

# Why Inclusion & Diversity Matters

Our WHY is improving the health of the communities we serve

Our **Why** at Spectrum Health is to improve the health of the communities we serve. We have identified people as our #1 strategic enabler. How will people enable us to achieve our key strategies? Having inclusive, diverse and engaged people is our **How**. We will experience more innovation, be able to attract the best talent, our employees will perform at higher levels, we will deliver an exceptional patient experience and quality outcomes and our community partnerships will flourish. **An inclusive workforce - a diverse workforce - an engaged workforce drives business results.**



## Why INNOVATION matters

**Diversity is a key driver of innovation** and a critical component of success. Diversity of talent provides **more ideas and perspectives** that, in turn, **drive the best business solutions**. Research shows that heterogeneous groups outperform homogenous groups. On just a sales platform, companies with greater diversity bring in 15 times the revenue of companies with less diversity. More broadly, during a ten-year period, the index of publicly traded companies in Diversity Inc.'s Top 50 Companies for Diversity outperformed NASDAQ by 28 percent, S&P 500 by 25 percent and the Dow Jones Industrial Average by 22 percent. With a constant source of innovation, Spectrum will be exceptionally well positioned to **lead new health solutions, drive exceptional value and transform the model of care.**



## Why BEST TALENT matters

An inclusive and diverse workforce is crucial for Spectrum. Employees choose to work at companies where they feel welcomed and valued. By addressing inclusion and diversity, Spectrum can **grow with purpose** and be well positioned to **attract and retain top talent**. As Spectrum becomes increasingly attractive to all demographic groups both within and outside the company, we will become the **Employer of Choice** in Michigan.



## Why HIGH PERFORMING EMPLOYEES matter

When our employees perceive that leadership is committed to and working on improving diversity and inclusiveness, we **increase engagement**. Employees will become more **productive, creative and innovative** – partnering fully to help meet Spectrum's strategic initiatives. Satisfied employees **improve retention levels**, saving Spectrum money in lost productivity, and recruiting and hiring costs. In addition, a proactive inclusion and diversity effort helps **prevent costly discrimination and harassment suits**. Aside from the dollar cost for attorneys and settlements, any negative publicity can harm Spectrum's reputation and have an impact on future recruitment.



## Why PATIENT OUTCOMES & EXPERIENCE matters

In order to **transform the care model** at Spectrum, we need to **address health disparities and lack of access issues** found in our diverse populations. By 2040, 32.9 percent of the population in Michigan will be people of color. By addressing health disparities and access needs head on, Spectrum will be at the

forefront of **leading new health solutions**. Improved customer service and targeted outreach to diverse consumers also presents a compelling business opportunity. Inclusion and diversity not only **increases patient satisfaction scores**, but it also improves communication between minority patients and health care providers, which in turn can **produce better clinical outcomes** and **drive exceptional value**.



## Why SUPPLIER DIVERSITY matters

A focus on diversity in Spectrum's supplier base will **result in cost savings** as competition among suppliers brings costs down, aiding us to **drive exceptional value**. Supplier competition also **encourages innovation**. Diverse supply chains can ensure that products are better designed to meet the demands of a diverse customer base. The specificity and individuality in our supply procurement will help Spectrum **transform the model of care** and better **serve the needs of our patients**.



## Why COMMUNITY PARTNERSHIPS matter

Spectrum's mission is to **improve the health of our communities**. We can achieve this through concerted efforts to address health disparities, access issues, and our overall economic environment. Supporting the communities we serve helps to **support a thriving economic community**. Paying close attention to the quality of life in our communities is the **first step toward growing with purpose**. We need to be seen as a **leader** for inclusion and diversity in our communities in order to develop future resources such as highly talented employees and economically secure businesses and individuals who can become customers for Priority Health.

## Demographic Shift



With even greater diversity in younger generations, the workforce is only going to continue diversifying:

In 2010, Hispanics made up

**23%**

of people under the age 18.

By 2050, ethnic and racial minorities in the US will collectively become the majority.

## CALL TO ACTION

In order to see a significant impact in the areas above we need Spectrum's Inclusion and Diversity efforts to be led from the top down. We need **YOU** to be the face of Inclusion and Diversity. Spectrum's values are comprised of six words: excellence, accountability, compassion, integrity, respect and teamwork. You've already committed to these things, we are giving you just one word that embodies them all: **INCLUSIVENESS**.



**DIVERSITY**  
is who we are.

We appreciate all the characteristics that make each of us unique - the discernible attributes like race, gender or age; and the less evident ones like personality, education, military status, life experiences, sexual orientation or identity, and geographic origin.

**INCLUSION**  
is how we work together.

By providing a workplace where everyone feels welcome, we help ensure our people respect and trust one another and that each of us has the opportunity to grow and perform to our greatest potential.

**ENGAGEMENT**  
is how connected we feel.

We are in this together - the success of our people directly impacts the success of our business. We want to hear employees' ideas and concerns, ensure people feel valued, and provide everyone with the information they need to do their jobs well.