

# **Kimball Electronics Global Policy on Philanthropic Contributions and Non-Commercial Sponsorships**

## **1. Scope**

This Policy applies to philanthropic contributions and non-commercial sponsorships by Kimball Electronics. We believe in making a positive impact on the communities in which we operate. Our Guiding Principles include a commitment to social responsibility, and we are proud to support a wide range of charitable and non-commercial causes through donations of time, talent, and treasure that align with our Guiding Principles. We intend our contributions to support the communities in which we operate, those who may not be in a position to directly benefit from employment with us or from our primary business activities, or those who can benefit from the value derived from our support or collaboration.

## **2. Our Approach**

An important aspect of our commitment to Citizenship in our Guiding Principles is our exercise of social responsibility through philanthropic donations and non-commercial sponsorships. We do not target our philanthropic contributions and non-commercial sponsorships to provide us with a material return on investment. These corporate citizenship activities are part of our Guiding Principles' commitment to society and the communities in which we operate. They are separate from our strategic investments into employee development, our customers' needs, and the strategic advocacy for or marketing of our products or services.

Our philanthropic contributions and non-commercial sponsorships focus on four main categories: Community, Human Rights & Needs, Education & Arts, and Science & Environment. In each category, we are committed to making positive impacts, and measure our success by those impacts.

## **3. Guiding Principles for Philanthropic Donations and Non-Commercial Sponsorships**

### **3.1 Emphasis on Impact**

Kimball Electronics focuses on the impact of its philanthropic donations and non-commercial sponsorships, rather than the value or number of donations. This emphasis allows us to ensure that our giving has a meaningful and measurable impact on the causes and communities we support. It allows us to evaluate the effectiveness of our donations and make informed decisions about where to allocate our resources in the future. Additionally, by emphasizing the impact of fewer, more focused donations, we can better communicate the impact of our giving to internal and external stakeholders, which in turn helps build support for our philanthropic efforts.

In addition, we do not limit our donations and sponsorships to financial support, but deliberately encourage in-kind donations of time and expertise. As a diverse, global, inclusive company, Kimball Electronics has the ability to share the varied and deep expertise of our people in various areas. By encouraging in-kind donations, we can better demonstrate our commitment to being a socially responsible corporate citizen and to making a positive impact on the communities in which we operate. Additionally, having a diverse and inclusive workforce and encouraging in-kind donations helps to build a more inclusive culture within the company. Consistent with this emphasis, we seek to identify projects where our involvement will address or make a significant difference in an area of high need.

### **3.2 Specific Focuses**

Our philanthropic contributions and non-commercial sponsorships focus on four main categories: Community, Human Rights & Needs, Education & Arts, and Scientific & Environment. We aim to be a committed and active, but non-discriminatory and neutral, part of our communities.

**Community:** We seek to strengthen our connections to our communities by supporting organizations and initiatives that improve the quality of life in the communities where we operate through innovative, sustainable projects and partnerships that add value, while respecting local customs and needs. These projects include, but are not limited to, organizations that provide basic needs such as food, housing, and healthcare, as well as organizations that promote mental and physical health, community development and engagement. Support for these activities helps both our own employees and the communities where they live and work to develop rich, inspiring work and community environments.

**Human Rights & Needs:** We support organizations and initiatives that promote the well-being of individuals and families. This includes, but is not limited to, organizations that provide support for individuals and families facing hardship and organizations that provide assistance to marginalized groups. KE also supports charities with reach “beyond” our communities (national and international in scope).

**Education & Arts:** We support organizations and initiatives that promote education, literacy, and lifelong learning in our communities and beyond. This includes, but is not limited to, organizations that provide educational opportunities for underserved or marginalized children and adults. We also support community activities and projects that support contemporary art and artists as a means to express our commitment to innovation and pride in the community embodied in our Guiding Principles.

**Scientific & Environment:** We support organizations and initiatives that

promote STEM disciplines, as well as activities that enhance public understanding of the impact and promise of cutting edge technology manufacturing and engineering and that create interest and awareness of future generations of scientists for the challenges and opportunities within the electronics manufacturing industry. This includes, but is not limited to, organizations that promote the development of new technologies and products, organizations that provide research and development opportunities for underserved or marginalized students and professionals, and organizations that promote collaboration and knowledge sharing in the industry. We also support organizations focused on environmental challenges and opportunities in the electronics manufacturing industry.

### **3.3 Emergency Assistance**

In cases of emergencies following unforeseeable incidents that overwhelm existing local resources, Kimball Electronics will support our facilities, local authorities, and accredited aid organizations. The Corporate Philanthropy Committee will confer with the local General Manager to identify and support emergency needs. While we may respond at the earliest emergency stage, our preference is to seek impactful, sustainable ways to address the long-term impact of emergency situations, such as by supporting rebuilding efforts, implementing community development programs that improve access to basic services, and supporting disaster risk reduction and preparedness initiatives.

## **4. Transparency**

We believe in transparency about our philanthropic donations and non-commercial sponsorships. We will share details in a way that is easy for stakeholders to understand, not just in financial terms but also in terms of impact. Transparency drives accountability to our effective use of our donations and to the goals of this policy. By being transparent about how donations are being used, we can demonstrate that we are committed to using our resources in a positive, responsible, and impactful way. Transparency can help to build trust with our internal and external stakeholders, and provides more information to those stakeholders, especially to the communities we are trying to help, which can help them make more informed decisions about Kimball Electronics and even their own philanthropic efforts.

We recognize the external interest in quantitative information about our philanthropic donations and non-commercial sponsorships. We maintain complete internal documentation and oversight of philanthropic donations and non-commercial sponsorships. We expect our subsidiaries and affiliates, as well as organizations receiving donations, to provide reports on donations, sponsorships, and requested impact information to our Corporate Philanthropy Committee. We also recognize that the amount or value of a

donation does not dictate the significance and effectiveness of its benefit. We will communicate the specific goals and outcomes that a donation will support, rather than simply listing the dollar amount of the donation to emphasize the positive impact of the donation rather than its value. We will also seek to identify and use metrics that measure the impact of our donations to report with donation details, and may report aggregate information about donations when appropriate.

## **5. Guidelines for Philanthropic Donations and Non-Commercial Sponsorships**

We reserve philanthropic donations and non-commercial sponsorships only for duly registered or accredited independent nongovernmental organizations (NGOs), not-for-profit charities, and public schools. We do not financially support political, religious, or military entities, or account for trade or business association expenses within our philanthropic donations and non-commercial sponsorships. We focus our giving within the four priority giving areas, with no link to our commercial activities. We strictly follow applicable local laws and regulations, and adhere to the standards of our Guiding Principles and Code of Conduct.

We respect the arm's length principle to safeguard the independence of entities that we support and to adhere to local regulations and customs. Although we recognize the importance of private initiative and citizenship, we aim to avoid projects that compete with or replace the local government or authorities. Consistent with the spirit of collaboration and long-term partnership inherent in our Guiding Principles, we prefer to engage in projects that allow us to offer more than a monetary contribution alone.

We evaluate each request case-by-case and the Corporate Philanthropy Committee applies general guidelines that include supporting projects that are:

- Sustainable and distinctive with measurable outcomes that contribute to our four priority funding areas;
- Clearly defined, including a start date and end date and a demonstrable lasting impact;
- Addressing a significant community need;
- Opportunities for us to contribute knowledge, expertise, and time rather than just funds;
- Driven by local organizations with support from local communities and authorities.

The Corporate Philanthropy Committee will not consider:

- Illegal or unethical proposals;
- Projects with a clear political, religious, or commercial background or purpose;
- Requests from or to benefit single individuals;
- Mass mailings or unsigned requests;
- Requests that indicate potential corruption, bribery, or improper advantages;
- Commercial and/or mainstream entertainment events, such as professional or semi-professional sports or music concerts;
- Indirect (as opposed to direct) support of aid or service programs, such as through fundraising events and/or charity conduits;
- Advertising or image campaigns for causes or charities;
- Projects that replace public funding and public or government responsibility.

## **6. Procedures**

Requests for philanthropic donations and non-commercial sponsoring should be forwarded to the Corporate Philanthropy Committee. The Committee will respond only to requests and proposals with adequate documentation, including verification of the organization's appropriate charitable legal status, an overview of the organization (if unknown to Kimball Electronics), and a full project description.

Recipients of donations or sponsorships must agree to allow Kimball Electronics the right to audit the agreed-upon project or sponsorship for compliance with the terms of donation or sponsorship and applicable laws and regulations.

## **7. Reporting and Oversight**

The Corporate Philanthropy Committee, selected by management, has primary responsibility for the application of this Policy in accordance with our Guiding Principles and Code of Conduct. The Board of Directors' Nominating and ESG Committee will oversee this Policy, the Corporate Philanthropy Committee, and the philanthropic activities' compliance with the Guiding Principles, the Code of Conduct and this Policy. The Corporate Philanthropy Committee will provide reports and information to the NESG Committee as directed and as appropriate to permit the NESG Committee to ensure proper oversight of this Policy.

*Last update by the NESG Committee on September 11, 2024.*