Enabling a Culture of Innovation & Productivity
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NOTE TO USER
This PDF utilizes interactive elements.
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Unless otherwise noted, all individuals appearing in photographs in this report are actual P&G employees.
We are pleased to share P&G’s 2015 Diversity & Inclusion Report.

Diversity & Inclusion has always been a part of P&G DNA and all we do. It’s part of our Purpose, Values and Principles and critical to business growth.
A Letter From A.G. Lafley & William Gipson

Diversity & Inclusion is implicit in P&G’s Purpose, Values and Principles and explicit in P&G’s business strategies. —A.G. Lafley

At P&G, our focus is on building consumer-preferred brands and products that are winning value-creators in their industries. This leads to superior value creation for consumers and shareowners.

Diversity & Inclusion is a critical enabler of value creation. It is an intentional choice to understand and value the diversity of the consumers we serve as well as our fellow employees. It is that simple.

We make Diversity & Inclusion a strategic priority. Our “where to play” business strategies are focused on serving diverse consumers, and our “how to win” strategies begin with developing and leveraging a highly diverse and inclusive organization.

The more diverse and inclusive we are, the more likely we are to understand consumers’ needs and find ways to innovate for them with P&G brands and products. In our experience, we are much better at creating consumer-preferred brands and products when we have the most diverse and inclusive groups developing them.

Diversity & Inclusion is also a critical driver of collaboration. When we genuinely value Diversity & Inclusion, we’re more collaborative because we have a mindset influenced by people whose backgrounds, experiences, ethnicity, gender, sexual orientation, religion, and more—are different than our own.

At P&G, we are committed to Diversity & Inclusion, and we’re united by a passion for winning behind consumer-preferred brands and products that create value for consumers and shareowners.
Everyone Valued,
Everyone Included,
Everyone Performing at Their Peak™

We want to be, and be recognized as, the Global Leader in Diversity & Inclusion. Diversity & Inclusion is in our DNA—at the heart of our Purpose, Values and Principles—and critical to our growth.
Enabling a Culture of Innovation & Productivity

Diversity & Inclusion brings us together and allows us to celebrate everyone’s uniqueness. It’s about people. The employees and teams who build inclusive cultures. Who unleash their potential as they work to improve the lives of the world’s consumers. P&G Diversity & Inclusion—Everyone Valued, Everyone Included, Everyone Performing at Their Peak™

In a year filled with achievements, we want to share a closer look at just a few examples of how we are bringing Diversity & Inclusion to life at P&G.

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In 1995, a fledgling, minority-owned packaging company started doing business with P&G. From the start, this External Business Partner went above and beyond to create value for their global customer. They improved quality standards and launched a new services firm to meet the vast and diverse needs of P&G brands.

The young business flourished and grew. They started with seven employees and one customer — P&G. Today, they employ over 100 people, operate in multiple countries, and count many other Fortune 500 companies as customers. With this hard-earned success, the company now enriches their own community with programs for the homeless and youth mentorship initiatives.

This story plays out hundreds of times among hundreds of P&G suppliers across the nation. It shows the many ways that working with Women and Minority business enterprises (WMBEs) creates transformative value in our business and in our communities.

Since the mid-1970s, P&G has prioritized partnering with diverse suppliers. Today, P&G’s Supplier Diversity program is managed by Corporate Purchases with an objective to create transformational value for all parties involved, and to ensure our supplier base reflects the Diversity & Inclusion we value and expect within P&G.

“As a company, we’re only as strong as our people,” explains Andy Butler, Corporate Supplier Diversity Manager. “And our people are only as strong as the community we live in and the support systems available.”

Commitment to growing a diverse and inclusive supplier base gives P&G a competitive advantage by strengthening Go to Market capabilities and enabling innovation, which is often a result of unexpected insights and connection. By collaborating and partnering with suppliers, P&G is able to create unique value driven by the expertise of external partners. It also impacts the community by fostering economic inclusion and job creation—for example, a recent survey of P&G’s largest WMBEs showed that the top diverse suppliers are hiring minorities at a higher rate than the national average.

“Our P&G supplier partnership has made us sought after for community service leadership,” says the president of one Cincinnati-based facility services MBE. “The community pedigree of a successful relationship with P&G is priceless.”

The Boomerang Effect of Supplier Diversity

STRENGTH IN NUMBERS

- $2.6 billion spent with WMBEs
- 7 years of $2 billion+
- 1,500 WMBE suppliers
- 6 WMBEs named 2015 P&G Supplier Excellence Award winners
- 2014 Ohio Minority Supplier Development Council (OMSDC) Corporation of the Year
- 2015 Women’s Business Enterprise National Council (WBENC) Top Corporation for Women
PRODUCTION
Tide bottle made with recycled resin sourced from woman-owned supplier in Michigan.
Chemicals processed by Native-American owned supplier in Cincinnati.
Bottles shipped in corrugate containers made by African-American business in Louisiana.

DISTRIBUTION
Several women and minority-owned business ship to distribution centers.
Two African-American businesses customize orders for customers.
Supported by various technology, facilities and office services by diverse suppliers.

POINT OF PURCHASE
Awareness raised by woman-owned media company in California.
Consumer reached by promotion from African-American owned partner in Cincinnati.

The owner of the packaging company in our story takes it one step further: “The community will now always relate those brands to P&G and us. I’d like to believe in some small way we are helping to drive brand loyalty in the minority community.”

A more economically inclusive community leads to more opportunity, a higher quality of life, a stronger marketplace, and a better place to live and raise a family.

Where does this sustained value come from? Max Swartz, Packaging Purchasing Manager, sums it up: “It’s clear that owners and leaders of these companies often have unique and non-traditional backgrounds. This offers a different perspective from those who come up in a specific company and industry.”

Supplier Diversity will only grow in the future. With plans to expand the program globally and increase investment, P&G will continue to be a game-changing partner for suppliers and their communities. People like our packaging entrepreneur can look back on 20 years of success and know that it was due in large part to their strong partnership with P&G. It’s why they say their employees feel “a responsibility to protect, support and help cultivate P&G brands as well as our own brand.” That’s true value.

* Shopper is not a P&G employee
“I woke up the next day feeling like the previous day was like my wedding day … just as excited, just as happy — such an overwhelming feeling of simple happiness.”

Now that’s an inspired feeling! And it’s what happens when diversity and leadership mix.

Last summer, inspiration from across the globe converged in a hillside restaurant overlooking Cincinnati for a special evening of recognition and celebration. Like May El Deeb (In Store Leader for the Near East), who offered the above comment, anyone who attended left more inspired than ever.

The first annual Diversity & Inclusion Awards Dinner threw an appreciative spotlight on P&Gers who had a significant impact on diversity. The night was hosted by the Global Leadership Council and other corporate leaders, who repeated their commitment to diverse insights, backgrounds and thinking styles. It was the perfect chance for the award winners to mix and mingle with top leaders — and grab a few selfies with A.G Lafley.

“It will remain with me the rest of my life,” said Madhav Rao, plant manager in Hyderabad, India.

Added May: “It made all the hard work worthwhile.”

According to Mr. Lafley, the event was inspirational and moving for him as well. “I’ve spent almost 40 years in this industry. If you put together a group to innovate, you’re going to have a much better chance of coming up with something that’s new and fresh and exciting if you put a diverse team together.”

Eight award winners representing three groups journeyed from Egypt, India, Germany and several other countries to share their stories. They spent the day touring the global offices, getting a behind-the-scenes look at the P&G museum—even sneaking in a little shopping. Dinner and social time with leadership capped the day, giving everyone the chance to share ideas and viewpoints.

And at the end of the night, they all agreed on one thing: this was just the beginning.
A few D&I award winners share thoughts on diversity, their own vision and the role of leadership.

Where did inspiration for your diversity initiative come from?
MADHAV RAO (INDIA): There was always a common message from leadership all the time. Diversity is key and we must provide equal opportunity to everyone to thrive. This direction was very clear in everything that we did and continue to do.

What did you learn during this experience?
LJ DEGUZMAN (GBS PHILIPPINES): Knowing everyone’s stories helped me frame D&I more broadly. There are so many ways to think about it, approach it and grow it!

What did it mean to have top leadership at the awards dinner?
LJ: It highlighted the value they all put into D&I efforts throughout the world. It’s one thing for the leaders to talk about it. It was a completely different experience seeing them demonstrate their commitment to it.

MAY EL DEEB (EGYPT): It meant appreciation; it showed that the company walks the talk.

How did the experience inspire you for the future?
MAY: I was inspired by Project Reach, which is unfortunately not an area of diversity that’s addressed in Egypt right now. I am currently leading the effort for my Selling Market Operations (SMO) and we have a target of hiring at least one employee with a disability by the end of fiscal year.

LJ: I’m helping establish the Women’s Network in the Philippines. We’re holding our first site-wide women’s symposium this year. We hope this sparks the right conversations to help us grow women leaders in the Philippines and address the key barriers that they face.
Soon after Scott Van Nice joined P&G in 2002, he knew that he was struggling. Scott, a computer forensics expert, is deaf. Even with the help of an interpreter, he was having trouble making the day-to-day connections that could help his career.

“Take away your ability to hear you take away social norms that hearing people take for granted,” explains Scott. “How would you set the tone for a meeting? How would you chat at the water cooler? How would you network?”

This could mean the difference between being promoted or being overlooked—a disability ceiling. Scott knew this. He also knew that it was just one of many challenges that people with disabilities may face at work.

Scott was soon discussing these issues with Kelly Schlafman, a systems manager who is blind. Together, they took their concerns to leadership and offered to help run P&G’s first corporate symposium on disabilities.

“Breaking the Disability Ceiling” occurred in October at P&G headquarters in Cincinnati, focusing on the experience of deaf and blind employees. Over two days, P&G’s People With Disabilities (PwD) employee group hosted 54 human resource managers and Diversity & Inclusion managers from 16 leading companies. The group addressed common concerns in recruiting, retaining, mentoring and training.

Most importantly, visually and hearing impaired employees had the chance to share their stories and educate the leadership of some of the nation’s largest companies. According to PwD employee group leader, Mike Gartner, the symposium couldn’t have come at a better time: “Employees with disabilities would start off strong, but struggle and leave within five years. We wanted to find out how to be more inclusive and what we could do to keep talent like Scott here.”

Through roundtables and panels, participants shared best practices, key insights and success stories. Several companies unveiled their strategies for identifying and keeping top talent.

Early on, organizers noticed that concerns were common (Mike: “Our struggles are everyone’s struggles.”), but standard solutions were not (Scott: “I was surprised at how some ‘progressive’ companies didn’t have things in place. It was an eye opener for a few.”)

At the same time, both were impressed with the inclusive strides P&G has made.
DISABILITY CHALLENGE FAIR

Could you count 78 cents from a change purse—while wearing huge, hulkish gloves stiff with simulated arthritis? How about navigating a crowded room in a wheelchair?

If you stopped by a Disability Challenge fair (hosted by Diversity & Inclusion), these are just two of the challenges you’d face. You’d also be asked to try daily life activities that simulate dyslexia, visual impairments and hearing loss.

Several fairs have popped up in the US, UK and Brazil, with plans to expand to other countries. Unquestionably eye-opening and uniquely memorable, these events dramatically demonstrate how we can all live and work in a more inclusive way.

Three examples highlighted at the symposium show how P&G is ahead of the curve and setting the pace in Diversity & Inclusion:

REVERSE MENTORING

A brainchild of Kelly Schlafman and pioneered in the Asian Pacific American Leadership Team, this new program adds a twist to traditional mentoring. In a reverse mentoring relationship, an employee with a disability sets up time with their senior executives to paint a picture of what daily life is like at P&G. Leaders gain insight they normally wouldn’t—or couldn’t—otherwise.

CENTRAL ACCOMMODATION BUDGET

To a deaf employee like Scott Van Nice, a skilled and trained interpreter is a career necessity, not an option. Others with disabilities have similar critical needs. Now that needed equipment and resources are paid through a central budget (not a department or team budget), the costs are protected against budget cuts or personnel moves. So if Scott changes teams, the interpreter would follow him, not the cost. The result? More job stability and career mobility.

PGTUBE

Our internal video posting site houses everything from brand commercials and employee events to leadership messages. For a long time, this valuable resource was inaccessible to a large segment of the P&G population. The videos had no captions. By raising awareness, employees like Scott were able to have this oversight fixed. For P&G’s Disability & Inclusion leaders, the symposium is just the beginning.

“Over 20% of the workforce has some sort of disability,” declares Mike Gartner. “We’re always looking to expand our reach and network of support. We’d like to combine efforts as a company and make it systemic.”

For example, he says that this could mean having early input in product development or more investment in creating employee/interpreter teams. In the end, the symposium accomplished our goal of having an honest conversation about living and working with a disability. Now it’s time to see where it goes.

“P&G realizes the disability ceiling is real and has to take it into consideration,” contends Scott. “It was a huge reminder that we’re all in this together. So let’s make it inclusive for all and keep pushing the ball forward.”
Speaking The Common Language of Flexibility

The Art of Shaving is a relatively new P&G brand, but the team is already showing the rest of the company how to use flex@work to create sustained team success.

When the brand joined the family in 2009, resources for this small premium shaving brand were scattered across the globe. The core team in Miami settled down at their desks while their strategy colleagues packed up for the day in Dubai. Product supply in Germany had questions for the brand designer—who was still stuck in Boston rush hour traffic.

In other words, they faced the typical challenges of a truly global team.

While going through a recent rapid expansion, Art of Shaving has built global consumer loyalty by elevating shaving to... well... an art form. To get there, to survive as a young, lean, global brand, the team learned to use flex@work as an art form, too.

The expansion covered six countries, from China and the Middle East to Europe. So the small Art of Shaving team needed to work together and work efficiently. The big question: How do you bring six people over 12 time zones together to build a brand?

In this situation, under this much pressure to perform, many companies would retreat to the world of midnight conference calls. Thankfully, P&G recognizes the strategic advantages of a flexible work environment.

Asad Raza, the team’s international markets leader, was there from the start. “The #1 issue was how does the team feel as ONE and doesn’t get bogged down with the multiple location setup,” he says. “The brand was committed to delivering excellent business results but also not compromising on the work-life effectiveness of the group.”

P&G introduced flex@work in 2012 to ingrain a culture of individual flexibility within the company. Across the globe, employees and managers join forces to find a workable balance that suits both the employee and the business.
According to Asad Raza, flex@work is successful because team members adjusted well in specific ways:

• A start-up mindset to devise a plan quickly within a small team
• Great consideration shown by the supportive team from day one
• An understanding that everyone is from different backgrounds and has different needs

In the case of Art of Shaving, it meant getting creative to make sure work times overlapped. Two days a week, Asad works from noon to 8 p.m. Dubai time (4 a.m. to noon EST), while colleagues in the U.S. work at home. The entire team connects twice a week for an hour to plan and stay connected. And once a quarter, the team video conferences to talk business issues, team priorities and goals—and make time to celebrate promotions, birthdays and anniversaries.

Satisfaction with the program is high. Success started with leadership’s belief that a flex@work system wasn’t just a “nice to have,” but a strategic necessity. The business results are bearing that out. The brand has grown by 60% and is looking to continue the same growth momentum in the coming 3–5 years.

Like most of P&G, Art of Shaving is always looking for more ways to integrate more flexibility in the work environment. The brand has identified 5–10 new possible territories, each with its own time zone challenges. Asad and the team have already started brainstorming ideas for maximizing live interaction while also maximizing a flexible work-life balance.

In the end, Asad believes that his team’s success happens because of—not in spite of—the flex@work program. “It’s one of the most important things we do.”
Employee Groups Foster an Inclusive Culture

Employee groups play a vital role in ensuring that everyone at P&G is valued, included and performing at their peak.

Corporate-sponsored Affinity Groups help foster an inclusive culture and are closely involved in professional networking, development, recruiting, and employee training, retention and education.

In addition, there are a number of grassroots groups that represent a large variety of diverse interests throughout our entire employee population.

Through the grassroots and the Corporate Affinity groups, P&G employees have a structured opportunity for connecting and building a strong sense of community, as well as supporting the Company in delivering better business results.

Gaining valuable insights from our employee groups is one way we ensure that we are in touch with consumers around the world.

Each Corporate Affinity Group is sponsored by a senior leader and regularly meets with executive leadership on key areas and opportunities.

P&G’s first employee groups began in the early 1960s, and today the Company has seven corporately sponsored Affinity Groups, three of which are global (CWLT, PwD and GABLE).
Employee Groups

African Ancestry Leadership Network
The African Ancestry Leadership Network (AALN) is one of the longest-established affinity networks at P&G, and reflects P&G’s century-old commitment to the African-American community.

In the early 1950s, the Company reaffirmed a commitment to diversity by hiring Black skilled technicians and laborers. In 1958, with the launch of Drene Hair Care print advertising, P&G began the earliest diversity advertising and continues today. Employees of African Ancestry have been integral in helping the Company become a corporate leader in innovation and leadership, and we continue to benefit from their consumer insights to develop new products and bring them to market.

Although the AALN is currently focused on employees of African Ancestry in North America, the plan is to expand our reach to the African diaspora across the world.

Asian Pacific American Leadership Team
Asian Pacific American Leadership Team (APALT) represents the Asian-Pacific Americans working at every level in the Company, where they have made major contributions to our business. The team offers opportunities for networking and is actively involved in recruiting, retaining, developing and advancing employees of Asian-Pacific heritage.

Corporate Women’s Leadership Team
With women influencing 70 percent of global household purchases and controlling $20 trillion of spending worldwide, a female perspective is vital to our ongoing success.

The Corporate Women’s Leadership Team (CWLT) is committed to the advancement of women, helping ensure that women’s skills and insights are well represented throughout our global company, and at all levels of leadership. The CWLT continues to be actively involved in events and programs that promote mentoring, sponsorship, the development of leadership skills, flexibility and increasing representation of women at all levels.
GAY, ALLY, BISEXUAL, LESBIAN AND TRANSGENDER EMPLOYEES (GABLE)

GABLE is our Employee Group dedicated to fostering an inclusive, supportive global network that enables Gay, Ally, Bisexual, Lesbian and Transgender employees to contribute to their fullest potential and to bring their whole self to work every day.

What began as largely a North American-centered network for fostering workplace equality for Lesbian, Gay, Bisexual and Transgender (LGBT) employees has grown into a supportive and global community, with chapters in every region of the world. These grassroots efforts have evolved into chapters representing the diversity of our employees as well as strong allies to support individuality and inclusion.

As a Company, we hold ourselves to a high standard and acknowledge that the interests of our employees and the business truly are inseparable. The topic of same-sex marriage is a key challenge for our LGBT employees and consumers, who seek to build a sense of acceptance and community in the neighborhoods and cities where they work and live. We support and respect everyone’s right to be who they are; that includes the right to marry whomever they choose and have that union recognized legally.

HISPANIC LEADERSHIP TEAM (HLT)

The Hispanic Leadership Team (HLT) provides direction to the Company on issues important to Hispanic communities and consumers, and is heavily involved in recruiting to attract top Hispanic talent.

Members of our Hispanic Leadership Team were key in P&G establishing support for the Hispanic Scholarship Fund (HSF). P&G has partnered with HSF for more than 25 years, motivated by an expanding number of highly qualified, college-bound students in the Hispanic community.

NATIVE AMERICAN INDIAN LEADERSHIP TEAM (NAILT)

The Native American Leadership Team (NAILT) represents over 20 Native American Indian tribes at P&G. NAILT supports Diversity & Inclusion at P&G in a number of ways, including actively recruiting at several universities with high concentration of Native American students.

PEOPLE WITH DISABILITIES (PwD)

The People with Disabilities (PwD) Employee Group is devoted to raising awareness about issues facing people with disabilities and serving as a change agent to foster a more inclusive work environment for every employee, regardless of mental or physical limitations.
Our Commitments

COMMITMENT TO DIVERSITY RECRUITING

Throughout each year, P&G participates in a number of recruiting events that align with our focus on Diversity & Inclusion.

By actively recruiting, engaging and retaining talented individuals from around the world, P&G has the opportunity to continue to develop a workforce that is as diverse as the customers we serve.

COMMITMENT TO SUPPLIER DIVERSITY

When P&G invests with diverse suppliers, we not only strengthen our innovation and go-to market capabilities, but also touch and improve the lives of the women and men who work in these companies—and through them, their families and the communities in which they live and work.

P&G makes a significant and ongoing investment in supplier diversity, spending more than $2 billion with minority- and women-owned suppliers in fiscal year 13–14, the seventh consecutive year we have exceeded $2 billion in supplier diversity spending.
CATALYST
Recognized for success in creating a workplace where women and men have equal opportunity to advance and lead. Only the fourth company to be honored more than once for exceptional and innovative initiatives that expand opportunities for women and businesses globally.

HUMAN RIGHTS CAMPAIGN
Recognized among a select group of companies, scoring a perfect 100 on the Human Rights Campaign’s (HRC) Corporate Equality Index and included in the HRC’s “Buying for Workplace Equality” consumers’ guide for LGBT individuals (Lesbian, Gay, Bisexual and Transgender) and their Allies.

2014 LGBT Affinity Group of the Year

DIVERSITYINC
Ranked #7 among the Top 50 Companies for Diversity
Ranked #8 among the Top 10 Companies for Global Diversity
Ranked #5 on the Top 10 Companies for Recruitment and Retention
Ranked #2 among the Top 10 Companies for People with Disabilities

WORKING MOTHER
Top 5 Companies for Multicultural Women (2014–#2)
Top 100 Companies for Working Mothers (2014–Top 20)

FORTUNE
Most Powerful Women Global list
(MEL HEALEY #18; DEB HENRETTA #23; MARYLYNN FERGUSION-MCHUGH #22)

NATIONAL ASSOCIATION FOR FEMALE EXECUTIVES (NAFE)
NAFE Top 10 Companies for Executive Women (2014–Top 5)
Recognized as one of the Top 10 Companies for Executive Women for the fourth consecutive year.

ADDITIONAL RECOGNITIONS
Hispanic Network Magazine: Best of the Best Top Disability-Friendly Employers; Top LGBT-Friendly Employers

DAVID BARTAGE–White House: Disability Employment Champion of Change

KAREN SILVIS, Vice President–CBD, Target Team, was recognized by Working Mother Media as a Working Mother of the Year

P&G CBD was finalist of the “LSA Trophées de la Diversité”

JO VAUGHAN–Business Woman of the Month feature in Irish Tatler

Ohio Minority Supplier Development Council (OMSDC) recognized P&G as Ohio Corporation of the Year for Supplier Diversity

KARLA HRABAR, CBD, works four days a week and has just won recognition in the “2014 Timewise Power Part Time”

P&G Hong Kong received the HK Family-Friendly Employer Award under Corporate Group, as one of the only two international FMCG companies in the award list from Hong Kong’s Family Council in cooperation with their Home Affairs Bureau

P&G Israel Diversity project was rated country’s #3 initiative for social change, by the Association for Excellence in HR

P&G has been recognized externally as #5 in USA Workforce 100 List

P&G has been listed, for the second year in-a-row, as a “Top 50 Best Places to Work” for Native Americans/Alaska Natives in STEM in the Spring issue of Winds of Change Magazine about P&G
About Procter & Gamble

P&G serves nearly five billion people around the world with its brands. The Company has one of the strongest portfolios of trusted, quality, leadership brands, including Always®, Ambi Pur®, Ariel®, Bounty®, Charmin®, Crest®, Dawn®, Downy®, Fairy®, Febreze®, Gain®, Gillette®, Head & Shoulders®, Lenor®, Olay®, Oral-B®, Pampers®, Pantene®, SK-II®, Tide®, Vicks®, Wella® and Whisper®. The P&G community includes operations in approximately 70 countries worldwide.

Please visit www.pg.com for the latest news and in-depth information about P&G and its brands.