DiversityInc
Diversity Councils
Web Seminar

Barbara Frankel
Senior Vice President, Executive Editor
October 16, 2012
Assistance

For conference-call assistance, press *0 on your touch-tone phone.

For other assistance, contact Customer Service at 973-494-0500.

Thank you!
The 2013 DiversityInc Top 50 Survey Is Out Now

• Submission deadline – March 1, 2013
• Results announced April 23 in New York City
• Contact top50@DiversityInc.com to participate or if you have questions
<table>
<thead>
<tr>
<th></th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PricewaterhouseCoopers</td>
</tr>
<tr>
<td>2</td>
<td>Sodexo</td>
</tr>
<tr>
<td>3</td>
<td>Kaiser Permanente</td>
</tr>
<tr>
<td>4</td>
<td>AT&amp;T</td>
</tr>
<tr>
<td>5</td>
<td>Procter &amp; Gamble</td>
</tr>
<tr>
<td>6</td>
<td>Ernst &amp; Young</td>
</tr>
<tr>
<td>7</td>
<td>Kraft Foods</td>
</tr>
<tr>
<td>8</td>
<td>Deloitte</td>
</tr>
<tr>
<td>9</td>
<td>Prudential Financial</td>
</tr>
<tr>
<td>10</td>
<td>Colgate-Palmolive</td>
</tr>
<tr>
<td>11</td>
<td>Johnson &amp; Johnson</td>
</tr>
<tr>
<td>12</td>
<td>Accenture</td>
</tr>
<tr>
<td>13</td>
<td>Novartis Pharmaceuticals Corporation</td>
</tr>
<tr>
<td>14</td>
<td>American Express</td>
</tr>
<tr>
<td>15</td>
<td>MasterCard Worldwide</td>
</tr>
<tr>
<td>16</td>
<td>Merck &amp; Co.</td>
</tr>
<tr>
<td>17</td>
<td>IBM</td>
</tr>
<tr>
<td>18</td>
<td>Cummins</td>
</tr>
<tr>
<td>19</td>
<td>Health Care Service Corporation</td>
</tr>
<tr>
<td>20</td>
<td>Abbott</td>
</tr>
<tr>
<td>21</td>
<td>Marriott International</td>
</tr>
<tr>
<td>22</td>
<td>KPMG</td>
</tr>
<tr>
<td>23</td>
<td>CSX</td>
</tr>
<tr>
<td>24</td>
<td>Aetna</td>
</tr>
<tr>
<td>25</td>
<td>Cox Communications</td>
</tr>
<tr>
<td>26</td>
<td>Dell</td>
</tr>
<tr>
<td>27</td>
<td>Automatic Data Processing</td>
</tr>
<tr>
<td>28</td>
<td>General Mills</td>
</tr>
<tr>
<td>29</td>
<td>Eli Lilly and Company</td>
</tr>
<tr>
<td>30</td>
<td>Target</td>
</tr>
<tr>
<td>31</td>
<td>Bank of America</td>
</tr>
<tr>
<td>32</td>
<td>Starwood Hotels &amp; Resorts Worldwide</td>
</tr>
<tr>
<td>33</td>
<td>Wells Fargo</td>
</tr>
<tr>
<td>34</td>
<td>WellPoint</td>
</tr>
<tr>
<td>35</td>
<td>jcpenney</td>
</tr>
<tr>
<td>36</td>
<td>Booz Allen Hamilton</td>
</tr>
<tr>
<td>37</td>
<td>Allstate Insurance Company</td>
</tr>
<tr>
<td>38</td>
<td>Medtronic</td>
</tr>
<tr>
<td>39</td>
<td>Verizon Communications</td>
</tr>
<tr>
<td>40</td>
<td>Time Warner</td>
</tr>
<tr>
<td>41</td>
<td>Toyota Motor North America</td>
</tr>
<tr>
<td>42</td>
<td>Northrop Grumman</td>
</tr>
<tr>
<td>43</td>
<td>Rockwell Collins</td>
</tr>
<tr>
<td>44</td>
<td>Monsanto</td>
</tr>
<tr>
<td>45</td>
<td>Chrysler Group</td>
</tr>
<tr>
<td>46</td>
<td>The Coca-Cola Company</td>
</tr>
<tr>
<td>47</td>
<td>Capital One</td>
</tr>
<tr>
<td>48</td>
<td>Lockheed Martin</td>
</tr>
<tr>
<td>49</td>
<td>Kellogg Company</td>
</tr>
<tr>
<td>50</td>
<td>MetLife</td>
</tr>
</tbody>
</table>
Executive diversity councils set strategy and companywide diversity goals. When council members’ compensation is linked to those goals, we note a dramatic improvement in human-capital demographics.
Executive Diversity Council Best Practices

% of DiversityInc Top 50 Companies With These Practices

- 94%: Company has an executive diversity council
- 68%: Executive diversity council has rotational positions
- 94%: Diversity council signs off on diversity goals and metrics
- 52%: Executive compensation is tied to council goals
Barriers to Success

What are the two greatest hindrances to executive diversity councils creating sustainable organizational change?*

1. Councils are not comprised of the most senior executives in the company and lack clout

2. Council is organized as a strategic advisory board, but does not hold implementers responsible for producing results

*Based on DiversityInc research report on diversity councils
Case Study: Structure
AT&T

• Executive Diversity Council
  • Chaired by the CEO; council members are CEO’s direct reports
  • Signs off goals set by council for human-capital demographics and best-practice goals, such as mentoring and resource-group participation

• Business-Unit Diversity Councils
  • Directly under the council, championed by council members and chaired by an officer in that unit
  • Develops and oversees tactical matters, such as internal diversity website, newsletters, lunch and learns, volunteer activities

• Chief Diversity Officer Forum
  • Creates linkage across the business-unit councils
  • Chief Diversity Officer reviews goals/metrics quarterly

• Joint Diversity Council
  • Chaired by staff member of diversity department and consisting of resource-group leaders
  • Activities, metrics and findings roll up to CDO
Case Study: Driving the Agenda
Ernst & Young

- Council has 2 in-person meetings/year plus 2-3 calls

- Members (client-facing partners/principals selected to represent diversity of job function) have full access to relevant data and hold subordinates accountable for measurable progress

- Meetings focus on key area(s) behind strategy (topical – e.g. formal sponsorship); questions addressed:
  - “How are we actually going to drive that thinking into our progress through consultative measures, actions, programs, communications?”
  - “If this is the effort, how are we going to take this and roll it up to the practice?”

- Meeting decisions are communicated by executive leadership (CEO and CDO) to partners
Case Study: Regularly Assess Effectiveness

Sodexo

- Current structure: several lower councils in the 6 regions reporting to the executive council on D&I
  - Problem: “Too many people cooking in the kitchen”

- Re-launch
  - Report to executive council chaired by CEO
  - Two councils under executive diversity council – a marketplace and a workplace council – both run by the diversity department
    - Workplace council will report on internal metrics such as mentoring, employee engagement, promotions, success of onboarding efforts
    - Each council will have a direct report to CEO as chair

- CEO’s direct reports have 25% of bonus tied to diversity goals
  - Set-aside fund paid regardless of financial performance
LEADING DIVERSITY & INCLUSION
FROM THE TOP:
KELLOGG EDIC OVERVIEW

October 16, 2012

Mark King
Global Head, Diversity & Inclusion
Objectives

• Getting to Know Kellogg Company

• EDIC @ Kellogg – The Journey

• Our Team Today

• Lessons Learned…
Global Footprint

Marketed in 180 countries, 17 countries where products manufactured, 50+ manufacturing facilities
Office of Diversity & Inclusion Established

D&I Active & Becoming More Integrated; EDIC Concluded

2001

2004

2008

2009

2010

Today

Diversity & Inclusion formally introduced

EDIC Established by
Pres & CEO D. McKay;
Council Comprised of ELT & Other Business Leaders. Focus on Business Case & Awareness

EDIC Re-Launched;
Chaired by Pres & CEO John Bryant;
Team Comprised of ELT Leaders

EDIC Actively Engaged & Leading;
Continues to be Chaired by CEO. Focus on Accountability
COMPOSITION:

JOHN BRYANT, President & CEO, Chair (KMERG)
BRAD DAVIDSON, President, KNA (KVets & Supporters)
PAUL NORMAN, President, International
MARGARET BATH, SVP, RQT
GARY PILNICK, SVP, General Counsel & Secretary (YP)
MARK BAYNES, Chief Marketing Officer (HOLA)
DENNIS SHULER, SVP, Global HR
SAMANTHA LONG, VP, KNA HR (WOK)
NORMA BARNES-EURESTI, VP, Chief Counsel (KPride & Allies)
MARK KING, Diversity & Inclusion
ROLE:
Serves as Kellogg’s Diversity & Inclusion “Board of Directors”

EXPECTATIONS:

• STRATEGIC GUIDANCE: Ensure Diversity & Inclusion plan (strategies/actions) support and align with overall Kellogg strategies, objectives and values.

• DRIVE ACCOUNTABILITY: Establish and/or approve company D&I Goals (e.g. AIP, ELT PDP, etc.) and drive accountability throughout the organization.

• BE THE D&I “CONSCIENCE” OF THE ORGANIZATION: Provide leadership and recommendations on significant D&I issues/opportunities that affect overall company performance, reputation, etc.

• ADVOCATE & LEAD BY EXAMPLE: Be Diversity & Inclusion Champions within & across the business.
HOW WE OPERATE:

• Quarterly Meetings (2 hours each)

• CEO (EDIC Chair) Runs the Meetings with Support from Office of D&I

• Review / Discuss Current State of Diversity & Inclusion
  - D&I Key Headlines, Accomplishments, and Upcoming Efforts
  - ERG Discussions, Feedback

• Review / Discuss Metrics
  - Representation, Hires, Promotions, Turnover, etc.

• Identify Action Steps to Keep Moving D&I Forward
Learned Along the Way…

• Having the CEO as an Active Chair Sets the Tone
• Group Needs Clear Purpose, Objectives
• Employee Representation & Voice Important to Have
• Size of the Group Seems to Have an Impact
• ERG Access to EDIC is Important
• Visibility - Promote EDIC & Their Work/Impact Across the Organization
• EDIC Evolves…
LEADING DIVERSITY & INCLUSION FROM THE TOP: KELLOGG EDIC OVERVIEW

Thank You!
Comcast and NBCUniversal: Diversity & Inclusion Councils

Karen Dougherty Buchholz
Vice President, Administration
Comcast Corporation
October 16, 2012
Comcast and NBCUniversal Values

Diversity is a part of our culture

- One of Comcast’s Credo Touchstones is diversity:
  “We will respect and reflect the customers, communities and cultures we serve.”

- Similarly, NBCUniversal’s Credo emphasizes the importance of diversity:
  “We believe that the talent, creativity, and diversity of our people are our greatest resources.”

- Comcast and NBCUniversal embrace a broad definition of diversity

- We are committed to diversity not only because it is the right thing to do, but also because diversity is a core principle for conducting our business, community by community
Comcast and NBCUniversal: Joint Venture

• Assessment pre- and post- joint venture
• Voluntarily entered into Memoranda of Understanding ("MOUs") with various national diverse leadership organizations
• Voluntary diversity commitments span five “Focus Areas”
• Diversity Councils monitor commitments, strategies, and best practices in five Focus Areas

<table>
<thead>
<tr>
<th>Leadership</th>
<th>Workforce</th>
<th>Vendors/Suppliers</th>
<th>Programming</th>
<th>Community Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fostering Diversity through Active Leadership</td>
<td>Attracting Talent and Growing Potential</td>
<td>Supporting Businesses and Expanding Opportunities</td>
<td>Serving Communities and Reflecting Cultures</td>
<td>Powering Dreams in Our Communities</td>
</tr>
</tbody>
</table>
Company Governance Structure

Dedicated leadership support our diversity initiatives

Comcast Board of Directors

- Composition
- Future board openings consideration

Comcast and NBCUniversal Leadership

- New Diversity & Inclusion Department at Comcast Corporation
- NBCUniversal expanded Diversity & Inclusion team

Internal Diversity Councils at Comcast & NBCUniversal

- Comcast and NBCUniversal reconstituted respective Internal Diversity Councils in 2011
- Council membership comprises senior executive leaders
- Internal Diversity Councils at Comcast & NBCUniversal hold separate and joint meetings
- Meetings consist of quarterly reports on programs, initiatives, and plans surrounding our company’s five Focus Areas

Dedicated leadership support our diversity initiatives
### Cross Company Internal Diversity Councils

*Senior executive members represent enterprise-wide business units*

<table>
<thead>
<tr>
<th>COMCAST Internal Diversity Council</th>
<th>NBCUniversal Internal Diversity Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comcast Cable and Corporate</td>
<td>Universal Pictures</td>
</tr>
<tr>
<td>Comcast Network Engineering &amp; Tech Ops (NETO)</td>
<td>Cable Entertainment</td>
</tr>
<tr>
<td>Comcast Spotlight</td>
<td>CNBC</td>
</tr>
<tr>
<td></td>
<td>Corporate &amp; TV Entertainment Legal</td>
</tr>
<tr>
<td></td>
<td>EDNIM</td>
</tr>
<tr>
<td></td>
<td>NBC News</td>
</tr>
<tr>
<td></td>
<td>NBC Sports</td>
</tr>
<tr>
<td></td>
<td>NBCOTS</td>
</tr>
<tr>
<td></td>
<td>Universal Parks &amp; Resorts</td>
</tr>
</tbody>
</table>
Joint Diversity Advisory Council (JDC)

Dedicated external leaders support our diversity initiatives

Creation of Industry-First Council
- Established Joint Diversity Advisory Council (JDC) in 2011
- Objective and practical advisory board
- Strategic consultants for the five Focus Areas

Council Composition
- Diverse leaders in business, politics, and civil rights
- Four, nine-member Diversity Advisory Councils (DACs) within the JDC
- Other diverse groups represented

Council Leadership
- JDC Chairman: David L. Cohen, Comcast’s EVP & CDO
- Representatives of Comcast and NBCUniversal’s Internal Diversity Councils
- Nine-member DACs led by a Chair and a Vice-Chair
- Other diverse groups led by member representatives
Joint Diversity Advisory Council (JDC), contd

Dedicated external leaders support our diversity initiatives

Council Charter

- JDC meets formally twice year in Philadelphia
- Next formal Joint Council meeting: November 7-8, 2012
- Brian L. Roberts, Comcast’s Chairman & CEO, attends one JDC meeting each year
- Ongoing dialogue with JDC members throughout the year
- Members appointed for a two or three year term
- Members receive an annual stipend

Select JDC Achievements (2011-2012)

- Developing and sharing best practices
- Internal and external participation in company events and activities
### Joint Diversity Advisory Council Members

<table>
<thead>
<tr>
<th>African American DAC</th>
<th>Asian American DAC</th>
<th>Hispanic DAC</th>
<th>Women’s DAC</th>
<th>Members-at-Large</th>
</tr>
</thead>
</table>
| Marc H. Morial, Chair  
President & CEO, National Urban League | Karen Narasaki, Chair  
Former President & Executive Director, Asian American Justice Center | Gilbert F. Casellas, Chair  
Chairman, OMNITRU | Judith M. von Seldeneck, Chair  
Chairman & CEO, Diversified Search | Helena R. Berger  
COO & EVP American Association of People with Disabilities |
| Harold T. Epps, Vice Chair  
President & CEO, PRWT Services, Inc. | Don H. Liu, Vice Chair  
SVP, General Counsel and Secretary, Xerox Corporation | Alba E. Martinez, Vice Chair  
Principal, Vanguard | Rosemary Turner, Vice Chair  
President, UPS Chesapeake District | Mark Segal  
Publisher, The Philadelphia Gay News |
| Drew Berry  
President & CEO, Drew Berry & Associates, LLC | Joseph J. Centeno  
Partner, Obermayer Rebmann Maxwell & Hippell, LLP | Anna E. Cabral  
Chief, Strategic Communications Unit, Inter-American Development Bank | Vernice “FlyGirl” Armour  
Chief Breakthrough Officer VAI Consulting & Training, LLC | Sonny Skyhawk  
Chairman, American Indians in Film & Television |
| Roslyn M. Brock  
Chairman, NAACP National Board of Directors | Jadine Chin Nielsen  
President, Asian American Small Business PAC | Guarione M. Diaz  
President & CEO, Cuban American National Council | Terry D’Alessandro  
E.V.P. Director of Community Banking, Firstrust Bank |
| W. Don Cornwell  
Retired Chairman and CEO, Granite Broadcasting Corporation | Daphne Kwok  
Executive Director, Asian and Pacific Islanders with Disabilities of California | Beni Matias  
Interim Executive Director, National Association of Latino Independent Producers | Lydia Hernández-Vélez  
Deputy Managing Director for Aging, The City of Philadelphia |
| Carla A. Harris  
Managing Director, Morgan Stanley | Ken Lee  
President, Organization of Chinese Americans | Janet Murguía  
President & Chief Executive Officer National Council of La Raza | Nichole J. Maher  
Executive Director, Native American Youth and Family Center |
| Christine James-Brown  
President & CEO, Child Welfare League of America | Daniel Mayeda  
Member of the Board and Legal Counsel, East West Players | Alex Nogales  
President & Chief Executive Officer National Hispanic Media Coalition | Ingrid Saunders Jones  
Senior Vice President, Global Community Connections The Coca-Cola Company |
| W. Franklyn Richardson  
Senior Pastor, Grace Baptist Church | S. Floyd Mori  
National Director Emeritus, Japanese American Citizens League | Javier Palomarez  
President & Chief Executive Officer, United States Hispanic Chamber of Commerce | Sheryl Lee Ralph  
Founder & CEO, The DIVA Foundation |
| Julieanna L. Richardson  
Founder & Executive Director, The HistoryMakers | Ajay Raju  
Managing Partner, Reed Smith LLP, Philadelphia | Brent A. Wilkes  
National Executive Director, League of United Latin American Citizens | Judy Spires  
CEO, AG Supermarket Holdings |
Workforce Metrics Measured by Council

*Company-wide diversity initiatives aimed at selecting, developing, and promoting diverse candidates*

**Diversity Planning**
- Local Management Plans within company business units
- Innovative Diversity & Inclusion Training Module, launched: Q2 2012
- Comcast's new Vice President of Accessibility

**Talent Acquisition and Management**
- Comcast and NBCUniversal require diverse slates at the Vice President-level and above
- Comcast and NBCUniversal’s minority and women-owned recruitment firms
- Comcast and NBCUniversal enhancing diverse leadership appointments

**Leadership Development**
- Internal and external leadership development programs build pipeline of diverse talent

**Execution & Accountability**
- Executive support and oversight
- Both Comcast and NBCUniversal tie leadership bonuses to diversity
Procurement Metrics Measured by Council

Continuing to build sustainable relationships with, and economic opportunities for, diverse suppliers

Expanding already-robust Supplier Diversity Programs

- Spent more than $1 billion with diverse suppliers in 2011
- Conducted business with over 4,000 WMBEs

Enhancing Partnerships Within the Supplier Diversity Community

- Diverse suppliers in key business areas
- Company-wide partnerships with national supplier diversity
- Expanded metrics for tracking ownership, visibility and partnership progress

Improving Infrastructure and Expanding Second Tier (Tier II) Programs

- Enhanced operational resources
- Encouraging prime vendors to subcontract with diverse Tier II businesses
- New Comcast web portal launch
Select Programming Metrics Measured by Council

*Launching new, independent channels*

- Comcast will distribute 10 new independent networks within eight years
- First Phase Complete: Four new minority-owned networks selected
- African American Category
  - *Aspire*: launched in June 2012
  - *REVOLT*: 2013
- Hispanic Category
  - *EL Rey*: 2014
  - *BabyFirst Americas*: launched in May 2012
- Over 100 proposals submitted in Spring 2011
  - Approximately 80% African American and 20% Hispanic
  - Comprehensive criteria for reviewing proposals
Philanthropic Metrics Measured by Council

*Increasing our community investment in organizations serving diverse communities*

- Aggregate giving to minority-led and minority-serving organizations

- Comcast’s community investment priorities:
  - Digital Connectors
  - Leaders & Achievers Scholarships
  - Comcast Cares Day

- NBCUniversal’s community investment vehicles:
  - NBCUniversal Foundation
  - PSA initiatives (NBCUniversal, Telemundo, and USA Networks)

- Cross-company partnerships

- Joint Council provides input on potential new nonprofit partners

- Comcast courtesy services commitment
Send In Your Questions!

• You may submit your questions via the web by using the text chat box on your screen.

• Simply type in your question and click send.
Register For the Next DiversityInc Web Seminar

• Does your company factor diversity into succession planning for the top levels?

• Why is it important to have more diversity at the top?

• What external and internal sources can you use?

• Register for this diversity web seminar
  • Topic: Succession Planning
  • Date: Nov. 20, 2012
<table>
<thead>
<tr>
<th>Date</th>
<th>Seminar Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 22</td>
<td>Employee Engagement</td>
</tr>
<tr>
<td>February 26</td>
<td>Resource Groups</td>
</tr>
<tr>
<td>March 26</td>
<td>Innovation</td>
</tr>
<tr>
<td>April 30</td>
<td>Multicultural Philanthropy</td>
</tr>
<tr>
<td>May 21</td>
<td>CEO Commitment</td>
</tr>
<tr>
<td>June 25</td>
<td>DiversityInc Top 50 Best Practices</td>
</tr>
<tr>
<td>July 30</td>
<td>Mentoring/Talent Development</td>
</tr>
<tr>
<td>September 17</td>
<td>Diversity Recruiting</td>
</tr>
<tr>
<td>October 22</td>
<td>Diversity Councils</td>
</tr>
<tr>
<td>November 19</td>
<td>Diversity Metrics</td>
</tr>
</tbody>
</table>
DiversityInc Events

• **2013 Innovation Fest! & White Men and Diversity Event**
  Feb. 5, 2013, New York City
  [Click Here to Register Now](#)

• **The 2013 DiversityInc Top 50 Companies for Diversity Announcement Event**
  April 23-24, 2013, Sheraton Hotel & Towers, New York City
  [Click Here to Register Now](#)

• **Diversity Heroes Learning Series & Special Awards Dinner**
  Discussions With Leaders of Startup Diversity Efforts: Ideas From People Who Transform Their Organization’s Diversity Efforts From Good to Great
  Oct. 16-17, 2013, Marriott Marquis, New York City
  [Click Here to Register Now](#)

• For more information on all upcoming events, visit [www.DiversityInc.com/events](http://www.DiversityInc.com/events)
Thank You for Attending the Web Seminar

• You will receive a follow-up e-mail from us containing the link to download this presentation for future reference

• The presentation will be available approximately 72 hours after this event

• Questions? Call (973) 494-0500