

Fostering Diversity

Interviews with top executives from Procter & Gamble Co.

PROCTER & GAMBLE'S LEADERSHIP TEAM IS THE most experienced and diverse it has been in P&G's 174-year history. Five of the 11-member Board of Directors for the consumer goods' giant are female and six of the 21 executives running P&G businesses as line presidents are women an increase from one out of 18 in 2000. Beyond the senior leadership level, women make up 39 percent of P&G's global workforce and more than 42 percent of the company's managers are women. P&G has a long-standing commitment to be an employer of choice for talented women around the world and that commitment has been reinforced through consistent recognition as a leading company for executive women, multicultural females, working mothers, and more. LEADERS sat down with four of the top achievers at Procter & Gamble (www.pg.com; P&G) to discuss their respective roles as executive women in the workplace.



Melanie Healey, Group President - North America and Global Hyper-Super-Mass Channel

EDITORS' NOTE In 2009, Melanie Healey became Group President-North America and added responsibility for Global Hyper-Super-Mass Channel in 2011. She joined P&G in

1990 as a brand manager and held positions across a variety of brands and countries before becoming Vice President & General Manager Feminine Care North America, President of Global Feminine Care & Adult Care GBU, and Group President of Global Feminine and Health Care. Before joining P&G, Healey worked for Johnson & Johnson Consumer Division and S.C. Johnson & Son. She has been recognized several times by both Fortune and Forbes magazine's "Most Powerful Women" lists. She graduated from the University of Richmond, Virginia with a B.S. in Business Administration in 1983.

Would you highlight the strength of P&G in North America and your outlook for growth?

North America is the largest market for P&G, representing 41 percent of global revenues in fiscal year 2011. In the past two fiscal years, we stepped up product and commercial innovation and leveraged our scale to deliver share growth, adding more than \$1 billion to the top line. North America continues to invest and deliver a strong innovation pipeline: In 2010, eight of the 25 most successful

new products in the consumer products industry in the United States were from P&G. We also launched two of the company's most ambitious scale efforts to date in North America – Thanks Mom/Global Olympics Partnership and "Have You Tried This Yet?", and we are seeing terrific results.

Looking ahead, we have tremendous opportunity for growth and have rallied around a mission of driving "Just One More", for which vertical portfolio and price-tiering are key enablers. We believe we can grow by continuing to serve our traditional consumers but also by expanding product offerings up to serve the growing spending power of the affluent and down to serve the struggling middle class.

How critical is innovation to the success of the company?

Innovation is our lifeblood – it is a part of everything we do. Virtually all of our leading, global brands began with an innovation that fundamentally improved people's quality of life in small but meaningful ways. We want to innovate at every point our brands touch consumers. We also want to innovate in every part of our business, rather than thinking only in terms of product or packaging innovation.

What advantages does having a diverse workforce provide?

Having a diverse employee base is critical to our success. To reflect the consumers we serve, we need to be fully inclusive and diverse. P&G is committed to creating this environment and offering the support, structure, and training that enables everyone to succeed. Fostering diversity is a critical responsibility for our company leaders.

P&G has been recognized as a top company for female leaders. Our Board of Directors currently includes five women out of 11 members, and we have had a 50 percent increase of women representation at the President level and above in the past 10 years. And while gender diversity is one of the critical aspects of diverse leadership teams, we also look for ethnic and geographic diversity.



Gina Drosos, Group President, Global Beauty, Skin, Cosmetics, and Personal Care

EDITORS' NOTE Gina Drosos joined P&G in 1987 and has held various roles since including GM, Skin Care & PCC NA; VP & GM, Global Skin Care Design and WE

Pers. BC Delivery, Geneva; and President and Group President of Global Female Beauty. Drosos received her M.B.A. from The Wharton School at the University of Pennsylvania.

Would you provide an overview of the Global Beauty, Skin, Cosmetics, and Personal Care businesses?

Our Global Beauty, Skin, Cosmetics, and Personal Care businesses for P&G include strong global and regional brands, like Olay Face and Body Skin Care, Cover Girl and Max Factor cosmetics, Secret, and Old Spice, as well as powerhouse hair care brands like Pantene, Head & Shoulders, Herbal Essences, Nice 'n Easy, Fekkai, Sassoon, and Rejoice. The P&G Beauty portfolio is deep and broad, providing women the beauty routine they want at the price points they need. This means a woman living in rural India can have her affordable sachets of Olay while a woman living in New York City can treat herself to the Fekkai hair care regimen recommended by her stylist at the Fekkai salon.

Your products in Global Beauty, Skin, Cosmetics, and Personal Care operate in very competitive spaces with other leading brands. How do you differentiate P&G in the industry and what makes your products such leaders in their categories?

What separates P&G Beauty from our competitors is breakthrough product innovation at an excellent value, deep understanding of women and their beauty wants and needs, and brands rooted in purpose. Innovation is the lifeblood of our business and we have a long history of creating unique, category-creating innovation, like Olay ProX, which brought to the mass channel professional-level skin care co-created by dermatologists in partnership with our skin scientists. It was our understanding of women and their desire for more easily accessible, advanced skin care that made an immediate and long-term visible difference that led to its creation. And our brands are rooted in a strong purpose or belief that celebrates beauty as a positive, optimistic aspect of human nature. We believe that helping women look and feel their best helps empower them to make lives better for themselves, their families, and the communities in which they live.

P&G has a leadership position with so many of your offerings within Global Beauty, Skin, Cosmetics, and Personal Care. How do you avoid becoming complacent when you are in a leadership position?

We are fortunate to have so many leading brands throughout the world and we have worked hard to make them leaders. Staying focused on innovation, a deep understanding of women and their wants and needs, and connecting our brands to women through purpose beyond the brands' pure functionality help us stay on top. One great example of this is our Secret brand, which is the leading anti-perspirant/deodorant in the U.S. We created a new category with Secret Clinical Strength a few years ago based on providing clinical strength levels of performance to women who need it most – athletes, heavy sweaters, etc. It has grown the category overall and has strengthened our leadership within the category through new innovation. We continue to strengthen Secret's leadership by making the brand highly relevant to teens and their moms through our Mean Stinks program, which is designed to eradicate bullying among teenage girls. Innovation, understanding, and purpose are all coming together to keep us on top and leading.

What are your key priorities for Global Beauty, Skin, Cosmetics, and Personal Care as you look to the future?

Our priorities moving forward will focus on developing beauty solutions that touch and improve the lives of more women in more parts of the world, more completely. This means providing products up, down, and across price tiers and benefit needs, like Olay and Pantene 1-rupee sachets for women in India and high-quality disposable razors for women in Brazil, and SKII prestige skin care in Asia, as well as many benefits and price tiers in between. We aim to continue bringing breakthrough, category-changing, relevant innovation to women across their regimen to help them look and feel their very best every day.



Deb Henretta, Group President-Asia and Global Specialty Channel

EDITORS' NOTE *Prior to assuming her current post, Deb Henretta was Group President-Asia. She began her career in 1985 as a brand assistant and has held positions of increasing responsibility including,*

Marketing Director, Laundry Products; General Manager-Fabric Conditioners and Bleach, P&G Worldwide; Vice President-North America Baby Care; and President-ASEAN, Australia and India. She has been a member of the Singapore Economic Development Board since 2007, and in 2009, she received a Presidential Appointment to serve as U.S. Representative to the Business Advisory Council to APEC.

How critical is Asia to P&G's future and would you discuss the strength of the business in the region?

P&G's purpose as a company is to touch and improve the lives of more consumers in more parts of the world more completely. Given that half of the world's population resides in Asia, this is a region of tremendous importance to us. We have a deep relationship with Asia, having established our presence nearly 75 years ago, with our operations in the Philippines. Today, we are present across 28 markets in the region with on-the-ground

operations in 16 countries. In fiscal year 2010-2011, Asia contributed 16 percent of the company's total global revenues and accounted for more than a third of the company's growth. P&G is the largest consumer goods company in China and the fastest growing in India. We have a growing presence in ASEAN and a growing business in developed parts of Asia like Japan, Korea, and Australia. As Asia emerges as the growth engine of the world, our Asia business will mirror that by being an accelerated growth engine for P&G.

How much of a focus is China for P&G and how great are the opportunities for growth in the market?

P&G is the biggest FMCG company in China. China is globally our biggest business outside of the United States. However, for us, China offers a lot more than just a dynamic local market. China is an important source of innovation and is a leader in many of our sustainability efforts. Earlier this year, we inaugurated our Beijing Innovation Center. This center, along with our innovation centers in Japan, India, and Singapore, will become an important hub of innovation for Asia and, over time, the globe. We also have several major manufacturing facilities in China – our newest one, in Taicang, is P&G's first LEED-certified plant. As we continue to accelerate growth in Asia, China will remain one of our strongest businesses.

There are many other countries in Asia that have provided strong growth for the business. Would you highlight the parts of Asia that you are most focused on for the future?

While economies like China, India, Indonesia, and Vietnam have emerged as the growth engines, we see robust growth in mature and developed markets like Japan, Korea, and Australia. We also see younger markets like Bangladesh and Sri Lanka, among others, offering strong opportunities for growth in the future.

How critical is it for P&G to employ local talent in Asia and would you highlight the strength of your workforce in the region?

This is absolutely critical. We have been focused on growing Asian talent for Asia and, today, 98 percent of our employee population in the region is of Asian descent. Even at the senior leadership level, nearly three-quarters are Asians. We see diversity as a competitive advantage and a part of all we do. Our employees are reflective of the diverse consumers and markets we serve. In Asia, we are lucky to have employees from across 61 nationalities, 46 percent women, and nearly 50 percent under the age of 30.



Deborah Platt Majoras, Chief Legal Officer and Secretary

EDITORS' NOTE *Deborah Majoras joined the Procter & Gamble Company in 2008. From 2004 to 2008, she served as Chairman of the Federal Trade Commission (FTC) and served as Co-Chair of the*

President's Identity Theft Task Force. Prior to the FTC, she served as Principal Deputy Assistant

Attorney General at the Department of Justice Antitrust Division. After clerking in federal court in D.C. after law school, she joined Jones Day in 1991, where she ultimately became a partner in the firm's antitrust practice. She serves as Co-Chair of the U.S. Chamber of Commerce International Competition Policy Working Group and as an advisor to the International Competition Network. She also serves on the Boards of the Cincinnati Legal Aid Society, the Georgetown Law Corporate Counsel Institute, and Westminster College, from which she has a B.A. She earned her J.D. from the University of Virginia.

Would you provide an overview of your role at P&G?

I lead a global team of nearly 600 lawyers and legal professionals. We are a hands-on legal department, providing expertise and judgment to business partners all over the world across a range of areas: intellectual property, mergers and acquisitions, antitrust, privacy, environmental, securities, labor and employment, and corporate governance and compliance. As CLO, I serve on the Global Leadership Council, and as Corporate Secretary, I work closely with our Board of Directors.

How have you attracted top talent to the legal department at P&G?

P&G has an excellent reputation, works at being the employer of choice, and makes attracting a strong, diverse talent pipeline a priority. The Legal Division attracts top talent because we immerse our people in problem-solving with clients from day one. Our lawyers make legal judgments while contributing to improving the lives of people the world over. And it's a virtuous cycle: Top-notch people attract top-notch people.

You had a very successful career prior to joining P&G. What excited you about the opportunity and has it been what you expected?

In government, I spent a lot of time thinking from the outside about how business works. What excited me about joining P&G was the opportunity to be inside a business – part of an excellent team dedicated to serving the world's consumers with integrity. Partnering with our business colleagues to accomplish our goals ethically, legally, and sustainably is as exciting as I had anticipated. And it is inspiring to work with people who are passionate about what we do; we push each other to get better.

You deal with legal issues in all parts of the world. How is the legal department at P&G organized to meet the legal demands of a global business?

We recently undertook a strategic planning process to better position the division to meet the company's complex, evolving legal needs. We are still matrixed on three levels – geography, business unit, and legal – but we have formed better connections among these lines. Previously, when a business wanted to get a new product to market, it would individually consult patent, trademark, and advertising lawyers in succession. Now, experts in each area work in teams, forming holistic legal plans to get products from the lab to the shelf, which is more effective and efficient. We also have formed more geographic clusters and global teams of experts on emerging issues, like digital media. ●