Kraemer, chairman and chief executive officer of Baxter International Inc. "While we support programs for young individuals as part of a regulated or supervised program, such as an internship, that supports their education and social development, we have a strict policy against producing or manufacturing goods using forced or indentured child labor."

## Leading by Example – The Power of Mentoring

Our results also suggest that the companies that responded clearly see mentoring as a major theme, with 77% of these companies encouraging their employees to mentor children under the age of 18. All of the companies encourage their employees to be involved in the community in some form or another (4), but the observation that over three-fourths of them specifically focus on mentoring children is very significant and it's good news for current efforts like the National Mentoring Partnership. Companies offer incentives to employees that in some cases include paid time off for volunteer work, monetary bonuses for employees that volunteer at least a certain number of hours, recognition within the company for employees that volunteer, and programs for matching gifts. Many companies now have established programs that help put their employees in schools (some companies have even "adopted" schools) where their employees mentor children one-on-one. These include programs that send employees out to teach business and computer skills to disadvantaged middle school children, lunch buddy programs where employees mentor specific children during the lunch hour at a local elementary school, reading programs where employees take books to schools to donate and read to kids, and high school job fairs that include mentoring related to careers and interviewing. Companies also provide job-shadowing opportunities and they support numerous national mentoring programs like Junior Achievement, Big Brothers/Big Sisters, and youth-focused organizations. Finally, companies also encourage parents to mentor their own children by sponsoring activities and opening their doors for very popular "Take a child to work" days, and some companies provide scholarships for parent-child seminars.

PSEG's commitment to children is deeply rooted in the company's 100-year history. The company supports Children's Issues as one of its three philanthropic priorities, and our employees donate thousands of hours each year to youth-related organizations and causes. The company funds several K-12 education initiatives, and social service and health programs that support children's needs, especially in our cities. PSEG also sponsors tutoring and mentoring programs in which our employees are active participants, and we provide grants to non-profit organizations where our employees volunteer. Our goal is to help improve the quality of life for the people we serve in New Jersey, and children are at the core.

James Ferland  
Chairman, President and Chief Executive Officer



United Technologies' commitment to children is evident in several key ways. Our 2002 contribution budget is more than \$14 million, and more than 30 percent of it goes to support education at every level, from pre-school to post-graduate, from basic literacy to cutting-edge science. Other areas of concentration include health and human services, arts and culture and community organizations. Our Matching Gifts program doubles employee contributions to some of their favorite non-profit organizations and, in honor of our employee volunteers, we give grants to non-profit organizations to which our employees donate their time. Many of them directly benefit children.

A number of our more than 150,000 global employees donate their time as public school tutors and mentors, as coaches and as companions. Many United Technologies Corporation employees volunteer and serve a variety of non-profit organizations that directly benefit children (such as United Way agencies). Several of our businesses sponsor FIRST Robotics projects, teaming UTC engineers with high school students to produce robots that vie for honors in national competition. And the company joins with its employees to benefit those in need. Maybe the best example would be United Technologies Corporation's more than 20-year sponsorship of "United Technologies Symphony on Ice," an ice skating spectacular dedicated to collecting toys for children. Since 1979, nearly 250,000 toys have been collected, supported by thousands of United Technologies Corporation volunteers.



Ossie Reid  
Director of Workforce Diversity



Manpower Inc. is committed to helping children gain the education and job training that they need to develop productive careers after they become adults. Our commitment is demonstrated through numerous innovative programs designed to reach out to children in their schools and in the community. In addition, Manpower provides the most generous employee benefits programs in the staffing industry to ensure that our temporary employees and contractors have the best possible health insurance, investment programs and other services for their families.

Jeffrey A. Joerres  
Chairman, President and Chief Executive Officer

Starwood Hotels & Resorts, the leading hotel and leisure company in the world with internationally renowned brands including St. Regis, The Luxury Collection, Sheraton, Westin, Four Points by Sheraton, W Hotels, and Starwood Vacation Ownership, Inc., strives to enrich the quality of life for millions of children and their families in the communities we serve around the world.

Our StarCare for the Community corporate initiative encourages, recognizes and rewards associates who volunteer their time to make a difference in the lives of others. Mentoring partnerships and volunteer programs with America's Promise – Alliance for Youth, Junior Achievement and City Cares build and strengthen the character and competence of our youth and reinforce our presence in the local communities where we do business. The Starwood Foundation Scholarship Program, UNICEF, Save the Children, United Way, Habitat for Humanity, Juvenile Diabetes Research Foundation International, Kids in Crisis, and Children's Hospital at Westchester Medical Center, are just a few of the many other philanthropic endeavors we support focusing on education, children and health-related causes.

Barry S. Sternlicht  
Chairman and Chief Executive Officer

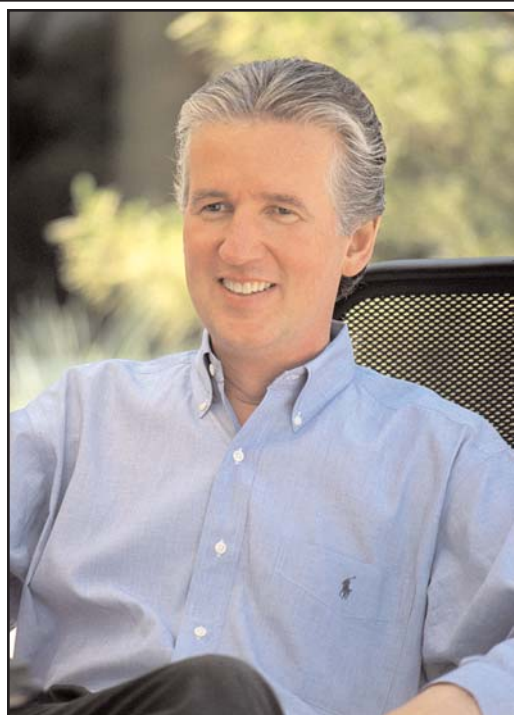


## Corporate Giving to Children

In our survey, approximately 60% of the companies that responded indicated that they support affiliated, independent philanthropic foundations. This question appeared to be complicated by the fact that, in some cases, the companies are owned by a larger trust and, consequently, the reverse statement might be more appropriate (ie, that an affiliated, independent trust supports the corporate entity). Many companies indicated that independent of whether they had a corporate foundation, they did have direct corporate giving programs. Approximately 54% of respondents also indicated that they focus their philanthropy specifically (although not exclusively) on children, indicating that for more than half of these companies, children are a priority in corporate giving. We noted that responses to this question may have depended on whether the individual responding interpreted philanthropy related to education as a specific focus on children or not, and we suspect that future studies should provide more specific criteria.

In support of our belief that children are our hope for the future, the T. Rowe Price Associates Foundation, Inc. demonstrates its commitment to children in our community by allocating a significant portion of our yearly charitable giving to non-profit organizations that promote policies and conduct programs that strive to help children achieve their full potential. We place special emphasis on educational programs that enhance the well-being and enrich the lives of disadvantaged youth. In addition to financially supporting organizations that serve the needs of children, we also provide firm-sponsored volunteer opportunities for our employees to become personally involved with children in our communities – fostering supportive, positive relationships in the lives of our youth.

Christine D. Stein  
Program Director  
T. Rowe Price Associates Foundation, Inc.



Air Products has a long standing tradition of supporting and helping the communities where we have a significant investment presence as well as the communities where our employees and their families live and work. Our support is through the dedication of thousands of employees who offer their skills and time to help their communities and through our charitable contributions. More than ever, children are a priority in our philanthropy. One important area on which we're focusing is enhancing the quality of pre-college education for children who attend public schools, with a particular interest in programs that help underprivileged children and at-risk youth in grades kindergarten through 12th grade. In addition to our philanthropic efforts, the products we make help improve the quality of life for children and their families around the world. Of particular note are our medical gases, such as oxygen supplied to hospitals, and helium, which enables the use of MRI for diagnostics. Our products are helping people, including children, live longer and healthier lives.

John P. Jones, III  
Chairman and Chief Executive Officer

As a physician and the CEO of a health and well-being company, I understand the ultimate consequences of the failure to meet the interrelated social, developmental and health needs of our nation's children. As a result, the United Health Foundation has chosen to support a variety of programs that help parents and physicians make better health decisions for children; and that provide community-based child-health and well-being services. The philanthropy speaks to the shared vision of all UnitedHealth Group employees – better health outcomes and healthier communities.

William McGuire, MD  
President, United Health Foundation

United Health  
Foundation



Boise's commitment to children is reflected in the choice of programs we underwrite, especially those that provide for the physical, educational, and cultural well-being of children. Although many of our contributions are monetary, we also provide volunteer support and gifts-in-kind to organizations that promote child welfare.

George J. Harad  
Chairman and Chief Executive Officer  
Boise Cascade Corporation

Our corporate founders had an abiding belief that "business is a social entity." Over the years this philosophy has evolved and is now embedded in our corporate culture. We believe we have a responsibility to contribute to the society around us, to make our cities and towns great places to live, with healthy schools and life-enriching opportunities.

Steelcase's commitment to our urban public schools flows from this philosophy. Our partnership with local schools lets us positively affect our future workforce to impact academic achievements that ensure graduates will have skills our company and others will need in the future and to do the right thing. Some of our current K-12 initiatives

that we pursue in "Building a Culture of Inclusion" include a long standing partnership with the Madison Park Elementary School which includes our "Help One Student to Succeed" reading mentor program, an innovative "Bring Our Future to Work Day," support of Junior Achievement, the Black Educational Excellence Program, the Grand Rapids Area Pre-College Engineering Program, the Kent Career Technical Center, and a "School-to-Career" training program that helps youth make the transition.

Additionally, Steelcase incorporated elements from its "Classroom of the Future" prototype into 4 classrooms at Alger Park Elementary School. Students in this aging facility now have classroom environments that feature Steelcase furniture and architectural elements. This transformation has enabled a paradigm shift in teaching and learning and may prove to be a blueprint for educational facilities in the future.

James P. Hackett  
President and Chief Executive Officer



## Focusing on those with the Greatest Need

With respect to disadvantaged children, we found that approximately 80% of the responding companies do participate in at least one activity that particularly helps disadvantaged children, whether this is through contributions to local charities that focus on disadvantaged children, adopting child care centers in great need, or focusing their larger philanthropic efforts and engaging in programs to combat the conditions that place children at risk. One key observation with respect to giving resources to disadvantaged children is the reality that children in developing countries often become the focus of giving due to their relatively much greater need, and this has led to some significant corporate philanthropic efforts by multinational corporations that focus specifically on improving the lives of children in parts of the developing world.

As a toy company, the well-being of children is an inherent part of the reason for our organization to exist and we reflect this in all that we do. A child's well-being is not only considered in the quality and type of toys we produce, but also in the way we market and manufacture our toys. Mattel has been recognized as having led the way on product safety standards and on ethical manufacturing.

Additionally, since its inception in 1978, the Mattel Children's Foundation has focused its strategic grantmaking on one objective: improving the lives of children. Viewing philanthropy as an investment, the Mattel Children's Foundation funds exemplary nonprofit partners that not only share but also demonstrate this ideal through their compassionate outreach to children, as well as their financial accountability. The philanthropic work of the Foundation is funded through a percentage of Mattel's pre-tax corporate profits.

The Mattel Children's Foundation promotes the spirit of giving companywide through its substantial Employee Volunteer Program, which provides all members of the Mattel family with opportunities to give back to their communities. Every year, Mattel employees in Southern California alone contribute more than 10,000 hours of volunteer service to bring smiles and laughter to the lives of needy children. The Foundation also offers a generous Employee Matching Gifts Program, matching dollar for dollar the charitable gifts made by employees to qualified non-profit organizations, up to \$5,000.

In November 1998, the Mattel Children's Foundation announced a \$25 million pledge toward construction of a new children's hospital at UCLA. In appreciation for Mattel's commitment, UCLA declared that both the existing facility and the new facility, which began construction in 2000 and will open in 2004, would be renamed the Mattel Children's Hospital at UCLA.



Robert A. Eckert  
Chairman and Chief Executive Officer

Standard Register's philanthropic mission is to provide support to health, education and human service organizations focused on at-risk, disadvantaged youth. Increasingly, we are directing our funds to education, early intervention and prevention programs that help to ensure young people start out making the right life choices. We believe such programs are more effective at addressing root causes and not just treating the symptoms of some of our social ills.

Standard Register and the YWCA are involved in a community partnership that provides leadership skills to girls 12-15 years old. Girls, Inc. is a program that teaches character development, skills cultivation and community involvement through a combination of workshops, classes, field trips, sports, and volunteerism. Standard Register has helped to establish a scholarship fund that provides continuing education opportunities for eligible participants. Girls are encouraged to explore all educational avenues for a successful future including math, science and technology.

Standard Register is a key financial supporter of Wright State University's Wright STEPP Program, a summer pre-engineering program in which participants attend math-intensive and science-intensive classes on the WSU campus, with the opportunity to earn college scholarships. The program targets minority and female junior high and high school students.

Standard Register supports numerous other organizations that focus on outreach to youth including United Way, Daybreak, and the Juvenile Diabetes Research Foundation, to name a few.



Dennis L. Rediker  
President and Chief Executive Officer

In New Mexico, one in every four children lives in poverty. These children are in special danger of physical, emotional, and educational neglect. Unless we work as a community to do something about it, this poverty is self-perpetuating. At PNM, as a corporation and as individuals, we are committed to be part of the solution.

Children raised in poverty are often deprived of the opportunity to develop a sense of their own worth and competence and, as a result, engage in behaviors such as dropping out of high school, which increases the probability that they will become poor adults and raise their own children in poverty. If you look at New Mexico's education system you can see the impact poverty is having. In terms of literacy, 46 percent of New Mexico's population is at level 2 or below (as a benchmark in practical terms, nearly two-thirds of all jobs today require literacy skills beyond level 2).

At PNM, one of our core values is stewardship – our notion of this value embraces stewardship for the children of our community. Our community relations giving program focuses on the 4 Es of Excellence – Education and Work Force Development, Economic Viability, Environmental Education, and Awareness and Engaged Employees. The flagship program of our PNM Foundation is the Classroom Innovation Grant program. Through this program, teachers throughout our state are provided \$3,000 grants to fund projects that introduce new ideas and activities in the classroom. This year, we will foster teacher and student innovation with more than \$180,000 through the Classroom Innovation Grant program.

In addition, the PNM Foundation gives special consideration for programs that help children when grant proposals are reviewed, and perhaps more importantly, our employees make a personal commitment to volunteer in numerous organizations and programs throughout the state that help children, such as Big Brothers and Big Sisters, the March of Dimes, and Cuidando Los Ninos, which serves homeless children. PNM's commitment to children is represented through this effort – at a corporate and personal level.

Jeffrey E. Sterba  
Chairman, President and Chief Executive Officer



## Spending quantified

Finally, we received limited data from 78 companies about their human resources spending and specific philanthropy related to children. Analysis of these data suggests several hypotheses for testing in future studies. First, it appears that spending is highly variable among companies, with the amount of money spent providing health care for children of employees ranging from approximately \$100 per child to \$3,000 per child (in year 2000 dollars), with a mean of approximately \$1,000 and one company with unique employment reporting spending as low as \$10 per child. If companies spent approximately \$1,000 per child (10), with employees of these 1000 companies assumed to be parents of approximately 10% of the 70,400,000 children in the U.S. under the age of 18 years (11), then this implies that the top 1000 companies in aggregate probably spent on the order of approximately 7 billion dollars covering health care insurance costs for children of their employees. Recognizing that 64% of children get health care from private/employer-based coverage (12), employers probably spend in excess of 45 billion dollars annually supporting health care for children, an amount that exceeds government spending on Medicaid for the approximately 21% of children eligible for Medicaid.

**Commitment:** it's a powerful word that describes the attitude we all share at Providian. We are committed to providing outstanding service and developing quality, innovative financial products. Our customers should settle for nothing less.

Providian's commitment extends to active involvement in the communities in which our employees live and work. In 1997, as national attention focused on broad welfare-to-work strategies, we launched the Providian Child Care Initiative, directing the major portion of our charitable giving to improving access to quality, affordable child care for low- and moderate-income families. Providian inaugurated this initiative with a \$5 million commitment in New Hampshire, where our primary bank subsidiary is located, and we have since helped to create or maintain thousands of quality child care spaces at facilities in under-served neighborhoods throughout California, Kentucky, New Hampshire, Utah, and Texas.

Throughout 2001, Providian continued its leadership role in the business community in supporting child care issues. We directed a good portion of our community-giving funds toward improving the quality and availability of child care. These funds made it possible for organizations to build new facilities and improve existing ones, train qualified caregivers, and create and maintain thousands of child care slots in under-served communities.

In addition to our community-based commitments, Providian helps our employees meet their family needs through an innovative matched dependent care flexible spending account, which can be used for child, elder, or spousal care as needed, and a resource and referral service to help employees locate quality child care. We encourage and reward our employees' personal contributions through a Matching Gifts program that contributes to eligible community-based non-profit organizations where full-time Providian employees volunteer their time and money.

Joe Saunders  
President and Chief Executive Officer



Solutia is about creating solutions for a better life. We make products that provide comfort, safety, security, durability and beauty. Solutia makes better glass that provides children with a safer environment in their homes and in automobiles. We make carpet that provides children with a more comfortable living environment. We help develop treatments for diseases that can help keep children healthy or help make them well. These are just a few examples of the many ways people of Solutia are working to create solutions for a better life.

John C. Hunter III  
Chairman, President and Chief Executive Officer

The types and costs of child care programs these companies support are extremely variable, with some companies offering very extensive child care benefits (eg, including on-site day care through kindergarten, back-up child care, and school holiday programs), and others offering relatively few child care benefits. Given this incredibly large variability and the relatively small sample size, we did not feel comfortable providing an aggregate estimate of corporate spending on child care. Companies also generally found it difficult to estimate the costs associated with supporting parental leave, but depending on their policies, some invested considerable financial resources in supporting leaves for maternity and in some cases for paternity and for adoption.



## ABBOTT LABORATORIES

Abbott's health care products and services span the continuum of care - from prevention and diagnosis to treatment and cure - and many are specifically for infants and children. Abbott's commitment to children is reflected in our family-friendly workplace policies; support for education and higher learning; community outreach; and global philanthropy.

For our employees, we have implemented policies that provide them the tools and the flexibility they need to best meet their responsibilities as parents or caregivers. In our communities, Abbott's on-going support of both science education and employee volunteerism has a direct impact on children's lives. And, through our global philanthropic giving, we created *Step Forward...for the World's Children*, a program dedicated to helping children in the developing world who have been orphaned or made vulnerable by the AIDS pandemic.

Abbott is committed to making a positive difference for children, and will continue to help create an environment in which all children can develop their full potential.

Miles D. White  
Chairman and Chief Executive Officer

Ceridian Corporation demonstrates commitment to children and families through workplace practices and community support. Ceridian's goal is to be a growing and profitable company, an attractive investment, a good place to work, a partner valued by customers and suppliers, and a good citizen in the community. Through both its internal practices and its community support, Ceridian encourages family-friendly policies and programs that allow people to do their very best.

Employees at Ceridian increasingly utilize flexible work arrangements including flexible hours, compressed work weeks and working at home. A comprehensive flexible benefit program includes adoption assistance, child and elder care resource and referral, tuition assistance for employees and a scholarship program for dependents. Ceridian benefits and services, designed to support employees' efforts to balance their work and home lives, have had a positive impact on employee morale and company-wide recruitment and retention efforts.

Ceridian encourages employees to contribute to the well-being of their communities through volunteer activities and financial donations to organizations that support children and families. In early 2002, over 500 employees reported over 62,000 hours of volunteer service annually with more than 600 organizations. The traditional channels for Ceridian volunteers include school partnerships, mentoring organizations such as Big Brothers Big Sisters, the March of Dimes, and the United Way of the U.S. and Canada. In the United Kingdom, Ceridian's Centrefile unit runs the Payback Foundation, which supports individual children with physical or learning difficulties. In St. Paul, Minnesota, Ceridian's partnership with St. Paul Central High School provides job shadowing; internships; student and faculty scholarships; curriculum development; cultural exchange; and skills and training, which include workshops on career choice, job-application skills, resume writing and stress management. Additionally, Ronald L. Turner, Ceridian President, Chairman and CEO, chairs a youth-mentoring taskforce through his service to the Minnesota Business Partnership. In this role, Mr. Turner makes personal visits and numerous presentations to regional businesses to promote and encourage youth mentoring as a business initiative.

Shirley J. Hughes  
Senior Vice President  
Human Resources





Our commitment to children is best evidenced through our concern for our employees and their home lives, which is at the heart of our company's culture. TIAA-CREF has proven to be a wonderful place to work for working mothers and anyone seeking a high degree of work/life balance, and this greatly benefits the children and other dependents of our associates. Our consideration for the well-being of our employees and their families has led to a generous and rare package of best-in-class work/life programs and a range of other benefits. These, combined with a respectful work environment, have become a source of comfort to our employees and their families.

Our innovative and supportive dependent care offerings have helped a large number of associates balance their work and personal responsibilities over the past decade. TIAA-CREF was among the first major employers to provide back-up child care, and we now offer increased options for such services. Also, to support the regular child care needs of employees at our new campus in Charlotte, North Carolina, we have built a new child care center near the site for infant and pre-school care. We offer a free resource and referral service for advice on a range of family matters, including child care; we give new-parent kits to employees who are going to have or adopt a baby; and we sponsor an array of employee support groups to help with parenting issues.

The concern that evidences itself toward our employees has an outward expression as well. TIAA-CREF's very mission is one of public service: the organization was formed as a non-profit in 1918 by Andrew Carnegie for the purpose of serving educators. We are widely respected in the education and non-profit community and among financial institutions for our practice of providing low-cost financial products that serve the best interest of our individual and institutional clients. This mission of public service extends to the communities in which we have offices through a variety of social programs that directly benefit children. For example, TIAA-CREF is a member of the Corporate Council on Out-of-School Time, a collaborative project in which New York area employers join efforts to improve the quality and number of child care providers in our metropolitan area.

TIAA-CREF supports the communities in which we live and work by encouraging employees to give charitable contributions of money or time. Through TIAA-CREF's Courage to Succeed program, each year approximately 35 employees serve as mentors and teach computer and business skills to minority students in three participating schools in the inner-city areas of our company's major sites in New York City, Denver, and Charlotte. In addition, TIAA-CREF donates computer hardware and software for the students' use.

TIAA-CREF's annual United Way Campaign gives employees the opportunity to make a charitable contribution to benefit the local community. TIAA-CREF matches employees' contributions, doubling their impact. Among other services, contributions fund after-school programs, help at-risk youth stay in school, and provide community service activities that provide youngsters with a safe environment. Last year's employee and company contributions to United Way member organizations across the country totaled \$2.8 million.

It is through all these efforts that we strive to support and create balance in the lives of our employees and their families and to remain a responsible, focused, and generous neighbor in the communities where we are located.

Matina Horner  
Executive Vice President, Human Resources

For eight decades, Ace Hardware has been a company focused on "family." Our commitment to and sponsorship of Children Miracle Network's 170-member hospitals throughout North America for the past decade complement our corporate culture and grassroots approach to our business. The funds we raise for Children's Miracle Network stay local, which is important for each of our independently owned and operated stores that support the charity.

Children are the future of this country, which is why we are especially proud and pleased to be able to donate more than \$25 million to benefit the sick and injured children cared for by these hospitals, regardless of their families' ability to pay.

David F. Hodnik  
President and Chief Executive Officer



Because the way children live today will affect the way we all live tomorrow, PNC takes special pride in the programs we've initiated and the causes we've supported that benefit young people. First, quality of life is one of our core values. We strive to create a work environment in which members of the PNC family have the resources and flexibility to tend to their family needs. We developed the first employer-sponsored back-up child care center in Pittsburgh, and we have opened another facility in Philadelphia. We also offer a wide-ranging LifeBalance program, so working parents have 24-hour a day, seven-days a week access to experts who can provide support or research for everything from the very simple to the very complex family issues.

Perhaps even more important, we have leveraged the financial strength of our company and the commitment and dedication of our employee team to make a positive impact on children throughout the communities we serve. In 2001, we directed roughly 35% of the \$20 million in sponsorships and PNC Foundation funding directly to services that assist children, youth and families in need. PNC also partners with the state of Pennsylvania in innovative tax credit programs to help drive more funding to inner-city public and parochial schools. With company support, our employees also created Promise to Neighborhood Children, a volunteer program focused on supporting community initiatives that help children. We pledged 1 million hours of volunteer service as part of Promise, and we're very near achieving that goal.

We believe this multi-pronged approach — helping our employees care for their families and enabling the communities we serve to better nurture our youth — is the most constructive way PNC can aid our country's efforts to help ensure that no child is left behind.



James E. Rohr  
Chairman, President and Chief Executive Officer

Anthem Blue Cross and Blue Shield is dedicated to our mission of improving the health of the people we serve — including children. We believe that we can empower people by providing information, as well as access to health care coverage, to help our customers and their dependents lead healthy lives.

With our prenatal and maternity care programs that are offered in all eight Anthem states, education and obstetrical case-management efforts begin before birth to facilitate term deliveries which lead to healthier newborns. The goal is to reinforce physician treatment recommendations and counseling between office visits. The 2001 HERA Award was presented to the Indiana, Kentucky, and Ohio plans for increasing prenatal HIV testing rates among members. This award is given to individuals and organizations that make a difference in the lives of women and children through programs that result in quantifiable outcomes improvement.

At Anthem Blue Cross and Blue Shield in New Hampshire, financial incentives were provided for network physicians who demonstrated improved rates of preventive care services and who provided comprehensive care for chronic illness. As a result, immunization rates for adolescents in this state increased from 62 to 88 percent in one year. While all Anthem Plans have asthma-management programs that target both children and adults, our Anthem Blue Cross and Blue Shield Plan in Maine Plan recently received the Tufts University School of Medicine's Managed care and Asthma Initiative Project Award for its commitment to public health, environmental control of asthma and public collaboration. In Connecticut, we developed an asthma program in collaboration with school nurses statewide that reduced the need for hospitalization by 80 percent in 2001 and improved the quality of life for children and their families.


Diabetes Disease Management Programs also are available for the dependents of our members and target those who are at risk, as well as those who have already been diagnosed. As with our other programs, the emphasis is on education and case management by registered nurses. There also is a strong focus on tackling other issues impacting children such as the overuse of antibiotics and immunization programs that prevent and decrease disease transmission.



Larry Glasscock  
President and Chief Executive Officer

Overall of the 78 respondents that reported spending information sufficient to estimate the percent specifically directed at children, 37%, 31%, 15%, 10%, and 8% spent between approximately 0 and 19%, 20 and 39%, 40 and 59%, 60 and 79%, and 80 and 100% of their corporate philanthropy, respectively, on efforts to help children. This suggests that 33% of these companies direct 60% or more of their philanthropy to youth (Diane Gingold & Associates reported a similar result of 27% (4)). Companies also provided information about their largest single gifts made to help children. Most of these gifts were in the hundred thousands to millions of dollars range, and they included contributing to major capital campaigns, for example to support the building of children's hospitals, children's museums and science centers, houses where children could stay with their families while receiving medical care, and child care and youth centers; gifts to support science and technology education or curriculum development in schools; gifts directly to youth organizations to support their programs (eg, Boy Scouts, YMCA); funds given to a state to provide health insurance for uninsured children; major contributions to existing funds like the Children's Health Fund; and gifts to support the creation and development of new initiatives like youth mentoring, literacy, after-school care, early education, or child abuse and neglect prevention programs. While we collected year 2000 data, several companies also noted that they had contributed significantly to funds related to September 11 disaster relief efforts, with some companies focusing their support on helping the children affected (eg, Computer Associates' gift of \$2 million to New York Kids in Need, DuPont's \$5 million for support of the educational expenses of the children of firefighters, police officers, and other uniformed emergency personnel) (13).

DuPont is dedicated to core values that have characterized our operations for 200 years. We believe that people are our greatest resource. Safety, health, and the environment are core values and are central elements of our sustainable growth strategy. We are dedicated to providing products and services of the highest quality. These principles form the cornerstone of DuPont's reputation for integrity, social responsibility, and ethical business practices. DuPont has the responsibility to apply these same core values in addressing our products and operations and their relationship to children and children's health.



*The miracles of science®*

Charles O. Holliday, Jr.  
Chairman and Chief Executive Officer



At WPS Resources we believe children are the future of our company and the communities we serve. We believe all children should have access to a quality education that will prepare them with the skills and values necessary for a productive community life and career. We believe everyone in the community is responsible for fostering learning and we support proactive business and education partnerships that pursue life-long learning for all members of society.

I personally believe that intervention in a child's life in the form of support, love, new knowledge, or just caring at the right time can change the child's life forever. All children are entitled to a fair chance to succeed.

Larry L. Weyers  
Chairman, President and Chief Executive Officer

It gives me tremendous pride when I say that Hasbro has had a long tradition of “making the world smile” through the wonderful toys and games that we produce and through a variety of philanthropic programs supported corporately and individually by thousands of our employees.

Hasbro has long recognized that our responsibilities to the constituencies we serve, children and families, go far beyond making great toys and games.

Of course, we take great pride in the entertainment that we provide to children and their families. It is said that play is a child’s work, and for Hasbro, play is our passion.

The horrific tragedies of 9/11 put life into perspective for many. As CEO of Hasbro, I wondered immediately after 9/11 how the work we do at Hasbro could ever feel as important again, especially in light of the heroic efforts we were seeing every day exhibited by firemen, police officers, physicians and emergency service personnel.

It was my wife and partner, Vivien, who reminded me that our efforts at Hasbro were VERY important. After all, our toys and games provide children with smiles and laughter while bringing families together, which is even more important today than ever before.

When you look at Hasbro’s portfolio of toys and games, they are truly a “Who’s Who” of family entertainment for generation upon generation. Classics such as Monopoly, Scrabble, Play-Doh, Easy Bake Oven, Playskool, Mr. Potato Head, and Tonka, to name a few, have withstood the test of time because they offer great play again, and again, and again.

When we test our toys and games, we put them through stringent quality and safety tests, as well as some qualitative testing that sometimes involves our on-site Funlab, where we observe kids doing what they do best PLAY! Our hard work results in great play, and our success in the toy and game arena allows us to help children and families on many fronts.

Over the years, through our Hasbro Children’s Foundation and Hasbro Charitable Trust, Hasbro has been at the forefront of children’s and family philanthropy. Of course, being a leader in this area means more than contributing money. While we have been quite generous over the years from a financial standpoint, it is the passion for giving that is perhaps even more telling of our corporate culture.

Our philosophy centers on: being active in the communities in which we live; encouraging employees to give of themselves both in terms of money and their time; and forging partnerships with a variety of organizations that will empower children and families to do better for themselves and empower multiple organizations.

Our Team Hasbro employee volunteer programs speak volumes about our commitment to children and our communities. The mission behind Team Hasbro is to “Make Our Community Smile.” The program offers four hours of paid time off per month for eligible employees to volunteer with children.

To further encourage our people to be generous with their time and money, employees who contribute financial gifts to U.S. institutions of higher education are eligible to have their gifts matched on a yearly basis by the Hasbro Charitable Trust. We also match our employees gifts to non-profits if they serve in leadership positions or if they volunteer generously with their time.

Each and every day we come to work, we are focused on children and families. It is our privilege and good fortune that, through our success in the toy and game arena, we can do our part in helping our communities do better.

Our children are the future, and we are grateful that we are able to help in a variety of ways. To quote Anne Frank... “How wonderful it is that nobody need wait a single moment before starting to improve the world.” Wonderful indeed — a philosophy I am proud to say is being practiced by thousands of Hasbro employees around the world as part of their every day lives.

Alan G. Hassenfeld  
Chairman and Chief Executive Officer



Finally, we also found that over 20% of the 2001 Fortune 1000 companies are reaching out to children and parents with information using the Internet. While this includes a range of Web sites that are product-related, a number of the sites are educational Web sites designed to (1) teach kids important skills like how to manage money (e.g., [www.fleetkids.com](http://www.fleetkids.com)), (2) give the facts about health issues (e.g., the Pfizer-sponsored The Naked Truth about sexually transmitted diseases site at [www.unspeakable.com](http://www.unspeakable.com)), (3) provide science and safety information (e.g., [aep.electricuniverse.com](http://aep.electricuniverse.com)), and (4) offer advice to help parents (e.g., Procter & Gamble's [www.pampers.com](http://www.pampers.com)).



P&G has a long tradition of helping children and their families. We have a strong commitment to making lasting, positive changes in the lives of children and families, and we do this through the Brands that we sell and our worldwide philanthropic activities. Dedication to children's health, education and welfare is a common thread woven into all Company activities. As we have in the past, we will continue in the future to improve the lives of generations to come.

The Penn Traffic Company is committed to promoting the welfare and safety of children in the communities that we serve. We have dedicated our time and resources to develop programs which emphasize the well-being, health and safety of children.

Penn Traffic regularly contributes money and resources to charities that promote child welfare, and we also encourage the involvement of our customers and vendors. We implement charitable giving and awareness programs in our stores that enable customers and vendors to participate. For example, customers can participate through purchases or contributions they make in our stores. Vendors participate by providing contributions and funding for charitable programs or by designating donations for specific products that are sold. This model of giving significantly increases the impact of our charitable programs.

Each year Penn Traffic runs several different programs to promote children's causes. The Caring For Children Campaign was created by Penn Traffic to increase awareness and raise funds to support child abuse prevention programs in our communities. Penn Traffic conducted the campaign simultaneously in our P&C and Quality supermarkets in New York and New England, or BiLo and Riverside supermarkets in Pennsylvania, and our Big Bear and Big Bear Plus supermarkets in Ohio and West Virginia.

In 2002, *Caring for Children* raised more than \$325,000 to support child abuse prevention, treatment and family counseling programs in New York, Ohio, West Virginia, Pennsylvania, Vermont and New Hampshire. The total raised in 2001 and 2002 was more than \$500,000. Penn Traffic also made a \$65,000 corporate donation to United Way in 2002 earmarked for child abuse prevention programs.

As part of the campaign, Penn Traffic partnered with local child advocacy centers and child abuse prevention organizations to help promote the program. For example, in central New York, the McMahon/Ryan Child Advocacy Site and the Child Abuse Referral and Evaluation (CARE) Program at University Hospital participated in P&C's Caring For Children Campaign and shared in the funds raised. Penn Traffic also collaborated with the State Department of Children and Family Services in an effort to enhance awareness and distribute critical information about child abuse prevention. In 2002, more than 48 child advocacy centers and child abuse organizations throughout our six-state region received critical funding for child abuse prevention, treatment and family counseling programs.

Penn Traffic also conducts an annual Food for Wishes campaign in our stores to raise funds for the well-known Make-A-Wish Foundation, which grants the wishes of seriously ill children. The annual Food for Wishes program has raised over \$200,000 to help make dreams come true for children with life-threatening illnesses. The program has generated enthusiastic support among our associates, customers and vendors.

Penn Traffic is also committed to the safety of children. In 1999, Penn Traffic implemented a company-wide program, Code Adam, to ensure the safety of children in its stores. Named after a young boy abducted from a Florida mall in 1981, Code Adam is designed to protect children from being abducted or getting lost in supermarkets. By ensuring a rapid, coordinated response to emergencies, Code Adam helps find missing children and gives parents peace of mind.

Currently, Penn Traffic is developing other significant children's programs including a nutritional information campaign, a program to encourage adoption and foster care and a "Reach Out and Read" literacy program that encourages reading among young children. These programs solidify Penn Traffic's on-going commitment to children.



Joseph A. Fisher  
President and Chief Executive Officer



# STANDARD PACIFIC HOMES

## *Signature of Excellence*

Standard Pacific embraces the importance of its corporate reputation as a caring Company locally and nationally and its community involvement in those areas where it is active. To this end, the Company encourages its employees to take a hands-on role in community, social and youth programs, many of which the Company supports financially. The range of initiatives taken by Standard Pacific employees and the Company itself runs the gamut from community and charitable organizations that help needy families with children to providing leadership and fund-raising resources to cultural, charitable, and civic groups.

Youth-oriented organizations supported by Standard Pacific include Children's Hospital of Orange County, City of Hope, American Youth Soccer, Boy Scouts of America, Boys & Girls Clubs, California Youth Soccer, Junior Achievement, Make-A-Wish Foundation, March of Dimes, McKinley Children's Center, Phoenix Country Day School, Nick and Kelly Children's Health Fund, Sisters' Fund for Youth, YMCA, and Irvine (CA) Children's Future. Education is also important to the Company, which supports such colleges as California State University at Channel Islands, Chapman University, the University of California, Irvine, as well as many K-12 public and private schools and youth-advancement programs throughout the U.S.

Additionally, the Company takes great pride in the development of well-planned, quality neighborhoods of stylish, comfortable homes that provide healthy and secure environments for raising families and building futures. With operations throughout the major metropolitan areas in California, Texas, Arizona, and Colorado, Standard Pacific is one of the nation's largest homebuilders and has built homes for more than 53,000 families during its 37-year history. The Company focuses its efforts on constructing architecturally distinctive homes within a wide range of prices and sizes.

The many contributions of time, talent and resources made by the Company and its employees reflect Standard Pacific's commitment to human involvement and clearly express its corporate mission to enhance the quality of life whenever and wherever it can.

Stephen J. Scarborough  
Chairman and Chief Executive Officer

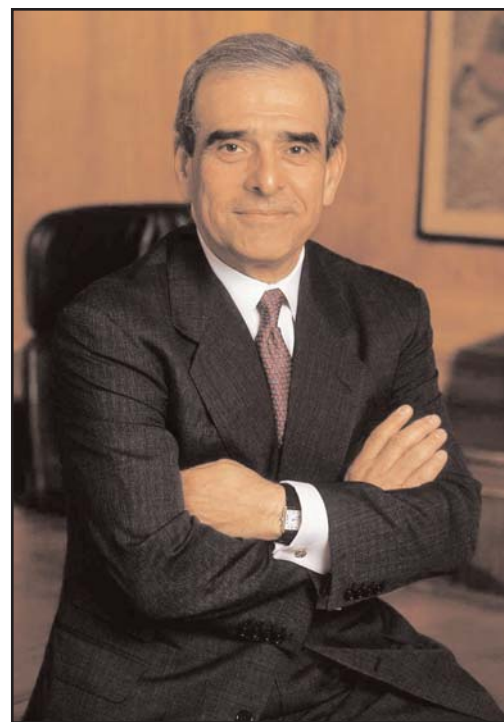


Facilities within the Universal Health Services Behavioral Healthcare Division provide a wide variety of programs and services for children, adolescents and their families. Programs and services are created and offered based upon the needs of each community we serve. All of our facilities and personnel work cooperatively with schools, social service organizations, clergy and law enforcement to provide resources that are vital to the health of the community.

Alan B. Miller  
Chairman of the Board, President and Chief Executive Officer  
Universal Health Services, Inc.

Through various programs around the world and through our commitment to the American Chemistry Council's Responsible Care® Program, Crompton strives to improve the quality of life for children. We are dedicated to environmental stewardship and to the safety and health, not only of our employees, but also of the communities in which we live and work. Crompton contributes to and participates in numerous student-related activities in local communities, including Adopt-A-School programs, Special Olympics and other charity sporting events, science fairs, school enrichment programs, scholarship funds, Habitat for Humanity builds, and AmeriCares home-improvement projects. We also offer several U.S. National Merit and international scholarships annually to the children of employees and sponsor a matching gifts program to encourage employees to donate to higher education. Crompton Technical Community members visit local schools and we open our facilities to students and teachers to demonstrate how our lives are improved by chemistry and to encourage students to consider science as a career choice. At Crompton, we understand that children are our future, and we endeavor in our work and in our interactions with schools and students to make that future better.

Vincent A. Calarco  
Chairman, President and Chief Executive Officer



As the future of our nation, children represent our dreams, hopes, and potential. Albertsons is committed to helping young people believe in themselves and achieve their goals by supporting programs that offer hunger relief, education and development opportunities, and a lifestyle that includes health and nutrition.



For example, this year Albertsons partnered with *Covering Kids* to connect uninsured children with low-cost and free health care coverage using its presence in 33 states and more than 2,400 stores. The Albertsons network of stores will alert families about the availability of affordable health care coverage for children through the State Children's Health Insurance Program and Medicaid. During the program, Albertsons will distribute more than 200 million grocery bags emblazoned with the national toll-free hotline and place print public service announcements in store circulars.

Larry Johnston  
Chairman and Chief Executive Officer

The Polaris Foundation was established in 1996 to provide financial assistance to non-profit organizations in communities where Polaris facilities are located. Contributions are made primarily to organizations that support and nurture youth through programs focusing on health, the arts, education and community and social services. The Polaris Scholarship Fund also provides educational scholarships to children of its employees.

In addition, Polaris produces snowmobiles and all-terrain vehicles designed and built specifically for youth. These models are designed for the enjoyment of young people and place a strong emphasis on safe riding at an early age.

Thomas C. Tiller  
President and Chief Executive Officer



## Discussion

The history of corporate giving and of expectations for employee benefits evolved tremendously over the last century (14,15), and the business community is playing an increasingly important role in supporting children's health and development. Given the significant expectations placed on corporations today, it may be difficult to imagine that only 100 years ago corporations were restricted in the use of their capital such that it could only be used for the production of profit, and altruism was precluded (15). Altruism fell to individuals, and not surprisingly individual gifts still dominate philanthropy (16), with leaders of corporations being some of the greatest philanthropists, a trend that continues to this day. Notably, in the year 2000, the Bill & Melinda Gates Foundation, which the Gateses endowed by donating Microsoft stock, became the world's largest foundation based on its assets.

According to some historical accounts, corporate giving first reached a significant level in 1917, with contributions to the Red Cross War Fund (17), and by 1948, a *Fortune* story called "The Business of Giving" noted that "No one has yet thoroughly measured the stake that American business has in philanthropy.... It's big and getting bigger" (18). As recently as 1953, the *A.P. Smith Mfg. Co. v. Barlow* landmark legal case resolved issues about the legality of corporate giving by finding that corporate contributions fell under the implied and incidental powers consistent with common law principles stating: "... since in our view the corporate power to make reasonable charitable contributions exists under modern conditions, even apart from express statutory provision, its enactments simply constitute helpful and confirmatory declarations of power, accompanied by limiting safeguards" (from Ref. 15, p. 11). Not surprisingly, growth in corporate foundations increased dramatically in the 1950s (15), and current tax laws require that Foundations give away 5% of their market value assets or interest income each year, whichever amount is greater, in order to maintain their not-for-profit status.

Research suggests that corporate contributions track with GDP and net income, and that giving is closely linked to the economy (16, 19). Overall, this has generally meant an increasing amount of corporate gifts given back to the community each year (5). However, this growth in corporate giving has not replaced individual giving. While corporate charitable contributions, including grants from corporate foundations, are estimated to be almost \$11 billion in 2000 (approximately 5% of total overall giving (16)), individual contributions still dominate. What remains unmeasured is the significant role that leaders and employees of corporations play in creating and maintaining expectations for individual giving, specifically to help children. The changing nature of corporate commitments to children suggests important opportunities associated with matching the resources and vision of corporate leaders with opportunities for effective partnerships (20,21). The motivation for the business community's commitment to education may come from similar views to those expressed in 1999 by Louis Gerstner, Jr., chairman and CEO of IBM who said: "IBM's commitment to improve the quality of life is most apparent in our worldwide efforts in public education. We approach this work with two fundamental beliefs. First, nothing is more essential to a vibrant, well-functioning community than the quality of its schools. No community can thrive without good schools, and no business can be successful in a community where the schools are failing. Second, we believe we can make a difference." (5) This commitment continues in spite of the economic challenges that many businesses currently face. For example, Craig Barrett, CEO of Intel, stated that: "Education is a critical focus for Intel and for our employees around the world.... Intel will continue to support our education efforts and our communities for the same reason we continue to spend on our research and development programs—they are long-term investments in our future and the future of our world." (22)

With their significant commitments to education, businesses also play a critical role in setting expectations for quality in education and they are playing an increasing role in early child education and after-school care policies. With more and more women in the work force, companies are responding to the changing needs of families and recognizing the importance of their commitments to children, at least of their employees. These huge contributions must be recognized and cultivated to create effective partnerships that lead to real improvements in the quality of children's lives. Similarly, innovation in philanthropy is also critical (23), and continued tracking of all foundation giving to support children should continue to insure that investments in children and the future continue to grow (24), which makes good business sense (25,26).

While it provides useful baseline data and it is the largest and most comprehensive study to date to characterize corporate commitments to children, this study is limited in many important ways. First, the sample size of 33% limits the ability to generalize the results to the full Fortune 1000, and future studies should view the information presented here as baseline data that form the bases for hypotheses. In particular, given that data were obtained from only one-third of the companies, there may be some bias toward response by companies that do have greater commitments to children. Our approach may have reduced the impact of any selection bias given that we randomly called companies to follow up, and given that our sample appears to represent all the industries reasonably well. Nonetheless, we cannot test for any self-selection bias that may exist. We note that a previous study identified slightly higher numbers of companies reporting corporate foundations (eg, Diane Gingold & Associates (4) found 69% compared to our 60%). We hypothesize that this may represent a difference in the actual population sampled (ie, the Fortune 1000 in this study vs to the Fortune 500 Diane Gingold & Associates (4)), error associated with sampling given that each study only captured a third of the population, and different wording with the questions (since we asked specifically about an "affiliated, independent" philanthropic foundation and Diane Gingold & Associates (4) asked about a corporate foundation). Another important limitation of these results is that respondents may have been inclined to provide the answers that they believe are expected or socially desirable, even on an anonymous survey.

Finally, we recognize and emphasize that using the Fortune 1000 companies to represent the entire business community is looking only at the tip of the iceberg. First, we note that globalization is creating a large set of internationally based multinational corporations with strong interests and commitments to children in the United States. Discussions with 14 of these companies revealed that many of them commit the same types and levels of resources in the United States as companies with US headquarters, although we have not attempted to quantify this in this study. Similarly, many of the Fortune 1000 companies play large positive roles in investing in and improving the lives of children around the world. Second, by looking at only the very largest companies, we fail to capture the hundreds of thousands of small, medium, and large-sized businesses that also play a huge role in their local communities, nationally, and internationally with respect to the overall business community's commitment to children. Future studies can provide valuable information by obtaining a better, broader, and quantitative overview of the overall business community's commitment to children, and by attempting to characterize the indirect benefits from leaders in business that translate their commitment to children not only into corporate policy and giving, but also into significant individual contributions.



**Aquila**

Aquila, Inc. believes that our future depends on healthy, vibrant communities and opportunities for youth to fulfill their potential.

Richard C. Green, Jr.  
Chairman and Chief Executive Officer

Schering-Plough recognizes that our success as a business enterprise is realized in part through the vitality of our local communities and organizations. As a basic element of this partnership, the company considers education a priority and supports the advancement of teaching and education, especially science education, through a broad range of programs.

Among these programs, the company, through the Schering-Plough Foundation, funds science education partnerships, education programs in high schools and colleges, and scholarships to students in secondary and higher-education institutions who demonstrate financial need and maintain high academic achievement. The Foundation also supports child education programs, mentorship projects, fellowships, summer day camp programs, and adopt-a-school initiatives.

This commitment is further demonstrated through the general support of schools, the construction of science laboratories in schools and colleges, and the recently created Schering-Plough Scholars Program. This program provides scholarships to New Jersey high school and college students with special financial needs who display exceptional academic abilities, leadership and a commitment to community service.

Schering-Plough believes these efforts help prepare our children and educators for the challenges of the 21<sup>st</sup> century, strengthen our society and build alliances that nurture the well-being of the communities where we work and live.

Richard Jay Kogan  
Chairman and Chief Executive Officer



Schering-Plough

OfficeMax supports more than just businesses. We also support programs that make a difference in our community. Through the OfficeMax Charitable Foundation, the philanthropic arm of OfficeMax superstores and OfficeMax.com, we give something back to our community through a variety of worth-while charities. We promote the health, wellness and education of children by providing financial support for the SHOPA Foundation Kids in Need Resource Center, September 11<sup>th</sup> Scholarship Fund for the Families of Rescue Workers, Ronald McDonald House, and other charitable organizations.

Michael Feuer  
Chairman and Chief Executive Officer



PPL is improving the life in the communities where we do business through a program called Project Earth. The program encourages employees to donate their time to tutor school children, clean up creek beds, campaign for charities and much more.

In the educational community, PPL Project Earth reaches hundreds of thousands of children each year. In partnership with educators, we develop and deliver teacher workshops, student mentoring, environmental and energy education programs, and visitation opportunities in communities from Maine to Montana.

As a corporate neighbor, we think it's our role to help children better understand their world. Educators already are tasked with teaching students the basics of subjects like math and science. We help take education a step further by introducing real-life issues into the lesson plan. In 2000, a total of 224,898 students were touched by our education partnerships; in 2001 it was 260,179 students.

William F. Hecht  
Chairman, President and Chief Executive Officer

## Conclusion

Many companies that responded play a major role in supporting children's health and development in the U.S. both directly and indirectly. Further efforts to better quantify the business community's aggregate commitment to improving children's health and development should be performed to allow better estimation of the amount of resources expended and the impact of these investments on children.



Our commitment to children is heart-felt and long standing. For more than a decade, we have focused our efforts on improving education, with a special emphasis on early childhood literacy. We believe helping a child learn to read and love to read is the best way we can improve that child's chance of success in school and in life. I am very proud of our employees for dedicating their time and talents to our education initiatives and making a positive difference in so many classrooms. Our commitment to improving education and strengthening the schools in our communities just makes sense – it provides vital skills and valuable resources to very young children, who are our future employees, customers and community leaders.

G. Kennedy Thompson  
Chairman, Chief Executive Officer and President  
Wachovia

At Unified Western Grocers, Inc., we are committed to the success of our retail grocery customers, the strong partnership we enjoy with our dedicated employees and the continued prosperity and vitality of the communities in which we conduct business. We also recognize that developing and maintaining a healthy, diverse educational environment for children is an essential first-step in allowing us maintain each and every one of these commitments.

Alfred A. Plamann  
President and Chief Executive Officer



Pier 1 provides grants, donations and gift certificates to non-profit organizations on an international, national and local level. Because children are important to our associates, customers and vendors, we give strongest consideration to programs making a difference in community services, children's education and the arts. Pier 1 is the world's largest retailer of UNICEF (United Nations Children's Fund) Greeting Cards and has raised almost \$18 million for the world's leading international agency working on behalf of children. We are also the national box distributor for the annual "Trick or Treat for UNICEF" program that raised \$3 million for Afghan children in 2001. Pier 1 supports other agencies such as the United Way, that provide funding for community- and family-centered programs. At our local adopted school, Pier 1 associates give their time and resources to help children by tutoring, reading, mentoring and being actively involved in programs that support the under-served children in our own community.

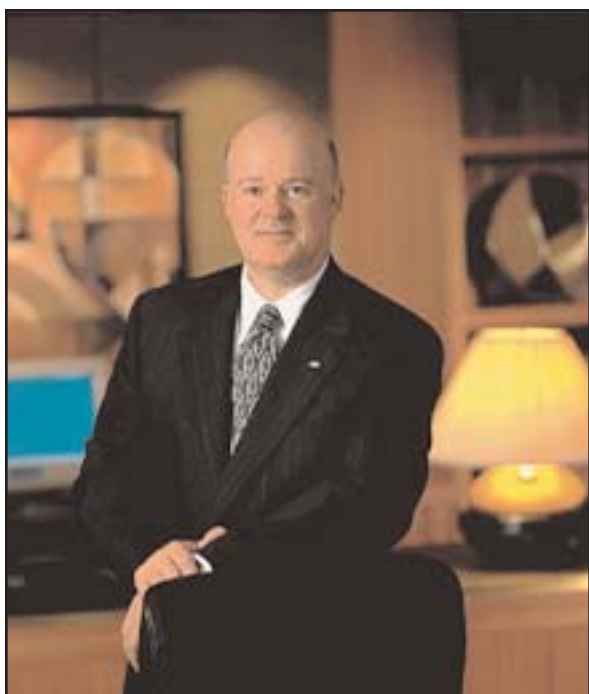
Marvin J. Girouard  
Chairman and Chief Executive  
Officer



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'Commitment' is brought to life by people, not organizations. A company can be a *catalyst* for its employees and retirees to help them serve children, elders, or any constituency. For almost a century, our company has strived to put life into our motto of "Service and Citizenship" through solid corporate practices – such as employee time away from work, employee assistance availability, wise use of philanthropic funds or volunteer training to be smart community participants for varied members of the population. A mosaic of useful corporate practices becomes a mechanism for commitment and caring.

Richard B. Priory  
Chairman and Chief Executive Officer  
Duke Energy

## Appendix

This appendix gives the names of the 2001 Fortune 1000 companies that responded. They are ranked by Fortune according to their year 2000 revenue, with all companies that made the list reporting revenues that exceeded \$1,207 million. The companies are listed by their 2001 Fortune 1000 ranks. The 2001 Global 500 companies represent the largest international companies (including 181 U.S.-based companies), which all had year 2000 revenues exceeding \$10,306 million. Many of these companies also have strong commitments to children in the U.S. (as shown in the examples on these pages, with these example companies listed according to their Global 500 rank), just as many U.S.-based companies have strong commitments to children internationally (as demonstrated in some of the examples given in the main body of this report). Note: Rank corresponds to the Fortune 1000 and Rank=G indicates an international company on the Global 500 list.

### Rank Company Name (Global 500 rank)

1	Exxon Mobil (1)
4	Ford Motor (4)
G	DaimlerChrysler (5)
5	General Electric (8)
G	Total Fina Elf (14)
8	Intl. Business Machines (19)
9	AT&T (31)
10	Verizon Communications (32)
11	Philip Morris (34)
G	Credit Suisse (38)
17	Duke Energy (53)
G	Nestle (59)
21	State Farm Insurance Cos. (61)
23	Home Depot (66)
24	Morgan Stanley (67)
26	Fannie Mae (71)
29	Sears Roebuck (85)
30	Merck (88)
31	Procter & Gamble (89)
32	WorldCom (90)
33	TIAA-CREF (93)
34	Motorola (95)
38	Albertsons (102)
G	Royal Philips Electronics (107)
41	Intel (110)
44	ConocoPhillips (115)
45	Costco Wholesale (116)
47	MetLife (120)
49	Ingram Micro (129)
50	Freddie Mac (131)
51	Cardinal Health (132)
52	United Parcel Service (135)
56	E.I. du Pont de Nemours (141)
60	Aquila (UtiliCorp United) (147)
G	Nokia (154)
G	GlaxoSmithKline (159)

## DAIMLERCHRYSLER

As part of an effort to protect young children and improve their lives, DaimlerChrysler has embarked on a worldwide campaign to provide various levels of support, as well as safety know-how, to these vital members of the global community and their families.

In one such international initiative, DaimlerChrysler employees are concentrating on the need to promote accident-free driving. This is part of a concerted attempt to reduce the alarming number of road-related deaths, injuries and disabilities. The company is also concerned about the socio-economic costs and organizational impacts of road accidents.

DaimlerChrysler has therefore become an active partner in the Global Road Safety Program (GRSP), the Mobile Kids Initiative (MKI) and is a strong supporter of the World Childhood Foundation (WCF) – to name a few examples. The GRSP is heavily focused on continuous improvement of road safety standards in developing economies, as well as those countries in transition – that is, those nations on the threshold of developed status. The GRSP is targeting the age bracket most severely affected by traffic accidents – children between 8 and 12. The MKI is part of a wider commitment to children's education.

Support for the WCF is a prime example of the company's dedication to worth-while humanitarian initiatives. DaimlerChrysler AG is a co-founder of the WCF – a charity created to defend the rights of children. Its aim is to provide ways to ensure secure and safe circumstances in which its youthful beneficiaries may get the most out of childhood. In particular, the WCF promotes and provides better living conditions for children at risk. It hopes to give children opportunities to develop into strong, secure and responsible adults.

This commitment characterizes the world of DaimlerChrysler. A world in which children have rights!

Matthias Kleinert  
Senior Vice President  
External Affairs and Public Policy World (excl. NAFTA)

63	Aetna (161)
64	United Technologies(164)
66	BellSouth (170)
69	Lockheed Martin (176)
73	Wachovia (184)
74	American Express (188)
78	Dow Chemical (199)
81	FleetBoston Financial(204)
86	El Paso (216)
87	New York Life (219)
G	Novartis (224)
91	UnitedHealth Group (225)
93	Coca-Cola (233)
94	PepsiCo (234)
104	UAL (252)
106	Electronic Data Systems (255)
108	Lowe's (257)
109	Xerox (259)
115	Johnson Controls (287)
122	Weyerhaeuser (309)
123	Delta Air Lines (311)
G	Canadian Imperial Bank of Commerce (322)
129	Hartford Financial Services (348)
133	Occidental Petroleum (355)
135	Fleming (359)
136	Goodyear Tire & Rubber (360)
138	McDonald's (366)
143	Wyeth (American Home Products) (378)
144	Abbott Laboratories (379)
G	British Airways (380)
146	American Electric Power (382)
148	Halliburton (390)
149	Deere (394)
150	Textron (396)
153	Dana (407)
156	Best Buy (329)*
157	Waste Management (415)
161	Household International(432)
166	Xcel Energy (453)
167	Office Depot (456)
169	PacifiCare Health Systems (461)
171	Tenet Healthcare (463)
173	Mass. Mutual Life Insurance (471)
174	American General (475)
176	Eli Lilly (480)
177	Manpower (481)
178	Staples (487)

# TOTAL FINA ELF

Among other programs, when the new money, Euro, was introduced into Europe, our group, together with UNICEF, organized a large campaign called "a coin = a vaccine" to collect ancient currencies, to provide vaccines for children. This campaign took place during two months in all of our stations in our network covering Europe and in our headquarters.

Thierry Desmarest  
Chairman and Chief Executive Officer, Total Fina Elf

Credit Suisse First Boston supports various community outreach initiatives aimed specifically at children. Through the CSFB Foundation and our Global Diversity Office, we reach many underprivileged and inner city youth by supporting numerous organizations whose primary goals are improving education and empowering programs that benefit inner-city youth. Most of the CSFB Foundation's support is focused on organizations in New York City. CSFB's commitment to serving inner-city youth is demonstrated by its long-term partnerships with many non-profits. Aside from providing financial assistance, CSFB also offers employee volunteers, including volunteers from the technology department that have wired local non-profits and set up computer labs to be used for education, SAT preparation, job search, resume writing, and job-readiness.

CSFB hosts a "Career and College Series for At-Risk Youth." Created by the CSFB Foundation, this program is part of an on-going series designed to encourage employees of various departments to volunteer to provide "at-risk" youth with a better understanding of what types of career opportunities exist, and what educational requirements are necessary to work at an investment bank.

CSFB has several policies and programs that demonstrate our commitment to children including: our maternity, paternity and adoption policies, child care centers, flexible work arrangements and sabbaticals which allow parents to spend more time with their children, as well as a lactation room for new mothers.

Community involvement has been a key part of CSFB's corporate culture and mission for more than a decade. The company's involvement with the communities where its employees live and work includes a commitment of financial, as well as human, resources.



179	Humana (490)
182	Bear Stearns
183	Marsh & McLennan
185	Limited Brands
187	Entergy
188	Gillette
189	Illinois Tool Works
192	Schering-Plough
193	AFLAC
195	TJX
196	Applied Materials
197	Consolidated Edison
198	UnumProvident
200	Computer Sciences
203	Dominion Resources
204	WellPoint Health Networks
210	National City Corp.
213	Eaton
214	Guardian Life Ins. Co. of America
219	Anthem Insurance
223	Cenex Harvest States
234	Ashland
235	R. J. Reynolds Tobacco
239	Avista
241	Boise Cascade Corporation
242	PNC Financial Services Group
244	John Hancock Financial Services
248	Micron Technology
250	Crown Cork & Seal
252	Corning
254	Chubb
258	Baxter International
264	FPL Group
266	FirstEnergy
269	Kellogg
270	Newell Rubbermaid
272	Unisys
274	Lincoln National
275	Public Service Enterprise Group
277	Progressive
278	General Mills
286	Automatic Data Processing
289	CNF Transportation
295	Computer Associates Intl.
298	Federal-Mogul
303	Providian Financial
315	PPL
317	Interpublic Group
318	DTE Energy



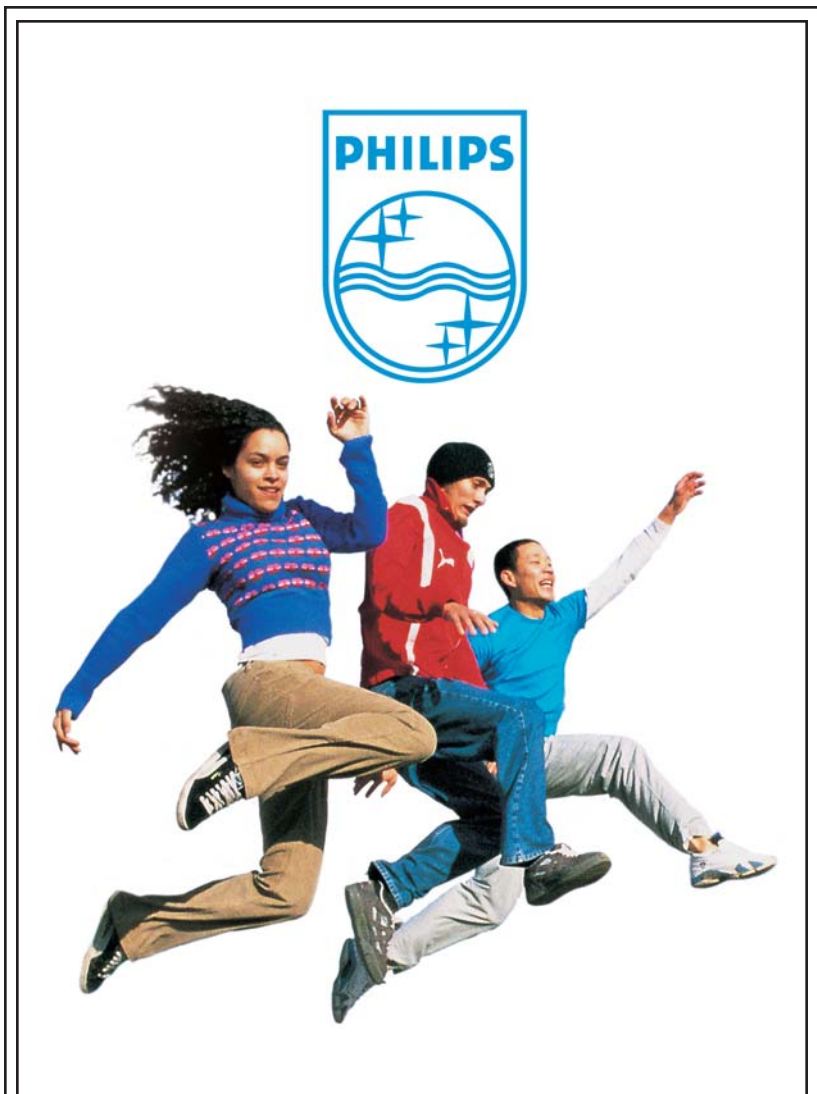
At Nestlé, our commitment to the family doesn't end in the kitchen or at the dining room table. It extends into the communities where we live and work.

This means investing the time and energy to become personally involved, which is why, across America, our Nestlé "Very Best Volunteers" Adopt-A-School Program is our #1 community priority. We believe that helping build a firm foundation in education is the best possible investment we can make in the future. Thousands of Nestlé employees - including Chairman and CEO Joe Weller - bring their knowledge and passion for food into the classroom. Encouraging students, and perhaps future Nestlé employees, to strive for the same high standards we embrace in our own pursuits.

We currently have over 50 adopted schools across the country where our volunteers spend time with students mentoring, tutoring, reading, and speaking. In addition, we have a pen-friend program and take the older students on annual educational field trips. Nestlé employees are given 2 hours of paid time off per month to spend time with the children of our adopted schools.

Nationally we support Reading Is Fundamental (RIF) and the United Negro College Fund. In addition, an acclaimed series of Nestlé authored books, *The Very Best In Youth*, highlights youth role models and their commitment to community and love of reading. These books are offered to schools, libraries, and other community organizations free of charge.

319 Mattel  
 321 Engelhard  
 324 Air Products & Chemicals  
 325 Fortune Brands  
 326 Ikon Office Solutions  
 327 Capital One Financial  
 332 BB&T Corp  
 334 Eastman Chemical  
 335 Baker Hughes  
 339 OfficeMax  
 340 ArvinMeritor  
 341 Smithfield Foods  
 349 Medtronic  
 357 ITT Industries  
 361 American Family Ins. Group  
 362 Dole Food  
 369 Advanced Micro Devices  
 373 Nucor  
 381 Kelly Services  
 382 AutoZone  
 383 Cooper Industries  
 386 Starwood Hotels & Resorts  
 388 MeadWestvaco  
 392 Leggett & Platt  
 393 Fifth Third Bancorp  
 400 Healthsouth  
 401 USA Education (Sallie Mae)  
 406 Progress Energy  
 410 Barnes & Noble  
 420 Foster Wheeler  
 421 Golden West Financial  
 423 United Stationers  
 425 FMC  
 430 Thermo Electron  
 437 Lexmark International  
 438 Hasbro  
 444 Amsouth Bancorp.  
 447 Fleetwood Enterprises  
 448 Administaff  
 449 Darden Restaurants  
 453 Ball  
 456 Becton Dickinson  
 464 Interstate Bakeries  
 467 Owens & Minor  
 468 New York Times  
 469 Cooper Tire & Rubber  
 470 Harrah's Entertainment  
 471 Emcor Group  
 472 Hilton Hotels



Philips' commitment to children is anchored in our Brand Foundation and in our company theme *Let's make things better*. This theme is both our rallying cry and our public commitment; it's the creed to which we have committed ourselves; it exemplifies our aspirations.

The commitment expressed by *Let's make things better* is not limited to products and services, but has a broader meaning of improving the quality of life for *all* people in society, including children, representing as they do the future of society and thus, by extension, the future of our company.

Gerard Kleisterlee  
 President and Chief Executive Officer

476 Jacobs Engineering Group  
 477 Aid Association for Lutherans  
 479 Tellabs  
 480 WE Energies  
 481 Steelcase  
 489 Airborne Inc.  
 491 Mohawk Industries  
 492 Charter Communications  
 493 Lennox International  
 501 Solutia  
 508 Gevity  
 509 Liz Claiborne  
 511 Union Planters Corp.  
 512 Enterprise Products  
 515 Unified Western Grocers  
 519 Crompton  
 522 Energy East  
 523 Erie Insurance Group  
 525 Ace Hardware  
 538 NTL  
 539 A.G. Edwards  
 550 Adelphia Communications  
 554 Maxtor  
 557 General Cable Corporation  
 560 Marshall & Ilsley Corp.  
 570 Fisher Scientific International  
 575 Huntington Bancshares  
 580 Guidant  
 584 Mandalay Resort Group  
 587 Bowater  
 588 International Multifoods  
 594 CellStar  
 597 Penn Traffic  
 598 Budget Group  
 601 Genesis Health Ventures  
 602 Pantry  
 603 First Tennessee National Corp.  
 609 Adolph Coors  
 610 Washington Post  
 616 HCR Manor Care  
 617 Sovereign Bancorp  
 620 America West Holdings  
 625 Silicon Graphics  
 629 Borden  
 630 Nicor  
 634 Apache  
 636 Springs Industries  
 638 Equity Office Properties  
 640 Michaels Stores

# MAKE A CONNECTION

To succeed in today's fast-changing world, each of us needs life skills, including self-confidence, respect for others, a sense of responsibility, and the ability to solve problems, communicate effectively, and work as part of a team. Young people who acquire these skills grow up to be confident, self-reliant adults.

As a global brand and an industry leader, Nokia plays an active role in shaping the future of mobile communications. But businesses can only succeed in societies that prosper, so doing business also means caring about communities. Nokia wants to take an active role in shaping the future of young people.

Make a Connection ([www.makeaconnection.org](http://www.makeaconnection.org)) is a global initiative of the International Youth Foundation and Nokia. Through a growing number of projects worldwide, we promote life skills, life-long learning and equal opportunity. We want to do our part to help children and young people create their own place in the world.

Sari Baldauf  
 President, Nokia Networks  
 Board Member, International Youth Foundation

GlaxoSmithKline (GSK) is one of the world's leading pharmaceutical companies. Its global quest is to improve the quality of human life by enabling people to do more, feel better and live longer. GSK's community investment programmes represent a commitment that, as the company builds upon its successes and grows, will continue to recognize the responsibility of leadership and the strength of partnership. This commitment is maintained through a blend of philanthropy and sponsorships, and initiatives in global public health. The company's flagship community programme is its key role in the Global Alliance to Eliminate Lymphatic Filariasis (LF) – a 20 year programme to eliminate one of the world's most disfiguring and disabling diseases.

Because of the health and well-being focus of GSK's programmes, children benefit in a number of ways: either directly, through improved health and educational opportunities, or because, through the improved health and well-being of their parents or care-givers, they are better able to enjoy childhood without adulthood being prematurely thrust upon them.



642 Alberto-Culver  
 644 Universal Health Services  
 647 Compuware  
 658 Alaska Air Group  
 666 Convergys  
 678 M & T Bank Corp.  
 679 Hillenbrand Industries  
 685 Broadwing  
 686 Value City  
 696 Metals USA  
 697 Simon Property Group  
 698 Atmel  
 699 Harsco  
 708 Minnesota Life Ins.  
 710 Affiliated Computer Services  
 713 RPM  
 715 WPS Resources  
 716 Weatherford International  
 717 Herman Miller  
 721 Champion Enterprises  
 722 Laboratory Corp. of America  
 724 Energizer Holdings  
 729 CKE Restaurants  
 731 Cintas  
 739 Freeport-McMoRan Copper & Gold  
 741 GATX  
 742 Polaroid  
 744 CenturyTel  
 746 Arkansas Best  
 747 Unova  
 753 Zions Bancorp.  
 755 Toll Brothers  
 757 ABM Industries  
 758 Harris  
 761 Siebel Systems  
 766 Marsh Supermarkets  
 767 CUNA Mutual Group  
 768 Crown Central Petroleum  
 769 Actuant  
 772 Lubrizol  
 774 CBRL Group  
 780 UGI  
 791 BMC Software  
 793 DynCorp  
 799 Benchmark Electronics  
 802 Expeditors Intl of Washington  
 804 Dollar Tree Stores  
 812 Great Lakes Chemical  
 815 Lithia Motors



Novartis is a research-based pharmaceutical company. Several of our products and development compounds have an application in childhood, helping children to grow up in good health and to have better and happier lives - and for some, even saving their lives from infectious diseases and cancer and by making transplantation possible). In addition, we focus on children and adolescents in our philanthropy and social investment activities. We have been a major sponsor of the "Seeds of Peace" initiative that empowers children of war to break the cycle of violence. We supply a modern and effective Malaria treatment at cost to WHO, for distribution to children and adults in developing countries, and we make significant donations to educational initiatives for disadvantaged children in the US. As a signatory to the UN Global Compact, we are committed to ensure that we do not support child labor, neither in our own organization nor through our suppliers and vendors.

British Airways supports children in the following ways:

Staff employment programs relating to children and staff: generous maternity and paternity leave packages, parental leave for the first five years of a child's life and time off to support dependents in emergencies

Encouraging children to complete their higher education by not employing young people under the age of 18, except in apprenticeships in Engineering

Supporting our young passengers through the on-board unaccompanied minors programs, and the 'Aunties' scheme (surrogate parents who take care of unaccompanied minors before and after their flights), and through specific policies for seating that include never sitting an unaccompanied minor next to a single male passenger or in an emergency exit row of seats

Community work with local school children through the British Airways Community Learning Centre and work with local refugee children

Supporting numerous children's charities in the UK, US, and in the developing world

Supporting the United Nations Children's Fund (UNICEF) through the in-flight *Change for Good* collection program, which has raised over \$20 million to date and supports UNICEF's work in over 40 countries.

Rod Eddington  
Chief Executive Officer



816 Fiserv  
 822 Dial  
 823 Jack in the Box  
 828 Charming Shoppes  
 830 Public Service Co. of New Mexico  
 833 Briggs & Stratton  
 834 Belo  
 844 Linens'n Things  
 847 Wallace Computer Services  
 848 Allergan  
 856 Banknorth Group  
 863 Gentiva Health Services  
 866 KLA-Tencor  
 870 Cytec Industries  
 873 Tektronix  
 874 EOG Resources  
 876 DaVita  
 877 Mid Atlantic Medical Services  
 880 Jo Ann Stores  
 882 Host Marriott  
 883 Hibernia Corp.  
 885 Intl. Flavors & Fragrances  
 895 Symbol Technologies  
 900 Metris  
 906 Polaris Industries  
 917 Scholastic  
 919 Noble Affiliates  
 920 Sierra Health Services  
 924 Ceridian  
 925 A.O. Smith  
 926 Altera  
 928 Legg Mason  
 929 ACT Manufacturing  
 931 Nabors Industries  
 932 DST Systems  
 938 Granite  
 939 Community Health Systems  
 941 Men's Wearhouse  
 942 Martin Marietta Materials  
 944 Minnesota Power  
 945 MasTec  
 949 Standard Pacific  
 950 Pacific Century Financial  
 952 Dade Behring  
 955 Iomega  
 956 Knight Trading Group  
 961 Amtran  
 962 Cypress Semiconductor  
 963 Oakwood Homes

At Canadian Imperial Bank of Commerce, innovation and accountability are at the heart of our core values - and go beyond delivering strong financial results to our shareholders. This includes being responsible to our employees, customers, and the communities where we operate. CIBC's goal is to make a positive difference through our actions, from employee volunteerism and charitable contributions to the products and services that we provide. In 2000, we invested more than \$33 million CDN to community-based organizations around the world, with a primary focus on children and young people. In 2001 our investment rose to more than \$40 million CDN worldwide.

On the first Wednesday of every December, CIBC World Markets sales and trading staff donate their fees and commissions to children's charities. The Miracle was conceived in 1984 by the late Timothy Miller, a Wood Gundy manager in Toronto. Since its inception, Children's Miracle Day has raised more than \$60 million US for children's charities in our communities around the world. Further information about this initiative can be found in the enclosed 2001 Investment Review publication.

Through CIBC Youth Vision, we fund hundreds of initiatives that combine education, research, mentoring, and skills development to encourage young people to stay in school and to help them reach their full potential. A major initiative is the CIBC Youth Vision Scholarship Program, a multi-year \$5 million CDN investment in grade 10 students enrolled in a mentoring program with the Big Brothers Big Sisters of Canada and YMCA Canada. The recipients of these awards receive scholarship funding for post-secondary education as well as summer internships at YMCA agencies across Canada.

In March 2001, CIBC established a backup child care program, provided by ChildrenFirst Inc., to CIBC employees in New York. We will be piloting a backup child care program in Canada later this year, with the opening of a center in the downtown Toronto area for CIBC employees. These programs will help fill an important need that parents have at one time or another - to find safe, secure child care when their regular arrangements are unavailable due to a caregiver's illness or vacation, or a school closing during the regular school year. We know that stress on working parents can be extreme, especially when child care arrangements are suddenly unavailable, so we hope that this service will make it easier for employees to balance their work and family responsibilities... knowing that safe child care is available when needed.



John Hunkin  
Chairman and Chief  
Executive Officer

- 967 American Management Systems
- 968 First National of Nebraska
- 969 Pro-Fac Cooperative
- 970 Adobe Systems
- 971 Questar
- 972 Standard Register
- 977 Grey Global
- 979 Metro-Goldwyn-Mayer
- 981 priceline com
- 984 AnnTaylor
- 985 Pier 1 Imports
- 989 Rayonier
- 996 Russell
- 998 T. Rowe Price
- 999 VERITAS Software



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