

G.I. JOBS ANNUAL LIST OF THE

TOP 25 MILITARY-FRIENDLY E

THE TOP 25 FOR
2004 ARE A DIVERSE GROUP, ACTIVE
IN JUST ABOUT EVERY REGION AND BUSI-
NESS SECTOR. WHAT UNITES THEM IS THEIR COM-
MITMENT TO THE MEN AND WOMEN OF THE ARMED
FORCES — AND TO THOSE WHO HAVE TRANSITIONED
OUT. HERE ARE BRIEF INTRODUCTIONS TO THE LEADERS.

EMPLOYERS

by Evan Pattak

TOP

MILITARY-FRIENDLY
EMPLOYERS

2004

The war in Iraq struck The Home Depot particularly hard. Over a relatively short period, the company found that 1,800 of its employees were called to active duty as reservists or members of the National Guard. Picking up the slack for the absent employees — then assuring that the call-ups had the same or similar jobs upon their return — might have been an insurmountable challenge for some companies, but not for The Home Depot.

For immediate business needs, The Home Depot deployed some temporary help to fill the void. And it committed to providing similar positions for returnees, no matter the cost or inconvenience to the corporation. Says Dennis Donovan, The Home Depot's executive vice president for human resources: "If you look at our scale — 300,000 employees with some attrition, a new store opening on average every 48 hours — we can accommodate this. It's not an issue. We'll figure out how to make it work.

"We let our call-ups know when they leave, 'Don't worry. You've got your job.' We try and match them to their exact jobs wherever we can, but we make

1 THE HOME DEPOT

Atlanta, Ga. — The Home Depot is the world's largest home improvement retailer and second largest retailer in the U.S. Its subsidiaries specialize in such home improvement niches as flooring, lighting, interior decor and landscape supply.

2 SPRINT

Overland Park, Kan. — Sprint, A global integrated communications provider, Sprint serves more than 26 million customers in over 100 countries. It boasts 70,000 employees worldwide and operates the largest all-digital, nationwide PCS wireless network in America.

3 GENERAL ELECTRIC

Fairfield, Conn. — GE is a diversified technology and services company with operations that include aircraft engine manufacturing, power generation, financial services, medical imaging and television programming. GE operates in more than 100 countries with 315,000 employees. It ranks sixth in the Fortune 500.

4 BRINK'S

Richmond, Va. — Brink's U.S., This unit of Brink's Inc., itself part of The Brink's Company group, is prominent for providing armored truck services. But it's also active in cash logistics (includes cash counting and vaulting), in-store cash mgmt., ATM deposit collections, maintenance and replenishment. Internationally, the parent company specializes in transport of such precious cargo as diamonds, jewelry and securities.

5 JOHNSON CONTROLS

Milwaukee, Wis. — Founded in 1885, Johnson Controls is a global market leader in automotive systems and facilities management and control. Fiscal 2003 represented the 57th consecutive year of sales increases for the company.

6 UNION PACIFIC

Omaha, Neb. — Union Pacific is one of America's leading transportation companies. Its principal operating unit, Union Pacific Railroad, is the largest railroad in North America, covering 32,832 route miles across 23 states.

7 LOCKHEED MARTIN

Bethesda, Md. — Lockheed Martin employs about 130,000 people worldwide and is engaged principally in the research, design, development, manufacture and integration of advanced technology systems, products and services. The corporation reported 2003 sales of \$31.8 billion.

8 AEP AMERICAN ELECTRIC POWER

Columbus, Ohio — AEP is the largest electricity generator in the U.S., owning and operating more than 42,000 megawatts of generating capacity in America and select international markets. It's also among the largest electric utilities domestically, with nearly five million customers linked to its 11-state transmission and distribution grid.

9 USAA

San Antonio, Texas — United Services Automobile Association (USAA) has provided insurance and financial services to the U.S. military community since 1922. A worldwide association, USAA is owned by its more than five million members. It manages more than \$66 billion in assets.



Operation Career Front press conference, pictured from left to right: Dennis Donovan, EVP of HR, The Home Depot; Anthony J. Principi, Secretary of Veterans Affairs; Elaine L. Chao, Secretary of Labor; David S. C. Chu Under Secretary of Defense for Personnel and Readiness; Robert L. Nardelli, President and CEO, The Home Depot

sure we take care of them. They're valued resources to The Home Depot and people for whom we continue to feel responsible."

It's that can-do attitude that helps The Home Depot rank No. 1 in the *G.I. Jobs* 2004 list of the "Top 25 Most Military-Friendly Companies in America," and it's an approach that's characteristic of the nation's leaders. When the going gets tough, military-friendly companies get even friendlier.

This second annual presentation of the Top 25 (expanded from the Top 10 in 2003) includes a diverse group of employers representing just about every sector. Suppliers of the military are there, as might be expected, but so, too, are companies in the consumer, service and financial areas as well as those in communications, utilities and entertainment. In fact, a military-friendly company can represent just about any industry.

The common denominators among our leaders are a commitment to recruit, hire and promote veterans; generous compensation and benefits policies for reservists and Guard members assigned to hot spots; and programs aimed at easing veterans transition to the commercial world or supporting military causes in the community. The cream of the Top 25 excel in all three areas.

The Home Depot, for example, hired nearly 10,000 veterans in 2003 and is on pace to exceed that figure this year. But that only begins to suggest the company's dedication to veterans and those still in the service. Through its Store Leadership Program, The Home Depot has hired more than 450 former junior military officers and slotted them as store managers, where they operate

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locations that average \$50 million in annual revenue.

"We put a premium on leadership, and their skills are so transportable," Donovan says. "That's essentially their value-added. They come in with great leadership experience from the military."

The Home Depot also pioneered Project Home Front, through which the company donated \$1 million to underwrite upkeep on the homes of military stationed abroad. The Home Depot employees matched the contribution with one million volunteer hours.

The programs of Sprint (No. 2) are similarly comprehensive. On the hiring front, Sprint maintains a military recruiting manager and dedicated website, and it regularly

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EDS
 ELECTRONIC DATA SYSTEMS

Plano, Texas — EDS provides a broad variety of business and technology solutions to a global roster of clients. Its core portfolio includes information technology, applications and business process services as well as IT transformation services. Its A.T. Kearney subsidiary is a prominent management consultant.

11



GP
Georgia-Pacific
 GEORGIA-PACIFIC

Atlanta, Ga. — Founded in 1927 in an Augusta lumber yard, Georgia-Pacific is one of the world's leading manufacturers and distributors of tissue, pulp, paper, packaging and building products and chemicals. Its well-known brands range from Quilted Northern to NITAMIN® fertilizer.

12



MANPOWER
 MANPOWER

Milwaukee, Wis. — Manpower offers workforce management services and solutions through 3,900 offices in 63 countries. It annually provides employment to two million people worldwide. Its subsidiaries include Brook Street, Elan, The Empower Group and Jefferson Wells.

13



Merrill Lynch
 MERRILL LYNCH

New York, N.Y. — One of the world's leading financial management and advisory companies, Merrill Lynch operates offices in 36 countries and manages private client assets of about \$1.1 trillion. As an investment bank, it underwrites debt and equity securities for corporations, governments, institutions and individuals worldwide.

14



Coca-Cola Enterprises
 COCA-COLA ENTERPRISES

Atlanta, Ga. — Coca-Cola Enterprises is the world's largest marketer, producer and distributor of the products of The Coca-Cola Co., accounting for two billion cases annually. That represents about 21 percent of Coca-Cola's worldwide volume. The company employs about 74,000 people who operate 454 facilities, 55,000 vehicles and 2.5 million vending machines, beverage dispensers and coolers.

15



Honeywell
 HONEYWELL INTERNATIONAL

Morristown, N.J. — A global diversified technology and manufacturing company, Honeywell operates through four strategic business units: Aerospace, Automation and Control Solutions, Specialty Materials and Transportation Systems. Its products and services include: control, sensing and security technologies; automotive products; specialty chemicals; fibers, and electronic and advanced materials.

prospects at military base career fairs. It also emphasizes employment for the spouses of veterans — an often overlooked need. And then there's transition assistance for newly hired veterans through off-site workshops and courses from local educational institutions.

For its part, General Electric (No. 3) is renowned for its Junior Officer Leadership Program that identifies and hires veterans and assigns them in a variety of functional areas to help both company and employees find the best fit. GE deploys a recruiting team targeted exclusively at veterans, and it's fashioned a state-of-the-art tracking system to assess the progress and needs of employees who are veterans.

Yet even the Top 25 had to re-examine some of their policies in light of the Iraq War. Perhaps the toughest issue was honoring the "same or like job" promise to employees called to the front. The top per-

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formers came through with flying colors.

Lockheed Martin (No. 7) had implemented such peacetime innovations as a military recruiting kiosk at Baltimore-Washington International Airport, but now had to confront a less accommodating aspect of its policies. Its differential pay normally covered 15 days per calendar year only, well short of the stints for most of their call-ups. So as far back as the attack of 9/11, Lockheed Martin determined how it could update its policy.

"We made a decision then that if the situation continued to escalate, we would roll in other operations," says Melanie Winyall, director of employee programs and international human resources for Lockheed Martin. "We've done it for Desert Storm, Kosovo, Afghanistan and now Iraq. We



Susan Kratch, GE, HR Military Initiatives/OLP Program Manager

have historically responded to crises in that way."

Lockheed Martin also reinforced its commitment to "same or like job." Says Winyall: "We do have to replace people — we can't leave those positions open — but they do return to their former positions, even if we have to shuffle people around."

HERE ARE SEVERAL ADDITIONAL CUTS ON OUR COLLECTED DATA THAT SHOW HOW EMPLOYERS STACK UP IN THREE KEY AREAS OF EMPHASIS.

MOST RECRUITING ASSETS COMMITTED TO RECRUITING MILITARY VETERANS



1 Union Pacific



2 The Home Depot



3 (tie) General Electric



3 (tie) Coca-Cola Enterprises

HIGHEST % OF MILITARY VETERAN NEW HIRES COMPARED TO TOTAL NEW HIRES



1 Brink's



2 EDS



3 (tie) Honeywell

ArvinMeritor 3 (tie) ArvinMeritor

MOST RESERVE FRIENDLY



1 (tie) Merrill Lynch



1 (tie) MGM Mirage



2 Exxon Mobil



3 MBNA

16 GRAINGER

W.W. GRAINGER

Lake Forest, Ill. — Founded in 1927, Grainger is a leading industrial distributor of products to keep facilities and equipment running. With 600 locations and 1,900 customer service associates, Grainger provides a product line that includes more than 500,000 supplies and 2.5 million repair parts.

17 ExxonMobil

EXXONMOBIL

Irving, Texas — An industry leader in almost every aspect of the energy and petrochemical business, ExxonMobil operates in nearly 200 countries and territories around the world. It was formed by the combination of two high-powered companies, Exxon and Mobil.

18 SBC

SBC COMMUNICATIONS

San Antonio, Texas — The companies of SBC provide voice and data telecommunications products and services for consumers and businesses. SBC's broad range of offerings includes local, long distance, wireless and DSL services; data networks, and satellite television. SBC operates primarily in 13 states.

19 BELL SOUTH

Listening. Answering.™

Atlanta, Ga. — A communications services company, BellSouth serves nearly 50 million local, long distance, Internet and wireless customers in the U.S. and 12 other countries. With SBC, it owns Cingular Wireless, which provides service in 43 of the Top 50 markets nationwide.

20 FIRST DATA

FIRST DATA

Greenwood Village, Colo. — First Data is a major, though sometimes unseen, player in the global shift to a cashless economy. It processes and safeguards virtually every type of electronic payment: credit, debt, stored-value and smart cards; electronic checks, and cash. It also provides card issuer services for financial institutions and consumers.

21 HSBC

HSBC NORTH AMERICA

Prospect Heights, Ill. — HSBC North America Holdings is one of the Top 10 financial services organizations in the U.S., with assets totaling nearly \$300 billion. Its businesses in North America serve more than 60 million customers in five key areas: personal financial services, consumer finance, commercial banking, private banking, and corporate investment banking and markets.

Sprint's approach to "same or like job" includes retraining returnees whose jobs have become outmoded. Ronald F. Nicholl, the company's military recruitment program manager, cites the case of a Sprint provisioner whose product was so transformed while he served as first sergeant of a signal company that he had to learn a new product to assume a "like" position.

"That's the nature of the telecom business; things change every week," Nicholl says. "But he transitioned well. He found a new niche and moved on from there. What

helps is that our culture is so favorable to the military that departments take care of their people when they return from active duty. It's kind of like the military. It's great if the division commander knows what's happening in squads and platoons, but it's better if the squads and platoons are following the program."

Our Top 25 went even further to support American troops and returnees. Lockheed Martin and its employees not only contributed more than \$383,000 to Operation USO Care Package, but staff also spent a day at Fort Meade in Maryland,

SUPPORTING THE MILITARY IN CREATIVE WAYS

Active recruiting and hiring programs aimed at the military and generous policies for reservists may be the best corporate vehicles for supporting the services and transitioning veterans. Yet both inside and outside *G.I. Jobs* Top 25, America's businesses are finding other creative ways to honor service men and women and recognize their contributions.

Perhaps the most extensive program of military-targeted community involvement is offered by SBC Communications (No. 18 on the *G.I. Jobs* list). "Dating back to World War II," a company spokesman says, "SBC has always had programs in place for employees who serve in the armed forces, provided a support system for colleagues and employees, and helped serve the military in the United States and abroad."

• Norma Gonzalez, executive director of human resources for SBC, says those programs are an integral part of corporate culture. "We have an even greater focus during critical times," Gonzalez notes. "It's so important to keep our presence and commitment to workforce diversity. It makes us shine brighter when times are tough. It shows that our concern for people extends beyond our employees and into the community."

SBC's initiatives include:

• The SBC Foundation which, along with company employees and retirees, contributed more than \$3.3 million to the World War II Memorial project in the nation's capital. SBC Pioneers, a group of more than 200,000 company employees and retirees, developed a grass-roots campaign to spread the word about the memorial, then honored 15 SBC retirees at its dedication. "It was the highlight of their lives and a highlight for us to be there with them," says Gloria Leatherwood, SBC Pioneers director.

• SBC Vital Connections, a public education initiative that donated \$250,000 to the

Veterans of Foreign Wars' "Operation Uplink" program, which sets up communications links between troops abroad and the home front through such measures as prepaid calling cards. In 2003, SBC shipped 80 decorated miniature Christmas trees to service personnel. "This year, with the help of the Girl Scouts, we're sending 800 trees," Leatherwood reports.

• Contributions of more than \$2 million from the foundation since 2000 to support such local efforts as an interactive honor roll of veterans in Michigan and a mobile informational resource for veterans in Arkansas. "These programs work well for a company like SBC that's all about connecting people — and connecting people to the community," says Laura Sanford, foundation president. "It makes perfect sense that a communications company would reach out in every conceivable way to make those connections possible."

• Support for disabled veterans. Of all SBC programs, this may be the most significant. In 2003 alone, the company awarded contracts worth more than \$21 million to businesses owned by disabled veterans, and asked its lead suppliers to implement similar programs. That achievement earned SBC the 2001 National Patriot Award from the Association for Service Disabled Veterans.

Says Joan Kerr, executive director of the company's supplier diversity program: "When you're as large as SBC, it is a challenge to integrate small suppliers. We've been able to purchase consulting services, telecom technology work, trenching, cable-laying, construction. It's amazing how many veterans have the entrepreneurial spirit and take their military experience and use it in the private sector."

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MGM MIRAGE

MGM MIRAGE

Las Vegas, Nev. — One of the world's leading hotel and gaming companies, MGM Mirage owns and operates 14 casino resorts in Nevada, Mississippi, Michigan and Australia, and has investments in two other casino resorts in Nevada and New Jersey. It employs about 43,000 people.

23

ArvinMeritor™

ARVINMERITOR

Troy, Mich. — ArvinMeritor boasts more than 100 years experience in providing high-quality services to the automotive industry. It offers advanced systems, modules and components for light and commercial vehicles, specialty original equipment manufacturers and related after markets.

24

MBNA

MBNA

Wilmington, Del. — Once a regional credit card issuer, MBNA now is the largest independent credit card issuer in the world. It operates throughout the U.S. as well as in Canada, Ireland, Spain and the United Kingdom. For five consecutive years, Fortune has ranked MBNA one of the top companies for which to work.

25

BD

BECTON, DICKINSON AND CO.

Franklin Lakes, N.J. — BD is a medical technology company that serves health care institutions, science researchers, clinical laboratories and the general public. The company manufactures and markets a broad range of medical supplies, devices, laboratory equipment and diagnostic products.

stuffing 5,700 care packages. Sprint launched an Intranet website so that employees could send cards and letters to deployed colleagues and raised yellow support banners — one for each deployed employee — at corporate headquarters.

The common denominators among our leaders are a commitment to recruit, hire and promote veterans.

GE extended its differential pay from one year to three years and introduced Operation Yellow Ribbon to help ease the transition of returnees to the workforce. “We assign them a buddy,” says Susan M. Kratch, manager of human resources military programs for GE. “Both the buddy and the buddy’s manager have an extensive checklist. They make sure that someone is talking to returnees, letting them know about employee assistance programs. We realize they’ve seen some pretty amazing things for which they may need counseling.”

In addition, Yellow Ribbon provides family counseling, gift certificates for family dinners and flexible work schedules to help returnees adjust smoothly.

The Home Depot also worked with the

U.S. Departments of Labor, Defense and Veterans Affairs to launch *Operation Career Front*, a hiring program that emphasizes jobs for military spouses. “There are about 400,000 military spouses each year who need to relocate and find work when their spouses are reassigned,” Donovan says. “We think we can move them within The Home Depot so they don’t have to break service.”

At corporate headquarters in Atlanta, The Home Depot flies a “Blue Star” flag for each deployed employee. As employees return to work, they’re presented with personalized banners. “There are close to 5,000 people at our headquarters,” Donovan says. “Every day when they walk into work, they see the banners as a constant reminder that we have people on active duty protecting their interests.”

The Home Depot, Sprint and GE — the top three in the Top 25 — each received a Secretary of Defense Employer Support Freedom Award this year to recognize the breadth and impact of their programs. The citations highlighted what Donovan calls a “win-win-win situation.” “It’s a win for the veterans in terms of the employment they get,” Donovan says. “It’s a win for employers to get great candidates. And it’s a win for America. It’s not only the right thing to do, but it makes great business sense.” ★

ABOUT THE RANKINGS

To determine “The Top 25 Military-Friendly Companies,” *G.I. Jobs* analyzed the Fortune 500 firms using web research, telephone inquiries and surveys. The first survey, compiled and administered by the Reserve Officers Association (ROA), addressed policies for reservists called to active duty. ROA graciously shared those results with *G.I. Jobs*. The second survey, developed by *G.I. Jobs*, covered military recruiting and hiring practices as well as the reserve questions asked by ROA.

Clearly, many “military-friendly employers” exist outside of the Fortune 500, and it is not our intent to exclude those firms. However, given that literally millions of companies exist in this country, we had to draw a sample size line somewhere. We decided that the 500 largest companies would give an overall sample size representative of big business military hiring and reserve policies. Certainly there are a lot of small- and mid-sized companies that are military friendly; it would just be impossible to collect data on all of them.

Based on our findings, we determined that our ranking methodology would cover four key areas with the associated weightings:

40% Percentage of total recruiting resources dedicated to hiring transitioning military and veterans. This measures a company’s **DESIRE** to hire from the military.

25% Company policies on reserve and guard duty. An estimated 25% of transitioning active duty military personnel stay in the reserves or guard.

20% Percentage of new hires over the past year who were military veterans. This measures a company’s **SUCCESS** in hiring from the military.

15% Internal military and veteran recruiting/training/promotional programs, plus community involvement.