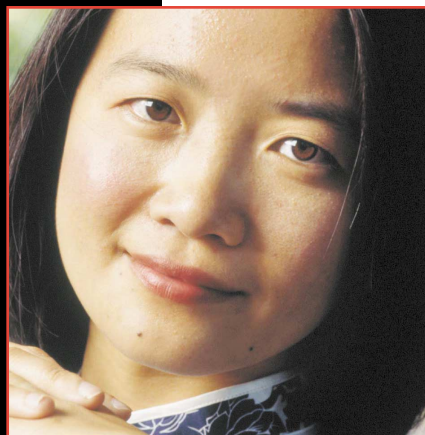


different *ideas*. diverse *people*. dramatic *results*.



*eXpress* yourself™

Drawing on  
the Diversity of  
a global workforce  
and offering an  
equal opportunity  
to achieve  
*success*

THE  
DOCUMENT  
COMPANY  
**XEROX**

“Diversity is about more than race and gender, it’s about more than numbers. It’s about inclusion. Diversity means creating an environment where all employees can grow to their fullest potential.”

Anne Mulcahy  
President & CEO  
Xerox Corporation

## The Diversity Hierarchy

For many people, the term “Diversity” often equates to Balanced Work Force (BWF). However, Diversity may be best described as a hierarchy with four distinct levels:

*Creating Diversity*—The most basic need is representation, or creating a workplace in which people of different conative/cognitive thinking, gender, race, age, cultural background, sexual orientation, gender identity and physical ability work together.

*Managing Diversity*—The management practice around Diversity. Are we retaining our people and treating them fairly regardless of gender, race, age, cultural background, and sexual orientation and physical ability?

*Valuing Diversity*—The work environment where Diversity and varying perspectives are genuinely valued.

*Leveraging Diversity*—Diversity is critical to the business strategy... to strengthen and grow the business through a diverse customer base.

The work environment is integral to Diversity. A productive work environment *values all ways of thinking, cultural differences, and new perspectives*. When we value Diversity and a heterogeneous employee population, we strengthen the work environment. And the stronger the work environment, the more opportunity we have to leverage Diversity to grow the business.



### diversity *at Xerox*



Xerox is recognized as one of the most progressive companies in the world when it comes to Diversity. We receive great praise and numerous awards for our initiatives in building and maintaining an inclusive corporate culture.

This culture understands and utilizes employee individuality and diverse thinking to establish high performing teams and organizations that work together to achieve common business objectives.

At Xerox, we view Diversity as a business opportunity—it is the acceptance of people of all ages with globally diverse backgrounds whose fresh ideas, opinions and borderless creativity enrich the lives of others.

To be successful today, a company needs creative, motivated employees with different backgrounds and perspectives, who can create innovative solutions. In a business that runs on fresh ideas, diverse perspectives are a priceless resource.

## Vision

Our vision is for everyone to treat each other with equality, dignity, and respect. As individuals on a team, each member can rely on the others' strengths to build on team potential and company productivity.

## Goal

Our goal is to promote understanding and inclusion, and to raise awareness of behaviors surrounding all types of 'isms,' e.g. sexism, racism.

*In support of this the company will:*

- Leverage differences as a competitive advantage
- Develop leadership that values unique perspectives
- Embrace a framework within which diverse work groups can consistently perform and improve their work

The company has instituted a comprehensive set of Diversity programs in support of these goals. Among them are:

*The Balanced Workforce Strategy*—which drives equitable representation in all areas of the company.

*Employee Roundtables*—where senior management gains insight into Diversity issues directly from employees.

*Minority/Female Vendor Programs*—where the company actively commits to purchasing supplies and products from qualified female- and minority-owned businesses.

*Work Life Programs*—designed to aid employees in many aspects of their personal and family lives.

*Training, Development and Succession Planning*—which improves diverse representation at all management levels.

## Caucus Groups

In addition, Xerox has recognized employee Caucus Groups which are instrumental in advocating openness, opportunity and inclusion for the entire Xerox community.

There are six recognized Caucuses that serve a vital function by providing employee advocacy, self-development and communications, and by acting as a catalyst for positive change.

Each Caucus Group has a Corporate Champion. The Champions serve as a voice for the Caucus Group at the senior level. They provide a communication link for continuous improvement, and represent and educate senior management on the unique diversity concerns within a particular constituency.

*The current Caucuses are:*

*ACT*—Asians Coming Together

*BWLC*—Black Women's Leadership Council

*GALAXE*—Pride at Work—Gay and Lesbian Employees

*HAPA*—Hispanic Association for Professional Advancement

*NBEA*—National Black Employee Association

*TWA*—The Women's Alliance



## Diversity Role Model Behaviors For Valuing Diversity

Each of us has an important role in ensuring that everyone is treated with dignity and respect and valued for their unique talents and contributions. Practicing Role Model Behaviors is a critical step.

### *Know Yourself/Seek Information*

- Understand your own biases and assumptions
- Find out what's fact or fiction about what you believe
- Monitor your assumptions and behaviors around others

### *Acknowledge and Value the Contribution of Each Employee*

- Reward innovation and flexibility
- Use inclusive language
- Allow employees to feel comfortable showing their true personalities

### *Create a Supportive Work Environment*

- Solicit ideas and opinions
- Encourage employees who make suggestions to take ownership of ideas, investigate their feasibility and be empowered to carry them out
- Listen; allow employees to challenge and disagree with you. When this happens—and it will—don't become defensive
- Make sure that the environment is barrier free; not just for people with physical limitations, but for all workers

### *Ignite Team Spirit*

- Get to know your employees by conducting team building activities
- Find common ground; focus on similarities, not differences
- Reward people as teams; praise hard work of both leader and supporting team
- Foster cooperation
- Build the confidence and self-esteem of each individual on the team

### *Use Your Personal Leadership to Enact Fair Practices*

- Be a visible spokesperson for change
- Work to shape policies

### *Create and Enforce Human Resource Practices that Value Diversity*

- Recruit, hire and promote a diverse workforce
- Support flexible work systems
- Provide performance feedback based on meeting objectives and behaviors



When we speak of Diversity, we mean those qualities and characteristics that make us unique aside from visible and physical attributes, such as divergent thinking and cognitive flexibility. Organizations understanding and promoting these aspects of Diversity have a broader and richer base of experiences from which to address business issues and critical analysis.

### The Results:

- Improved business and customer solutions
- Greater creativity and innovations
- Improved customer and employee satisfaction
- Recognized as an employer of choice

The success of our commitment to Diversity is measurable. In 2001, Xerox was ranked No. 6 on *Fortune* magazine's fourth annual list of "America's 50 Best Companies for Minorities." Xerox is also among the companies receiving perfect ratings for 2001 in the seventh annual "Gay and Lesbian Value Report of Best and Worst Companies" by *glvReports*. In 2000, Xerox won both the Francis Perkins Vanguard and the Dwight D. Eisenhower Award for Excellence...the list goes on.

With our intensified efforts, we will continue our long history of inclusion and strengthen our commitment to Diversity for the future. In so doing, we will improve our position in the global marketplace, and leverage our commitment into improved financial results for the company. In fact, it has been reported that the 20 percent of companies with the highest rate of female/minority hiring outperformed the New York Stock Exchange by almost 2.5 percent! Beyond that, it is an ethical and social obligation that Xerox has always, and will continue to take seriously.

## Xerox diversity *agenda*

For the future, Xerox has increased its commitment to Diversity in the workplace. The goal is to make Diversity a way of life at Xerox and recognize it as a conduit to achieving critical business results.

### There are five facets to the plan:

*Executive Commitment*—Commitment begins at the top. Executive support is vital to be successful.

*Communication Process*—Effective education of employees and management on Diversity programs, policies and achievements is critical to the success of the plan.

*Training/Competency*—We must ensure that principles of Diversity are taught to all employees entering the Xerox work environment and are cascaded to all levels of management.

*Operational Strengthening*—We will address imbalances in our employee population by identifying shortfalls, and strategically closing the gaps.

*Strategy Development*—Development of a strategy focused on leveraging Diversity to gain business advantage.

One of the centerpieces of the plan was the establishment of the Xerox Diversity Council to serve as an executive leadership body for Diversity and work environment initiatives that represent the balanced needs of all Xerox employees.

The Council is composed of fifteen members, and supported by the CEO. The Council reviews, recommends and advises on Xerox Diversity practices, supports the Diversity plans and assesses Xerox's Diversity performance.



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