2010 Corporate Citizenship Year in Review



Your passion. Our purpose.

Blackbaud is a community of people who care and seek to help nonprofits drive positive change in our world. Our focus on corporate citizenship is an acknowledgement that we strive to make a difference both through what we do as a company and how we serve as individuals, professionally and personally. It encompasses our commitment to:

- Deliver products and solutions that help "do good"
- Govern our business ethically
- · Be a good employer who cares about its people
- Be a good steward of our environment
- · Serve others both through good business practices and through our philanthropy

Our Journey from Philanthropy to Citizenship

Blackbaud was founded by a philanthropist, Tony Bakker, and from the very beginning, giving back has been fundamental to our identity. Philanthropy is infused in the very fabric of what Blackbaud is and what it means to both the community and our employee family.

Going into 2010, we made a commitment to move from a traditional philanthropy-focused model for how we give back to a broader corporate citizenship effort. This involved:

- Naming a senior staff member, who reports directly to the CEO, to lead the function
- Establishing the Corporate Citizenship team, with representatives from across the company (marketing, legal, facilities, corporate development, IT/hosting, human resources, Greenbaud, Team Blackbaud, corporate citizenship)
- Assessing our existing efforts, using a tool provided by the Boston College Center for Corporate Citizenship
- · Addressing gaps in our current programs and developing a plan for 2011

"Blackbaud realizes that corporate citizenship goes beyond traditional philanthropy and finds intersections among the interests of their business and the interests of society to maximize the value delivered to both."

Katherine V. Smith, Executive Director , Center for Corporate Citizenship at the Boston College Carroll School of Management

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Today, our corporate citizenship comes to life through a diverse portfolio that encompasses our expertise as a technology provider, our pledge to serve others and preserve the environment, and a focus on putting the employees at the heart of our philanthropy.

A Snapshot of Citizenship at Blackbaud

Technology & Insight

- Expanded the number of grassroots nonprofit organizations relying on our free technology solutions
 (BlackbaudNow and eTapestry) to 8,000
- Launched The Blackbaud Index of Charitable Giving[™] and The Blackbaud Index of Online Giving[™],
 sharing up-to-date data on fundraising revenue being secured by nonprofits
- Established a partnership with NetHope, supporting efforts to deploy technology to aid in disaster relief
- Established a partnership with the Showcase of Fundraising Innovation and Inspiration (SOFI),
 sharing best practices for fundraising campaigns
- Began a new collaboration with the Charleston Promise Neighborhood, focusing on the deployment of technology to track success factors, and, over time, identify the true drivers of change

Serving Others & Preserving the Environment

- Sent \$200,000 of the spend invested in the Blackbaud Conference for Nonprofits back into the nonprofit community (see case study that follows)
- Partnered with the Charleston Battery professional soccer team to honor a "Nonprofit of the Match" for 13 home games and to spread awareness about the role of nonprofits in our community
- Participated in the launch of the Corporate Volunteer Council as a founding member
- Provided employees additional vacation days as an incentive to volunteer
- Participated in the Trident United Way Day of Caring (150 people, 9 teams)
- Hosted volunteer fair where 40 nonprofits shared opportunities with employees
- Signed on for the 2010/2011 Charleston Green Business Challenge
- Collaborated with the South Carolina Department of Natural Resources to build a oyster bed on Daniel Island (a Greenbaud initiative)
- Launched Sprouts, an employee-run community garden
- Laid the foundation for a carbon footprint assessment in 2011

Putting the Employees at the Heart of our Philanthropy

 Encouraged grassroots employee leadership through Team Blackbaud (volunteerism) and Greenbaud (environmentalism)

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- Taught employees how to be grant makers, making funding decisions for The Blackbaud Fund, which is held at the Coastal Community Foundation (7 grants made to nonprofits in the Lowcountry of South Carolina focused on education for disadvantaged youth) and the Reward Your Passion fund (67 grants made to nonprofits where employees volunteer)
- Launched the Nonprofit Leadership Circle, a membership group of employees who serve on nonprofit board (15% of employees) focused on celebration of their service and education ("building a better board member")

Awards and Honors

- · Green Business Pioneer, presented by the City of Charleston and Charleston County Council
- Southeastern Corporate Sustainability Rankings, Top Quintile, presented by GreenBusiness WORKS

A Snapshot of Employee Volunteerism

In the third quarter of 2010, we conducted a survey to gauge the level of participation by Blackbaud employees in volunteerism. The survey, (42% response rate), strongly validated the commitment our people have to giving back.

- 95% of employees think volunteerism is important
- 90% of employees have volunteered within the past 12 months, totaling almost 100,000 volunteer
 hours or between \$2.1 and \$2.3 million in service to nonprofits (using estimates of the value of a
 volunteer hour, Independent Sector)
- 85% of employees said that Blackbaud's focus on nonprofits was a key factor in their decision to join the company

"While philanthropic efforts have historically reflected how a company shares its values and profits with its community, corporate citizenship is about how a company earns its profits and expresses its values within a community."

Katherine V. Smith, Executive Director , Center for Corporate Citizenship at the Boston College Carroll School of Management.

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Partners in Citizenship



Boston College Center for Corporate Citizenship

www.bcccc.net



Charleston Battery

www.charlestonbattery.com



Charleston Promise Neighborhood

http://www.charlestonpromise.org



Coastal Community Foundation

www.ccfgives.org



GreenBusiness WORKS

www.greenbusinessworks.net



Charleston Green Business Challenge

www.sustainabilityinstitutesc.org



NetHope

www.nethope.org



Trident United Way

www.tuw.org



Showcase of Fundraising Innovation and Inspiration

www.sofii.org

For more information, contact Rachel Hutchisson.

Follow @RachelHutchssn on Twitter®

Read the Blackbaud Service to Others Blog: www.blackbaud.com/servicetoothers



Better Together: A Case Study in Corporate Citizenship



Blackbaud is living the value of this year's Conference theme, "Better Together," by directing more than \$200,000 in expenses back to nonprofit organizations, seeking ways to preserve the environment, and incorporating a service project into the event.

Spending with a Mission:

- Donations to nonprofits in lieu of speaker fees, including Philippe Cousteau's
 Earth Echo Foundation
- Nonprofit arts organizations selected to provide Conference entertainment
- iPad's used as web and demo stations raffled off to attendees
- Marketplace furniture donated via www.etreev.com to a Washington, DC area nonprofit
- Computers from the Conference skills lab donated to the Prince George's Child Resource Center,
 Inc., located in the Washington, DC area

Preserving the Environment:

- Reduced printed signage by 90% by using digital signs, which require less energy to run than it takes to produce hard-copy signs
- Introduced the Gaylord Hotel to our 2009 keynote's organization, The Global Soap Project, and secured the hotel's involvement as a soap donor
- Used soap recycled into 5,000 new soap bars, which were then sent to Haiti to assist with the cholera outbreak
- Purchased Conference tote bags made of 100% recycled material (15% of the cost of each bag will be donated to rain forest preservation)
- Replaced traditional printed materials in the marketplace with cards that can be reused as seed packets

Serving Others:

 Conference attendees were asked to bring a book to "build a library" for Prince George's Child Resource Center, Inc. **Better Together:**

Blackbaud is directing more than \$200,000 in Conference expenses to nonprofit organizations.

Photo provided by Prince George's Child Resource Center, Inc., the beneficiary of Blackbaud's 2010 Conference Service Project.