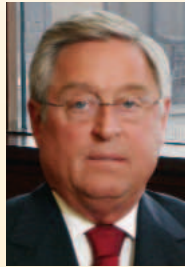


Why Diversity?

“DIVERSITY” IS NOT A NEW WORD TO the corporate arena; for instance, leading executives have long touted the importance of diverse business interests. However, in relatively recent times, the concept of workforce diversification has stepped into the spotlight and become a hot-button issue with business and political leaders alike. On the following pages, the heads of some of the world’s foremost companies weigh in with the reasons they value – and strive for – a diverse workforce.



G. ALLEN ANDREAS
Chairman and Chief Executive, Archer Daniels Midland Company (ADM)

ADM is a global leader in agricultural processing, and our experience continually reinforces our core belief that diversity among our employees and our suppliers serves to strengthen our company and build value for our customers and our shareholders. Demographics continually change in our markets, and our customers are looking to us for products and services that meet the needs of their diverse consumers.

We see diversity as bringing us a competitive edge, because it helps us help our customers meet their goals, and at the same time it enriches the intellectual capital within our company. Our employees are resourceful by nature, and we understand that a broad mix of attitudes, variety in our approaches to problems, diverse perceptions, and varied backgrounds brings us that competitive edge in the marketplace.

At ADM, diversity is a process that we are engaged in because we truly believe in the benefits it provides to us as a company and to our employees and suppliers. As a result, numbers or quotas do not lead our diversity program. Instead, diversity within ADM is championed by our senior management and our employees, who look toward diversity as a necessary business complement for our company, customers, and shareholders.



SAMUEL A. DIPIAZZA JR.
Chief Executive Officer, PricewaterhouseCoopers

As a professional services organization, PricewaterhouseCoopers (PwC) understands that we are only as good as our people, and that our success depends on how well we recruit, develop, motivate, and connect them. The diversity of our network – and with 130,000 people in 148 countries, we are nothing if not diverse – makes our task more challenging. Yet, our ability to bring to clients the diverse viewpoints of gender, nationality, race, and age gives us a competitive advantage. By fostering an inclusive environment that embraces our differences, we make our work more innovative.

We promote teaming across businesses and borders to create a culture that is instinctively collective, creative, and flexible. We believe this strategy differentiates PricewaterhouseCoopers, delivers consistently high-quality services, and makes us a preferred employer. We develop leadership through projects like our Ulysses program, in which diverse teams of PwC partners participate in social service projects in developing countries. Our Genesis Park program immerses young PwC people from around the world in a five-month curriculum aimed at driving cultural change.

Our economic sustainability requires the fullest development of all our people. We seek to become a great place to work, creating challenging opportunities that allow our people to attain their highest professional potential and broaden their personal perspectives.



PETER R. DOLAN
Chairman and Chief Executive Officer, Bristol-Myers Squibb Company

Diversity of people, thought, perspective, and experience is a cornerstone of our

company’s culture and a reflection of our values. At Bristol-Myers Squibb, fostering a diverse workforce is crucial to achieving our strategic business objectives and our mission of extending and enhancing human life.

A workforce rich in differences, such as race, gender, age, sexual orientation, abilities, and life circumstances, reflects the world in which we live and work. Incorporating diverse perspectives and insights better enables us to serve the needs of patients, health-care professionals, and communities, with innovative and high-quality products and services.

Our senior managers are accountable for achieving the company’s business strategy and creating an environment where diversity is expected and respected. We must successfully execute business plans with programs in place that attract, develop, and retain diverse talent. The decisions we make and the actions we take today to foster a globally diverse workforce will pave the way to make our company even stronger in the future.



JOSEPH R. GROMEK
President and Chief Executive Officer, The Warnaco Group, Inc.

Warnaco is committed to diversity in the workplace and to the mixture of commonalities and differences among our more than 10,000 associates worldwide. Our vision is to create a global environment in which diversity is fully evident, valued, and managed as a resource in attaining our corporate vision. We strive to continually attract and develop employees who reflect the diversity of our consumer base, and we embrace our commitment to employ a diverse workforce and to respect the needs of all our associates. We will foster an inclusive corporate culture that leverages the individual and collective talent and experience of all Warnaco associates and business partners to attain the company’s business objectives.



NEVILLE ISDELL

Chairman and Chief Executive Officer, The Coca-Cola Company

The Coca-Cola Company operates in more than 200 countries, and our brands are the most inclusive in the world. They're consumed by billions of people a day, and they're sold by millions of customers around the world. In order to succeed in the multicultural marketplace, our company and our leadership must be as inclusive as our brands. With an increasingly diverse consumer landscape, it's critical for us to have a diverse workforce that can connect our brands to all of our consumers in relevant ways.

It's the lesson of markets, and the ultimate benefit of inclusion: as diverse talent and leadership proliferate, ideas, innovation, and execution improve, too. And all this must start with an actionable commitment from the top. As chairman and CEO, I – along with my entire leadership team – must be personally committed to diversity, inclusion, and fairness.



MICHAEL H. JORDAN

Chairman and Chief Executive Officer, EDS

As a global information technology services provider, EDS' success depends much more upon the talent and diversity of our workforce than our hardware and software. That's why we are working hard to recruit and retain the best and brightest from all cultures and backgrounds. Our internship program introduces students to real jobs and real opportunities. After they're hired, Unity in Action and other employee groups provide mentoring.

We recognize that diversity must come from the top. Senior management provides that support. We know it's necessary for profitable growth. Keeping the American economy strong requires intellectual leadership and brainpower for technology innovation.

Challenges include global competition and a technology skills shortage. African-Americans and Hispanics continue to be underrepresented among scientific and engineering undergraduates. Women and minorities need encouragement to pursue careers in engineering and math. Through sponsorship of the JASON Project, we're encouraging children to pursue high-tech careers. A subsidiary of the National Geographic Society, JASON makes science exciting for one million middle-grade students worldwide.

As longtime board member and past chairman of the United Negro College Fund, which has raised hundreds of mil-

lions of dollars for science and engineering scholarships, I believe in providing opportunity. Supporting college education requires commitment, and we need to stay the course. Diversity will make the difference.



STEVE LORANGER

Chairman, President and Chief Executive Officer, ITT Industries, Inc.

ITT's business success depends on bringing together people with a variety of life experiences and exposure to different business models to apply high-quality thinking around a business solution. When we think of the word "diversity," we certainly think about people of different genders, social, and cultural backgrounds, but it really extends well beyond this – to bringing together individuals with diverse exposure to the many different facets of the world to contribute to our business solutions. We strongly believe that someone who has worked in different business models, geographies, and industries is much better equipped to add value than someone without those diverse experiences. All of these things are as important as the more classic or traditional diversity definition. I'm convinced that including people with different backgrounds and experiences is the best way to achieve outstanding business results. Yes, it's the right thing to do socially, but it's also smart business. That's why we have made diversity a strategic imperative for ITT.



TERRY J. LUNDGREN

President and Chief Executive Officer, Federated Department Stores, Inc.

Simply put, diversity is a business imperative for Macy's and Bloomingdale's. Reflecting the diverse marketplace we serve is good for our customers, associates, suppliers, and our shareholders. Diversity is a holistic strategy for us that is aligned with our business priorities and integrated into all areas of our business.

Our workforce initiatives include talent acquisition and succession management, diversity learning through workshops and computer-based training, and events sponsored by diversity councils and affinity groups. On the customer side, our multicultural marketing initiatives convey our brand messages to African-American, Hispanic, and Asian customers. This connection is especially important as our core customer segments include a high percent of ethnically diverse individuals compared with America's general population.

We reach out to communities to develop solid, meaningful relationships. That commitment often translates into customer appreciation and loyalty, through charitable contributions, employment initiatives, volunteerism, and the creation of economic partnerships. Economic reinvestment with minority- and women-owned businesses is one way that we support community development. Plus, our ability to source unique products and gain market intelligence from these key segments gives the company a distinct competitive advantage.

To come full circle, and ensure continued focus, we share our progress on an ongoing basis with Federated shareholders, always knowing that we still have much work to do and opportunity to realize. At Federated Department Stores, our employees are committed to supporting a diverse and inclusive environment for our fellow employees, customers, suppliers, and strategic community partners.



FRANK T. MACINNIS

Chairman and Chief Executive Officer, EMCOR Group, Inc.

I believe that diversity, good corporate citizenship, and a focus on shareholder interests are characteristics of virtually all successful companies. Unfortunately, for various reasons, the construction industry has not always done the best job of recruiting a diverse workforce, especially at the administrative and managerial levels.

At EMCOR, it's essential to our future growth and prosperity that we are able to speak to, and to recruit from, all segments of our increasingly diverse society, without exception. To do any less would be to deprive ourselves of access to an important part of both our customer base and our employee pool. That's not a good idea.

I think that the achievement of this important goal is sufficiently central to our future success that it requires continuous attention and support from senior management. If the "tone at the top" is one of inclusion, the entire organization will get the message.



ROBERT B. MCGEHEE

Chairman and Chief Executive Officer, Progress Energy, Inc.

Progress Energy is able to attract and retain a talented and high-performing workforce, in part, because we value diversity. We focus on promoting behaviors consistent with a culture of respect, inclusiveness, and collaboration. This culture empowers us to work together to solve problems through the creativity and innovation of each of our employees.

Under the theme “Diversity Powers Progress,” we have a variety of activities to help us better understand and embrace our diversity. All employees attend a full day of diversity training, while new employees attend it in the first six months of employment. We survey our employees and use their responses to create our diversity scorecard that holds management accountable for meeting specific objectives; then we conduct employee focus groups to give us deeper insights into ways we can improve. Last year, we revised our diversity strategic plan and created an office of diversity and inclusion to devote more resources to managing our initiatives.

We are pleased with our strategic focus on diversity, the foundation we have laid, and the momentum we are building. There is great potential for our diversity initiative to strengthen our business performance and make Progress Energy an even better place to work.



HAROLD "TERRY" MCGRAW III

Chairman, President, and Chief Executive Officer, The McGraw-Hill Companies

Diversity is a priority for the McGraw-Hill Companies, not only because it's the right thing to do, but also because it is essential to our business success. Our commitment to equal employment and diversity is a global one, as we serve customers and employ people from many different backgrounds around the world.

Our businesses, including Standard & Poor's, McGraw-Hill Education, BusinessWeek, and J.D. Power and Associates, are aligned with three critical needs driving economic growth worldwide: the need for knowledge, the need for capital, and the need for information transparency. In order to serve these needs effectively, it is crucial that we have a workforce that understands our broad customer base.

We have more than 290 offices in 38 countries and are committed to cultivating a diverse workforce that represents many backgrounds. The more than 19,000 women and men of the McGraw-Hill Companies work and thrive in a dynamic environment where inclusion is encouraged, differences are respected, and diversity is of paramount importance.



HANK MCKINNELL

Chairman and Chief Executive Officer, Pfizer Inc

At Pfizer, we ardently believe in the wisdom of diverse approaches to biomedical innovation and better health. In our laboratories, we test thousands –

even millions – of compounds to find those few that offer the best chance of getting from lab to patient. We often pursue, simultaneously, a number of different approaches to defeating diseases such as atherosclerosis or HIV/AIDS. Everywhere we turn, we see “the wisdom of crowds” – that is, the value of diversity in opinions, backgrounds, and life experiences – and we are convinced that an authentic embrace of diverse thinking leads to better decisions.

The idea that “all of us are smarter than any one of us” is valid only as far as the “all of us” in the organization feel valued, and that their opinions and actions count. That's a challenge in any huge global organization. With 106,000 colleagues in 180 nations, we're fortunate at Pfizer in that we have an exceptionally diverse group of thinkers. They all share the aspiration of working for a healthier world, but they also have divergent opinions as to how that world takes shape. How well we do in nurturing their diversity of thinking and embracing their contributions will make a huge difference in Pfizer's future, and more importantly, in the welfare of patients everywhere.



DR. BERND PISCHETSRIEDER

Chairman of the Board of Management, Volkswagen AG

The history of Volkswagen has been characterized by internationality and diversity from the outset. Today, we have 42 production facilities and more than 100 sales companies located all over the world.

In such an environment, good cooperation between men and women and between people of different races, religions, and creeds is not an option, but a success-critical factor. It is important to refrain from pursuing a “uniform culture,” which can only function on the basis of the lowest common denominator. The idea of a “world car” cannot be successful because it negates cultural differences and needs, and the same applies to corporate culture. Instead, our maxim is to treat the identity of every individual with the greatest respect.

This attitude is expressed in our corporate value of respect. The realization of our corporate values in our daily actions is supported by a top-down process, which includes management by objectives. Our corporate strategy and the corporate values are the foundation for our management and employees' business targets. A strategic advantage evolves from the diversity of our employees. The mirror image of our workforce and the demands of our customers worldwide ensure intensive customer nearness, another corporate value of which we are proud.



MICHAEL ROTH

Chairman and Chief Executive Officer, Interpublic Group

A diverse workforce, and the involvement of senior management in cultivating it, are both essential to a global marketing services company such as Interpublic. In this new age of increasingly personalized marketing, we need to develop greater insight and affinity to help our clients connect with the new consumer. That evolving target audience is increasingly savvy, global, and multiethnic. If we can't reach out to them on their terms in a relevant manner, we risk being ignored. For us to succeed, our workforce must therefore reflect the same demographic and social trends that are transforming the marketplace.

There is also a tremendous amount of research showing that as companies become more diverse, the productivity, efficiency, and innovation of teams increase. A diverse work environment leads to greater collaboration and creativity – key drivers of success in our business. And inclusive companies generally become the preferred employers for talent in their respective industries.

We've put into place a number of recruiting and retention programs to address diversity, as well as supplier-diversity initiatives. As with any significant change in an organization, the commitment of top executives is absolutely critical when it comes to moving a company forward in terms of diversity.



ROBERT SHEEHAN

Executive Partner, Skadden, Arps, Slate, Meagher & Flom, LLP

Diversity, in its various contexts, is an important part of the innovative spirit that is the cornerstone of Skadden, Arps' continued success as a professional organization. Working toward a diverse workplace begins with respecting each individual, and continues with the creation and maintenance of an environment that enhances everyone's ability and inclination to see things from a variety of perspectives.

To that end, our goal has been to ensure that our firm reflects a culture in which embracing diversity is a way of doing business every day, and not a discrete program to be administered. In this regard, senior management is charged with setting a tone that influences and empowers others in the firm to develop and sustain a diverse and inclusive workplace. Moreover, it is essential to us that senior leaders also build a track record of

achievement and continuous improvement in this area. We believe that the diverse backgrounds of the lawyers and staff at Skadden, Arps are critical to the continued strength and success of the firm.



SY STERNBERG

Chairman and Chief Executive Officer, New York Life Insurance Company

New York Life is committed to ensuring the fair and consistent consideration and treatment of everyone with whom we do business, including our customers, employees, agents, vendors, and contractors. Our philosophy is built on a foundation of inclusion, a commitment to fairness, and a pledge to foster a climate of dignity and respect.

Putting our diversity beliefs into practice is – and must be – the responsibility of all levels of company management, beginning with the CEO. It is up to senior leadership to set the tone and establish diversity as a corporate priority. It is up to our chief diversity officer to align diversity with our business objectives and establish effective strategies.

And it is up to line managers to ensure that our diversity strategies become an integral part of the way we conduct our business.

New York Life is honored by the recognition we have received as a champion of diversity from publications such as *Diversity Inc.*, *Latina Style*, *Essence*, and *Family Digest*. However, we are mindful that the progress we have made is simply a prelude to the greater efforts that lie ahead. The goals of diversity are not easily won. They require constant renewal and a long-term commitment. We have embraced those goals, we have made that commitment, and we will not be deterred from this critical mission.



ROBERT E. SWITZ

President and Chief Executive Officer, ADC Telecommunications, Inc.

ADC is keenly focused on meeting our customers' needs by being a strong, strategic global partner. Attracting, retaining, and developing a diverse global workforce is a vital component of our ability to deliver high-impact and value-added solutions to the communications industry. Our core values of customer focus, a commitment to quality, offering innovative solutions, teamwork, and acting with the highest level of integrity demand that we value diversity and provide the foundation

for our high-performance culture.

The best decisions result from having considered a broad range of perspectives. Engaging the complementary talents of our diverse global workforce maximizes innovation. At ADC, our strength is derived from global teams working together to integrate ideas, launch new solutions, and expand regional capabilities.

There is no doubt that the senior leadership's commitment is critical to creating a culture of diversity and inclusion. As senior leaders, we drive the processes and decisions that reinforce our values. More importantly, every day we have the opportunity to serve as role models; our daily actions speak loudly regarding our true values. Given our global customer base, changing world demographics, and the competition for top talent, diversity is fundamental to our success in the marketplace.



JAMES S. TURLEY

Chairman and Chief Executive Officer, Ernst & Young LLP

In many ways, Ernst & Young's success is driven by one simple focus – having great people deliver great, high-quality service to our clients. Because of that focus, creating an inclusive and flexible work environment, where all of our people can be successful and grow, is essential. And this can only happen if we commit ourselves to having a truly diverse workforce. This commitment must be shared by everyone – from the top of the organization to our newest hire. We know that harnessing the power of a diverse team – their minds, experiences, cultures, and perspectives – enhances the solutions we provide.

As with any component of our business strategy, the commitment to diversity and inclusion must come from the top. That is why our executive board is accountable for supporting and creating an inclusive work environment. Each business unit leader is evaluated on certain gender and diversity metrics that reflect the progress we have made. And we expect all of our leaders to demonstrate their commitment to diversity through action, not just words. Though I am proud of the results we have achieved thus far, like in every organization, more work lies ahead of us.



SETH H. WAUGH

Chief Executive Officer, Deutsche Bank Americas

Diversity is an initiative that is essential to Deutsche Bank's building of a strong "one bank" culture in the

Americas. Our commitment to diversity and inclusion crosses all business lines, is important to all of our clients, and creates a genuine "buzz" about our organization as a great place to work.

When you are part of a global organization that operates in as many different countries as Deutsche Bank does, it is imperative that our employees truly understand and value different cultures and backgrounds. It is critical for our workforce to reflect the vibrant and diverse nature of the clients we serve. That is the only way we can anticipate and address their varied needs and provide them with innovative solutions.

Senior management should start by ensuring that our own teams include diverse individuals and perspectives. Management must take the lead in nurturing, developing, and retaining talent, as well. Leadership by example is the best way to demonstrate commitment to this important initiative. At Deutsche Bank we have held our popular Women on Wall Street conference for 11 years now – supporting a forum where a diverse group of women can network and learn from each other's experiences.



SANFORD I. WEILL

Chairman, Citigroup, Inc.

Diversity is a tremendous competitive advantage for Citigroup in today's constantly evolving global economy. We have been in many countries for more than a century, and our staff is 98 percent local in the 100 countries in which we operate. This may make us the most diverse company ever created. Our diversity helps us attract and develop well-rounded people, and it helps us deliver products and services to the widest possible customer base.

We also strive to increase the amount of business we conduct with enterprises owned by minorities, women, and people with disabilities. These relationships strengthen the communities we serve, by showing them that we are genuinely committed to the community and care deeply about its success and future.

Our senior management and our employees value a work environment where diversity is embraced, where people are promoted on their merits, and where people treat each other with mutual respect and dignity. We report annually to our board of directors on diversity, and we link the diversity efforts of our senior managers to their compensation. Our commitment to diversity and inclusion is more than the right thing to do; it is fundamental to our success in today's global economy. ●