



MEMA 2022 DIVERSITY, EQUITY AND INCLUSION BAROMETER

Executive Summary

MEMA 2022 DIVERSITY, EQUITY AND INCLUSION BAROMETER



**MEMA 2022 DEI Barometer:
63% of firms showed
improved DEI performance
in the past year**

Respondents reflect that suppliers showed gains in DEI performance in the past year, ranging from slight to significant improvements despite a range of market pressures including the semiconductor crisis, tight labor conditions, and shortages of raw materials and components. Leading firms are eager to draw top talent supported by their DEI commitments.



Top categories ranking current performance of DE&I include a *Diverse Hourly Workforce*, a *company culture that embraces DE&I*, and a *Diverse Salary Workforce*.

The past year shows a tremendous breadth of activity and a concerted effort on behalf of suppliers that remain focused on DE&I, despite additional industry challenges. Firms that reflect positive performance point to growing momentum in terms of measurable progress and a broader level of employee engagement. Firms continue to struggle with obtaining a diverse high potential staff and executive leadership, however, both improved from last year.



Some fifty-six percent of firms have DEI strategies that are fully endorsed and supported by the C-Suite. Another twenty-five percent of respondents are reviewing such plans to implement.

At many leading companies, DEI plans have strong leadership support, as executives work with DEI leaders and committees to confirm priorities, while endorsing policy and training initiatives. Top leaders also communicate values through regular company-wide sessions.

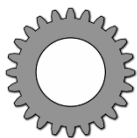
Executive Summary

MEMA 2022 DIVERSITY, EQUITY AND INCLUSION BAROMETER



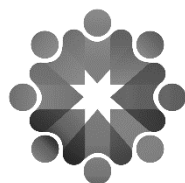
Nearly 60% of firms have employees with responsibilities for managing the DEI function within their organizations, with another 11% considering implementation.

Suppliers reflect varying levels of employee responsibility depending on their current phase within their DEI journey or company size, ranging from executive level representation (CDO), or DEI Ambassador, to others that are engaged yet not full-time in nature.



Suppliers reflect high levels of DE&I engagement (55%) through visible support for policies & efforts on internal and/or external company websites and increased engagement at lower levels within organizations, via Employee Resource Groups (ERGs).

Visible support for DE&I on company websites is key for recruiting efforts.. Current employees see greater opportunity to engage via ERGs.



Some 58% percent of respondents confirm their company monitors and strives to reflect diversity within their executive teams. For thirty-three percent of suppliers, more than 20% of their executive teams are diverse. 68 percent of firms are actively working to include diversity among salaried employees.



On average, over fifty percent of suppliers have already conducted employee training in four areas of DEI, including: Unconscious Bias, Inclusive Leadership, and DEI Fundamentals.

The majority of suppliers have provided employee training in these key areas, with more than one third of firms providing recurring training.



Over the past year, a large and growing number of supplier firms have achieved sizable wins in support of their DE&I efforts.

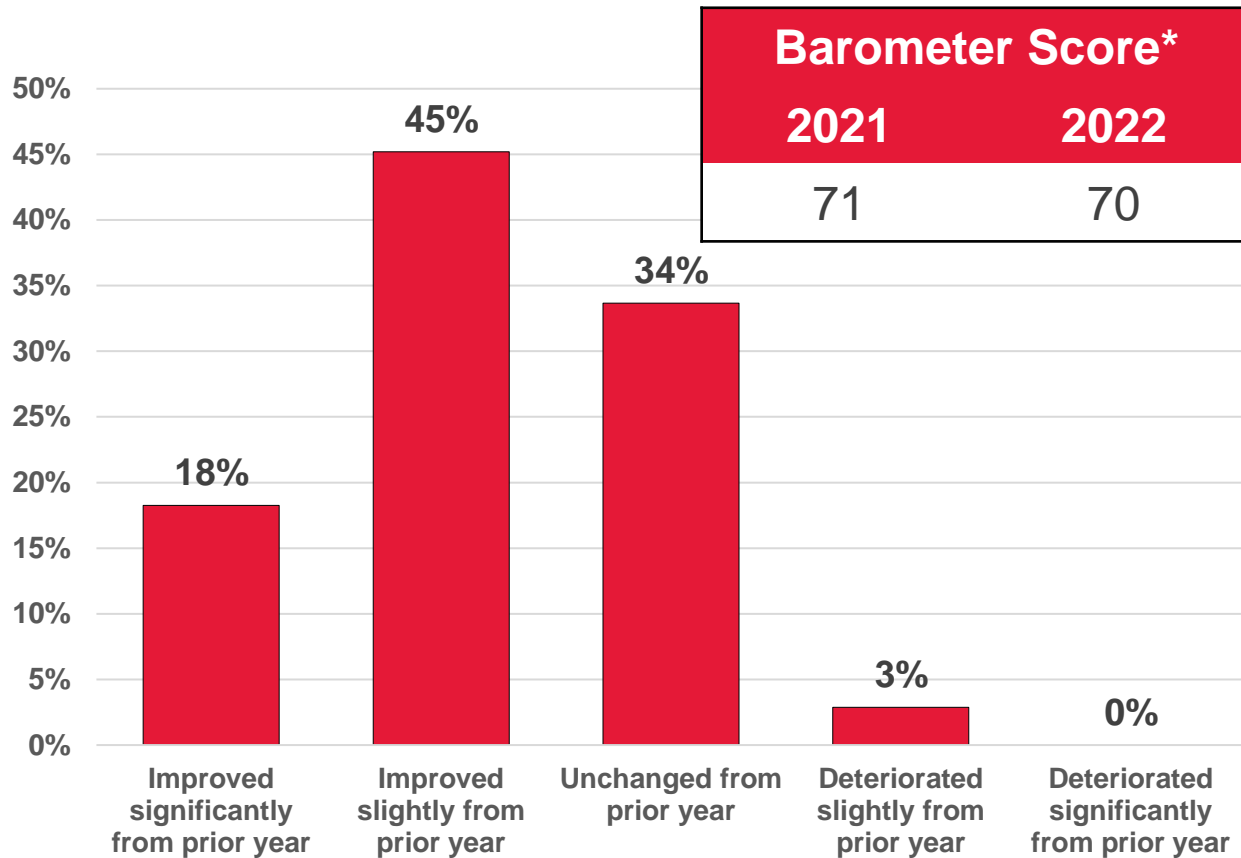
These wins range from new hires, expanded Employee Resource Groups, gains in C-suite diversity, increasing women in leadership roles, implementing DEI committees.



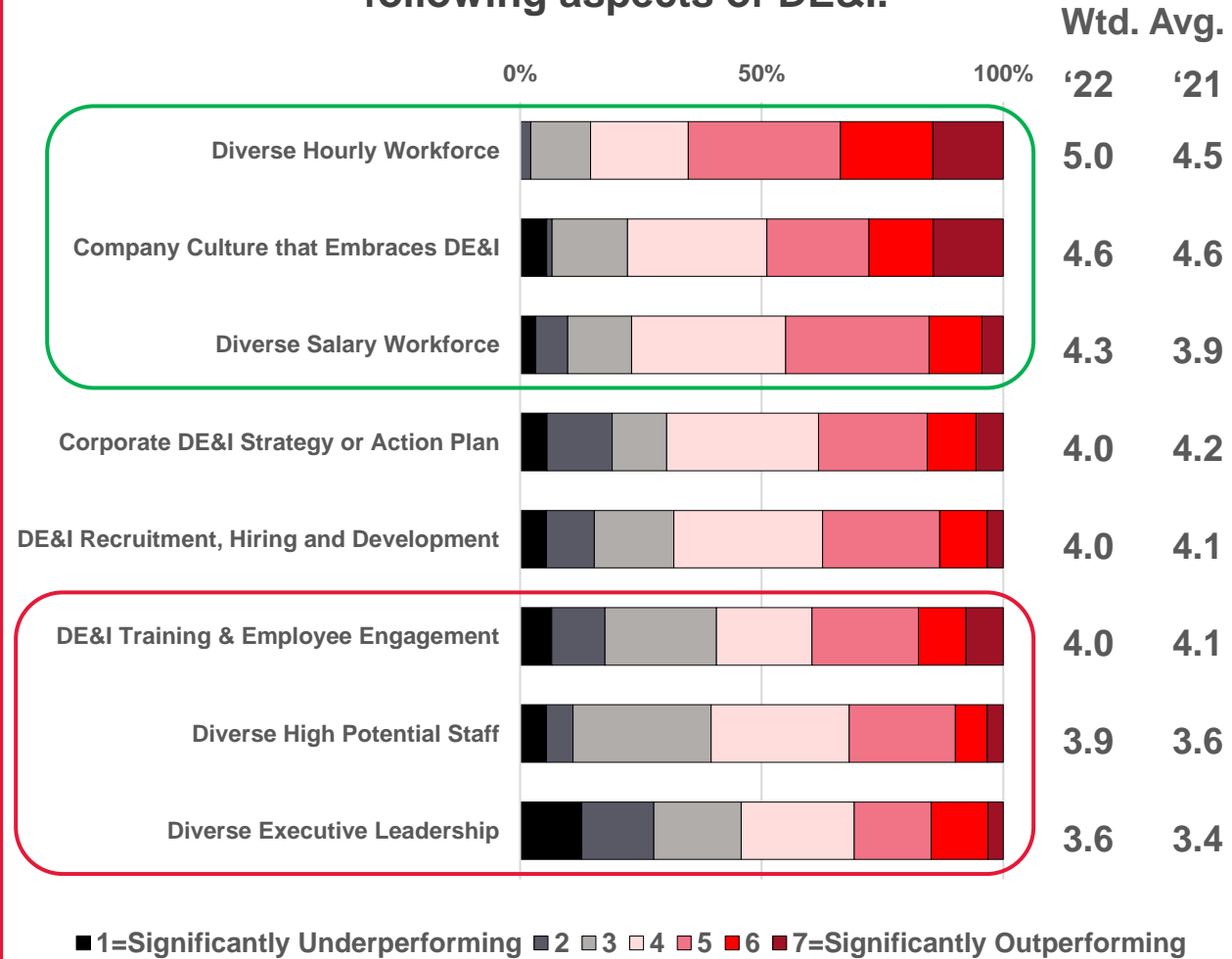
Leading supplier executives mentioned establishing a dedicated DE&I team in order for them to move forward with their DE&I goals and initiatives. However, the most common headwind is a shortage of qualified diverse candidates.

2022 MEMA DE&I Barometer

Please indicate your company's overall performance related to Diversity, Equity and Inclusion (DE&I).



Please rate your company's current performance of the following aspects of DE&I.



*Weighted average: $\sum (\text{Pct. Responding Improved Significantly} \times 100, \text{Pct. Responding Improved Slightly} \times 75, \text{Pct. Responding Unchanged} \times 50, \text{Pct. Responding Deteriorated Slightly} \times 25, \text{Pct. Responding Deteriorated Significantly} \times 0)$

2022 MEMA DE&I Barometer

Please indicate your company's overall performance related to Diversity, Equity and Inclusion (Comments).

Improved from prior year:

- Revamped our DEI Council with sub committees focused on communication, learning, recruitment and retention and community involvement.
- They have established a committee in North America.
- We were able to launch a Global Community of D&I Champions and the first Global Business Resource group for female talent
- We have named a DE&I NA Council Chair & installed a council to focus our efforts.

Unchanged from prior year:

- Company has been committed to such principles for many years, no major changes required.
- We are in rural northern Michigan in a community with very little diversity.
- Already in a very good place
- While we have launched a DE&I Council we are still lacking in the real corp. commitment

Deteriorated from prior year:

- *No comments provided*



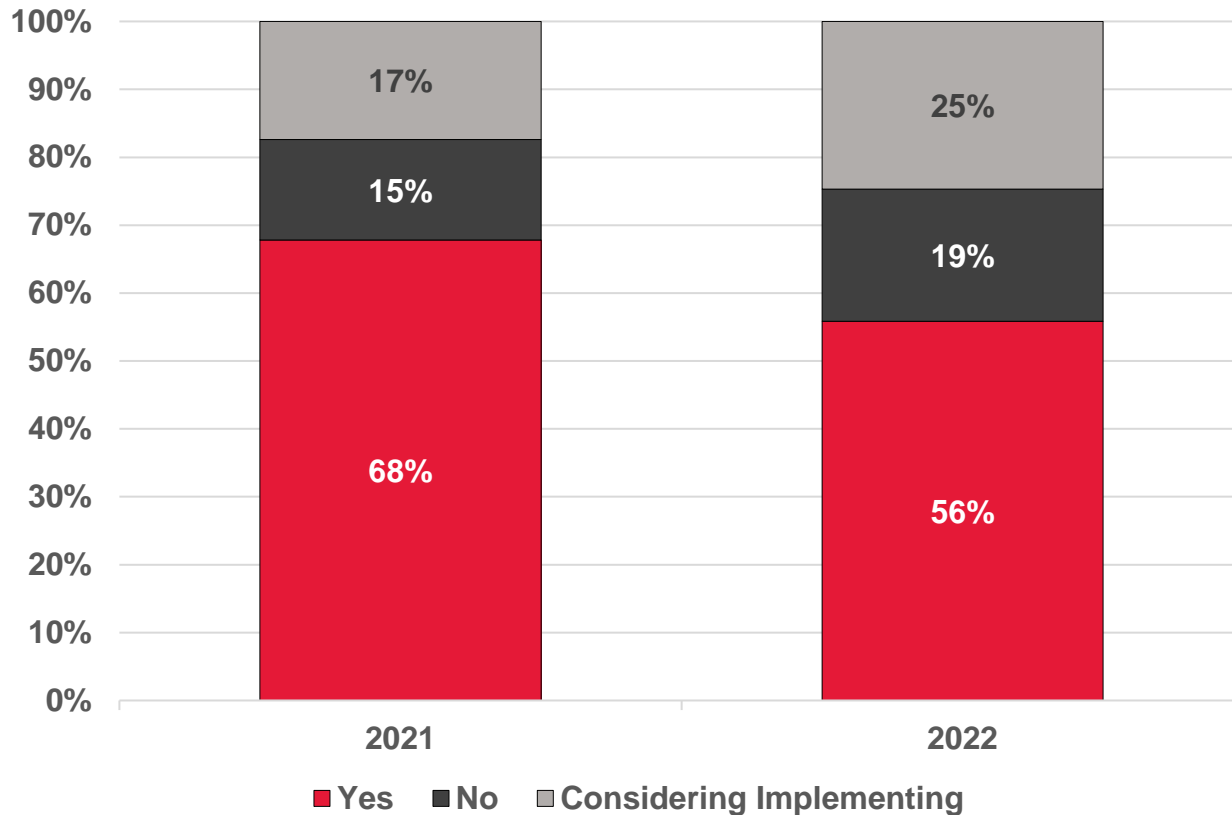


LEADERSHIP AND CORPORATE STRATEGY

Leadership and Corporate Strategy

Which of the following DE&I Leadership and Corporate Strategy programs and initiatives does your company utilize...

DE&I strategy that is fully endorsed and supported by the C-Suite.



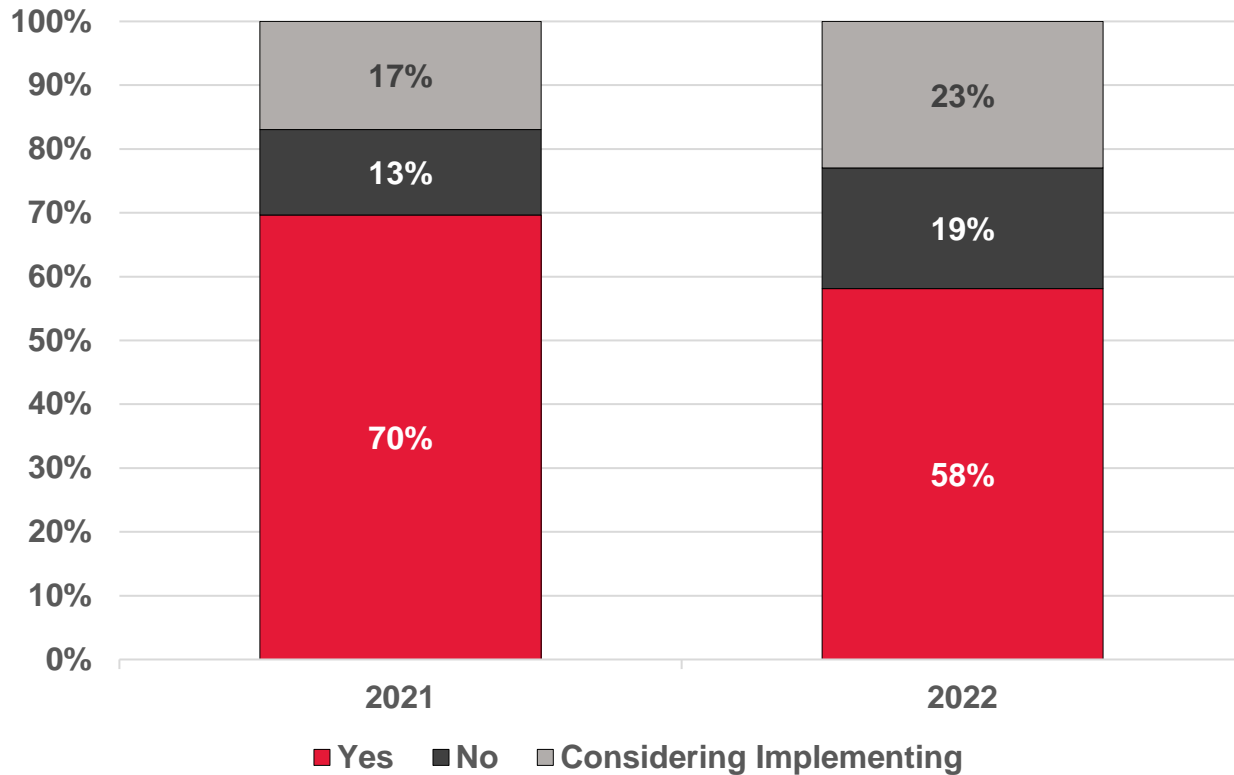
Comments:

- Top focus today on gender diversity.
- Built into the company's foundational principles.
- Goal for 2023
- Gender diversity metrics included in top management variable compensation package.
- Just really getting started with coming up with strategy and allocating resources
- Fully enforced and highly encouraged.
- Create a DEI strategy based on our specific organizational DEI challenges. We'll identify these challenges by assessing our current DEI state through organizational data, surveys and focused groups.

Leadership and Corporate Strategy

Which of the following DE&I Leadership and Corporate Strategy programs and initiatives does your company utilize...

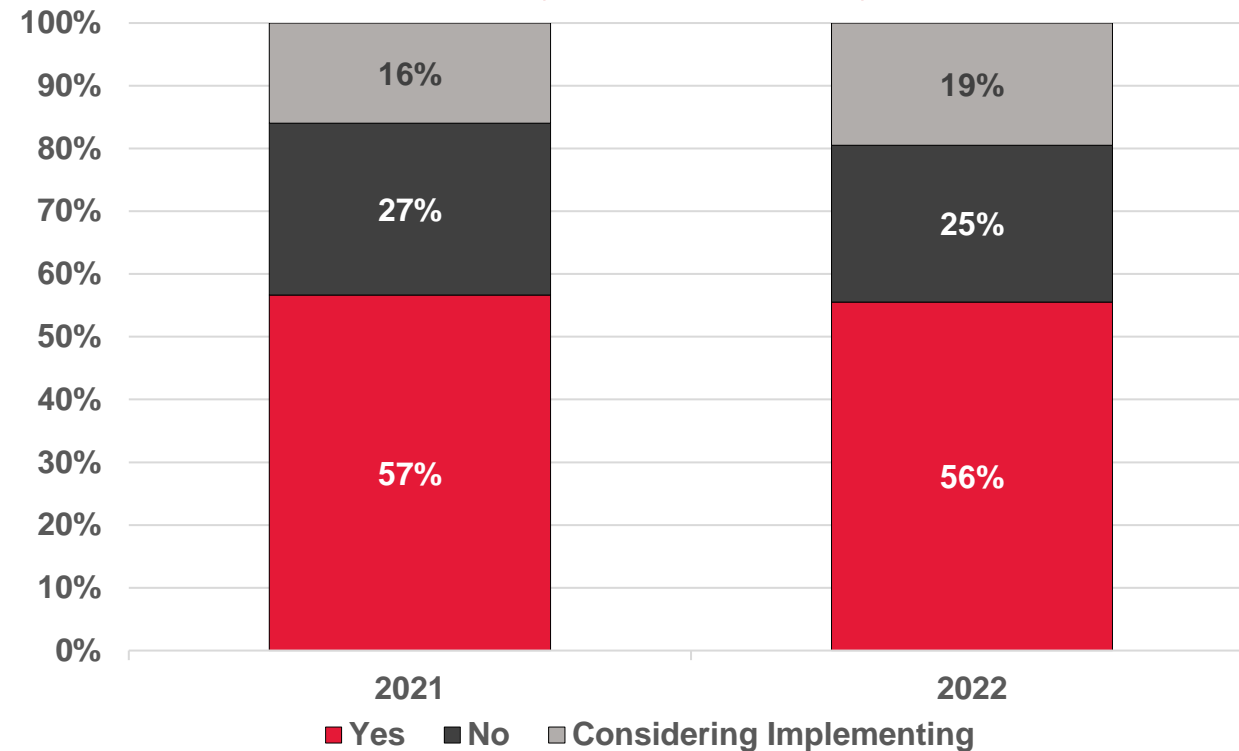
DE&I statement as part of the employee handbook



Comments:

- Customer required surveys - EcoVadis & AEM rating

DE&I statement included in your company's sustainability report

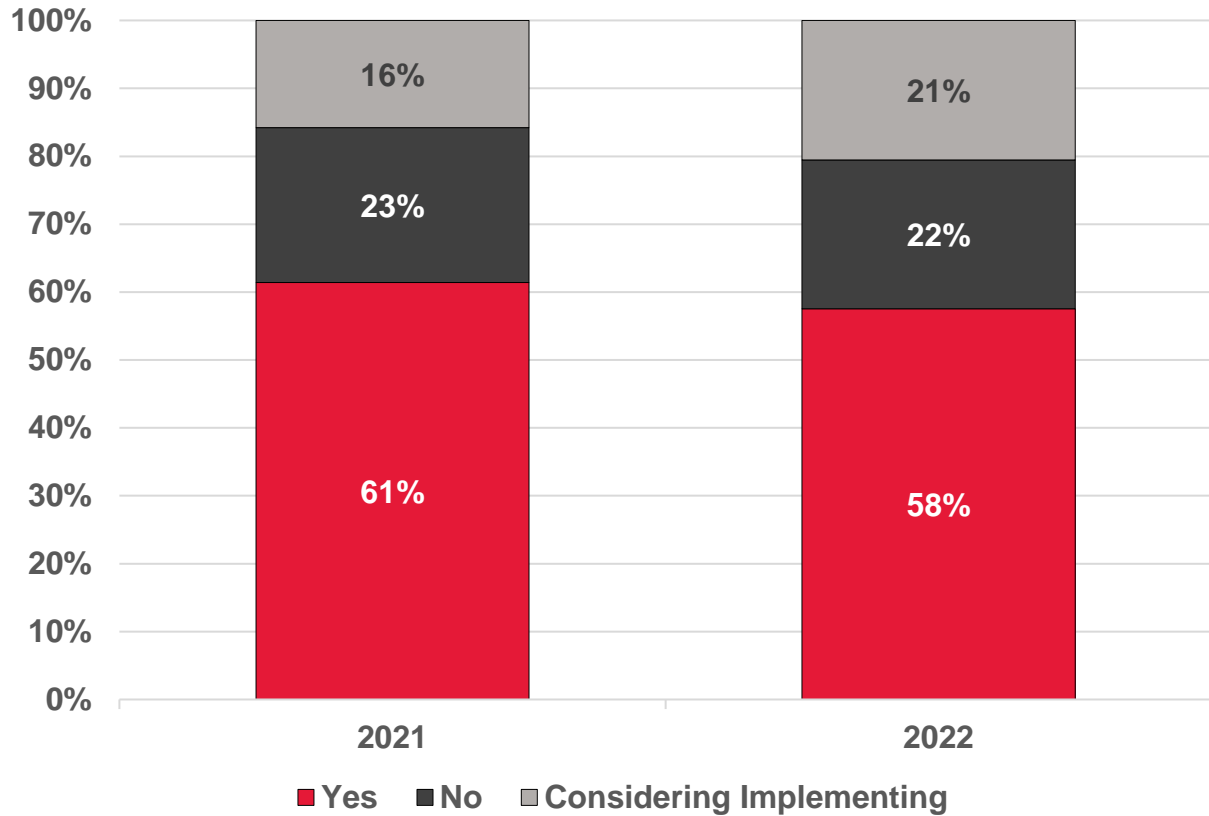


- Only reported as required by OEM Customers; no "internal" sustainability report developed or maintained.
- We actually have a D&I stand alone sustainability report
- Just part of employee handbook at this point

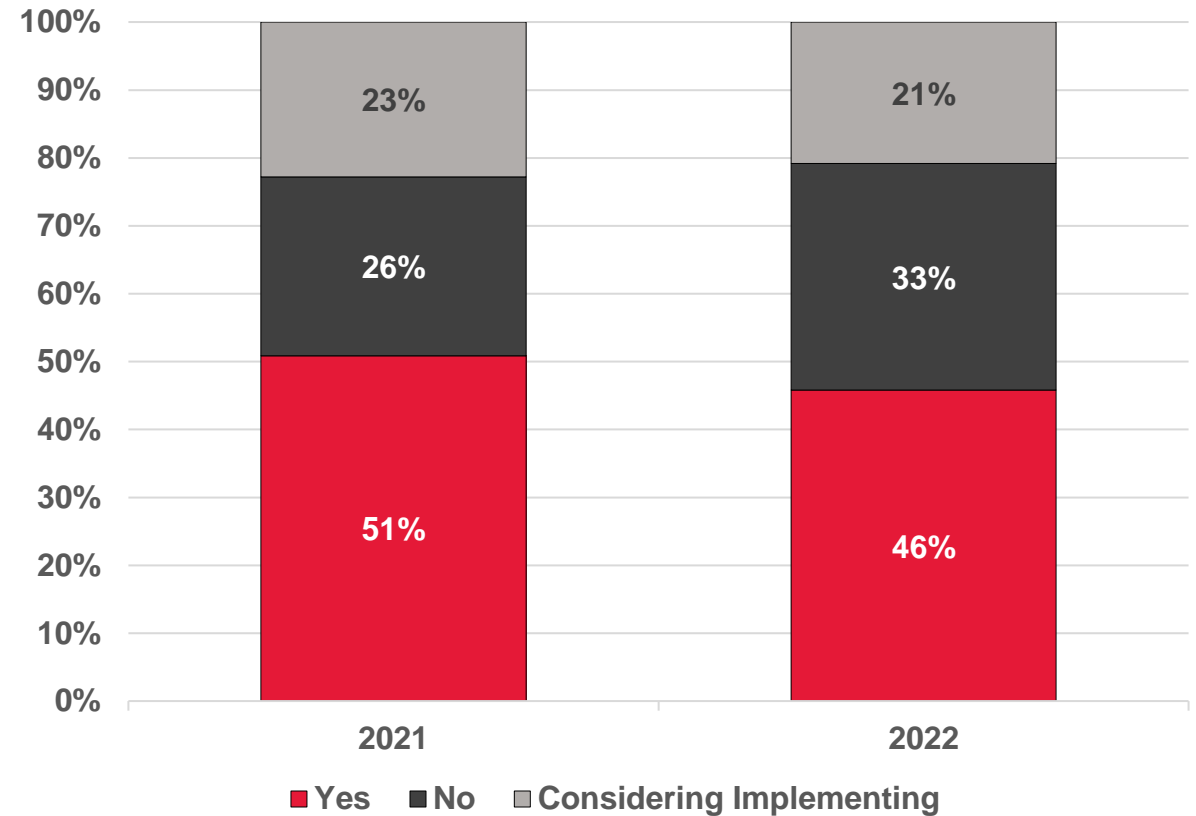
Leadership and Corporate Strategy

Which of the following DE&I Leadership and Corporate Strategy programs and initiatives does your company utilize...

Monitor and strive to include diversity on your executive leadership team



DE&I considerations in your company's progression and succession planning process

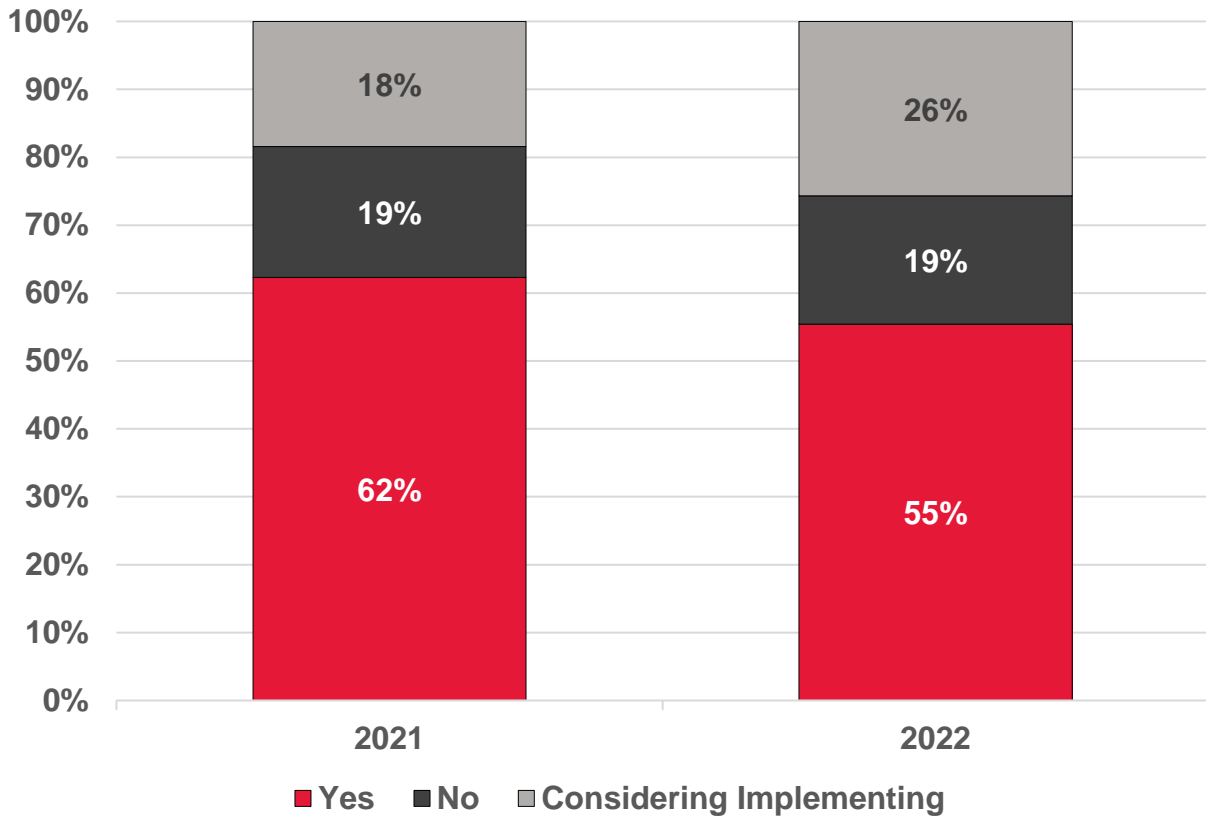


- Focused more on gender diversity rather than ethnic diversity
- Monitoring gender diversity as a % of our top executives.

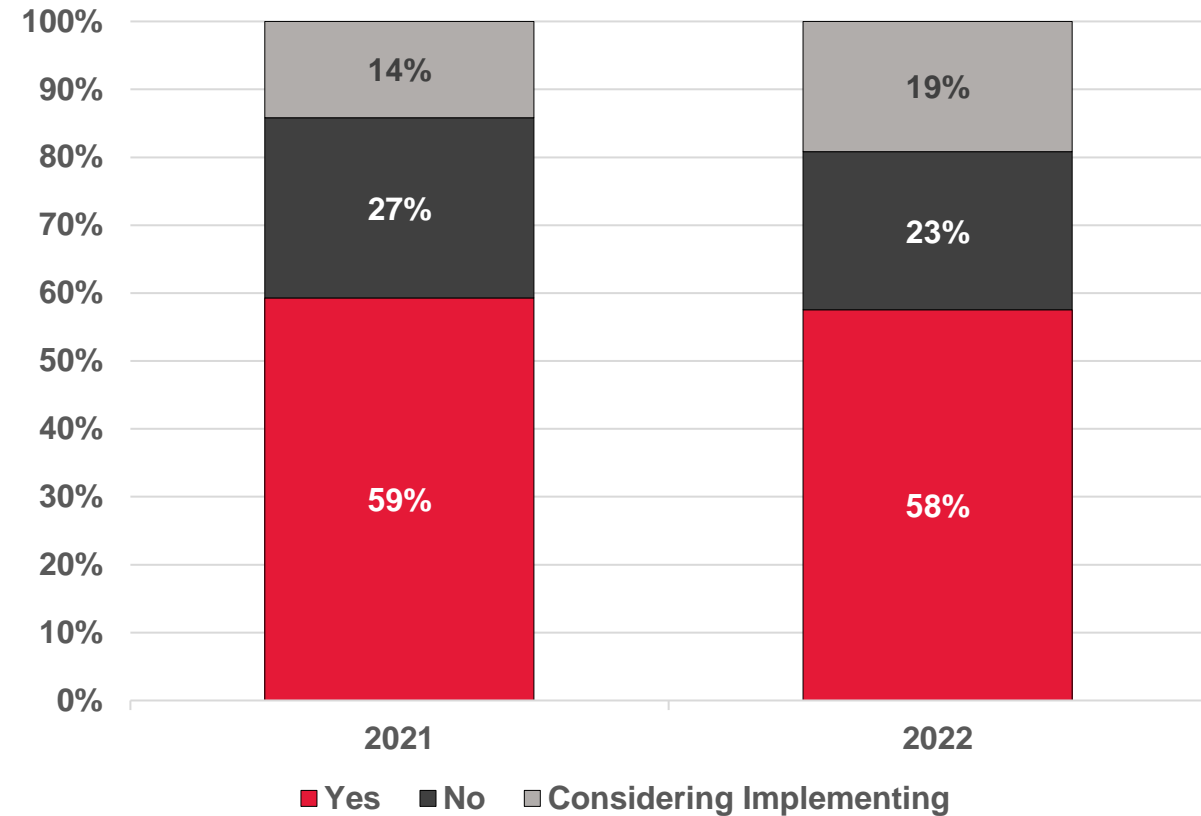
Leadership and Corporate Strategy

Which of the following DE&I Leadership and Corporate Strategy programs and initiatives does your company utilize...

DE&I addressed on the company's internal and/or external website



DE&I mission/vision statement



Comments:

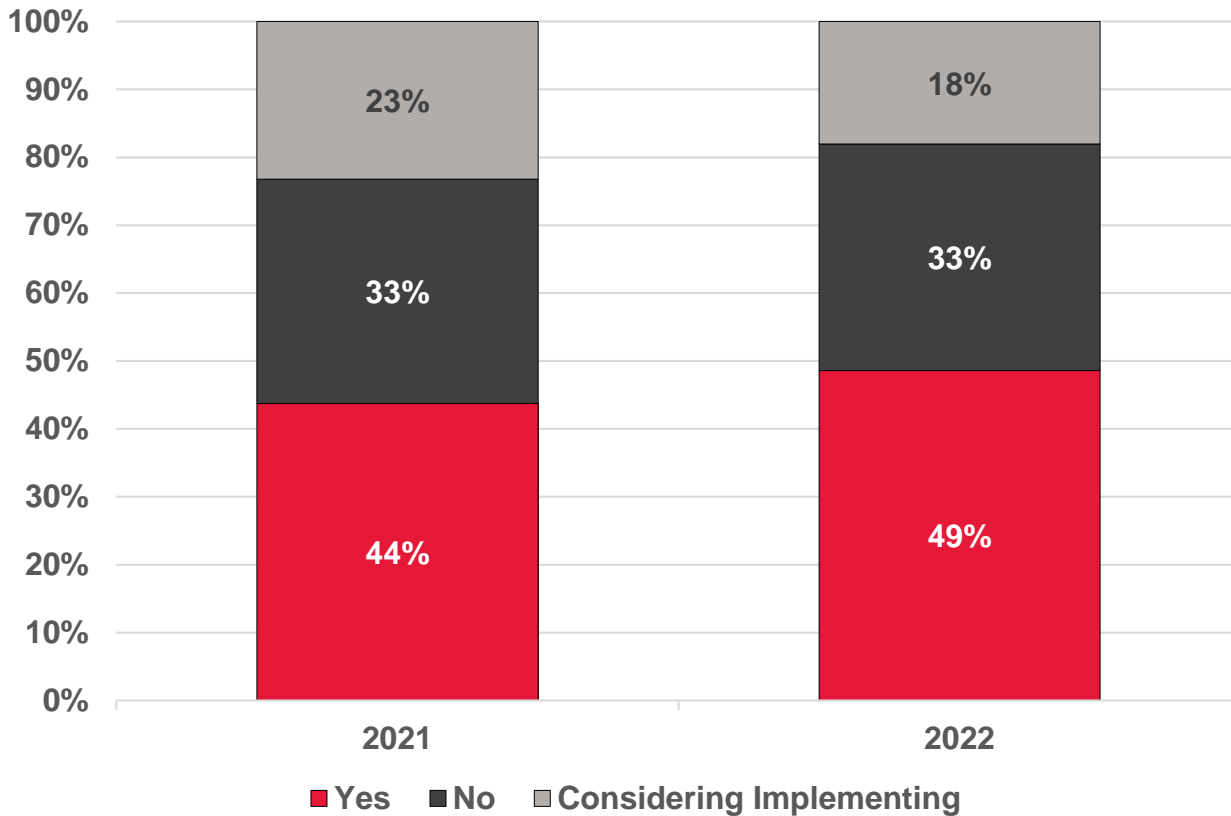
- Included in company website information for external awareness.



Leadership and Corporate Strategy

Which of the following DE&I Leadership and Corporate Strategy programs and initiatives does your company utilize...

DE&I employee engagement survey



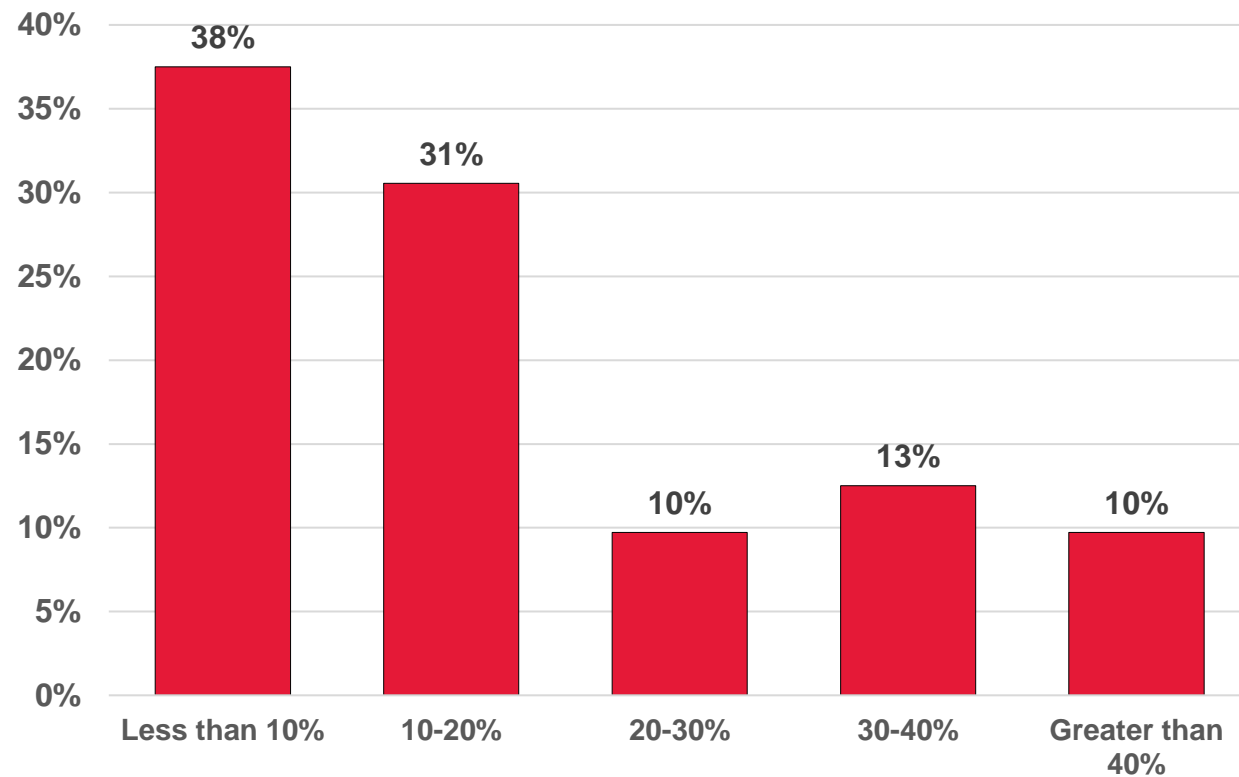
Comments:

- Diversity & Inclusion as part of our annual employee engagement survey.
- No formal survey implemented to-date.
- Employee Satisfaction Survey with a focus on sense of belonging factor
- Diversity included in annual engagement survey.

Leadership and Corporate Strategy

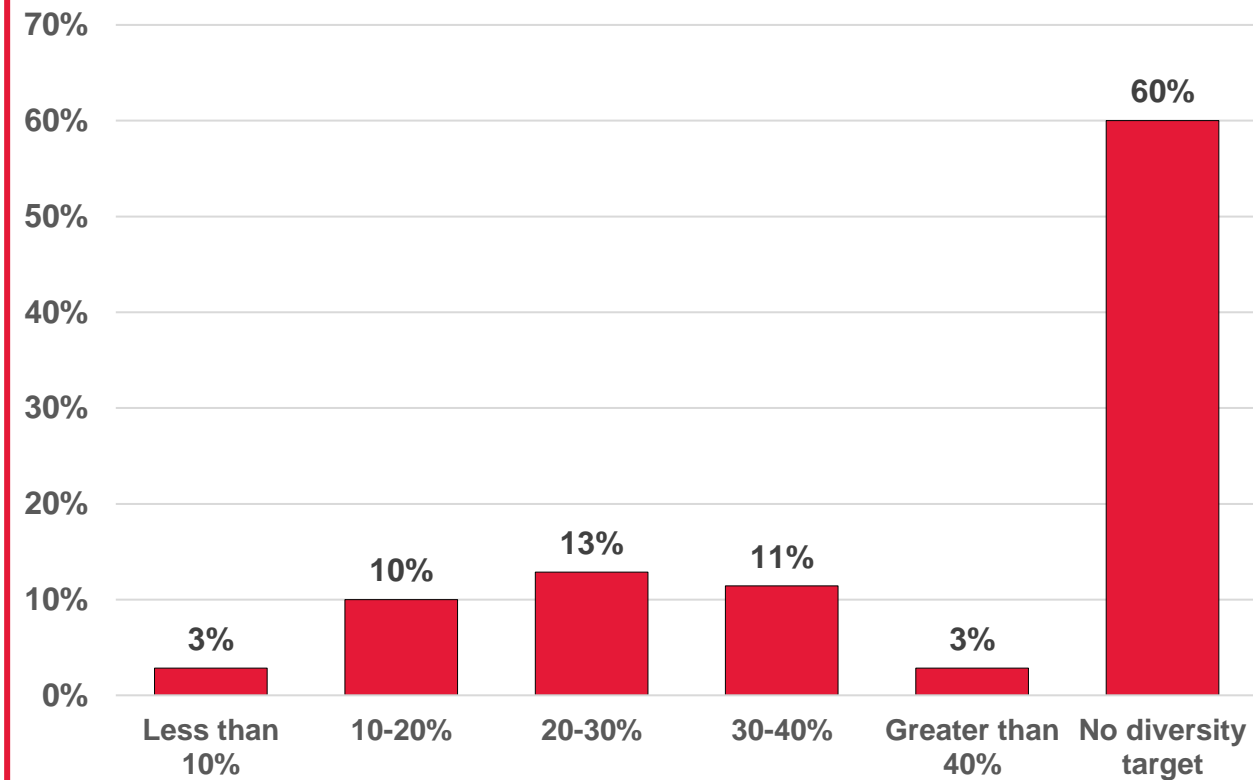
What percentage of your executive leadership team is diverse? (Diverse employees = Women and minorities)

Wtd. Avg.* = 18%



Does your company have a goal to increase its percentage of diverse leaders? (Diverse employees = Women and minorities)

Wtd. Avg. = 25%**

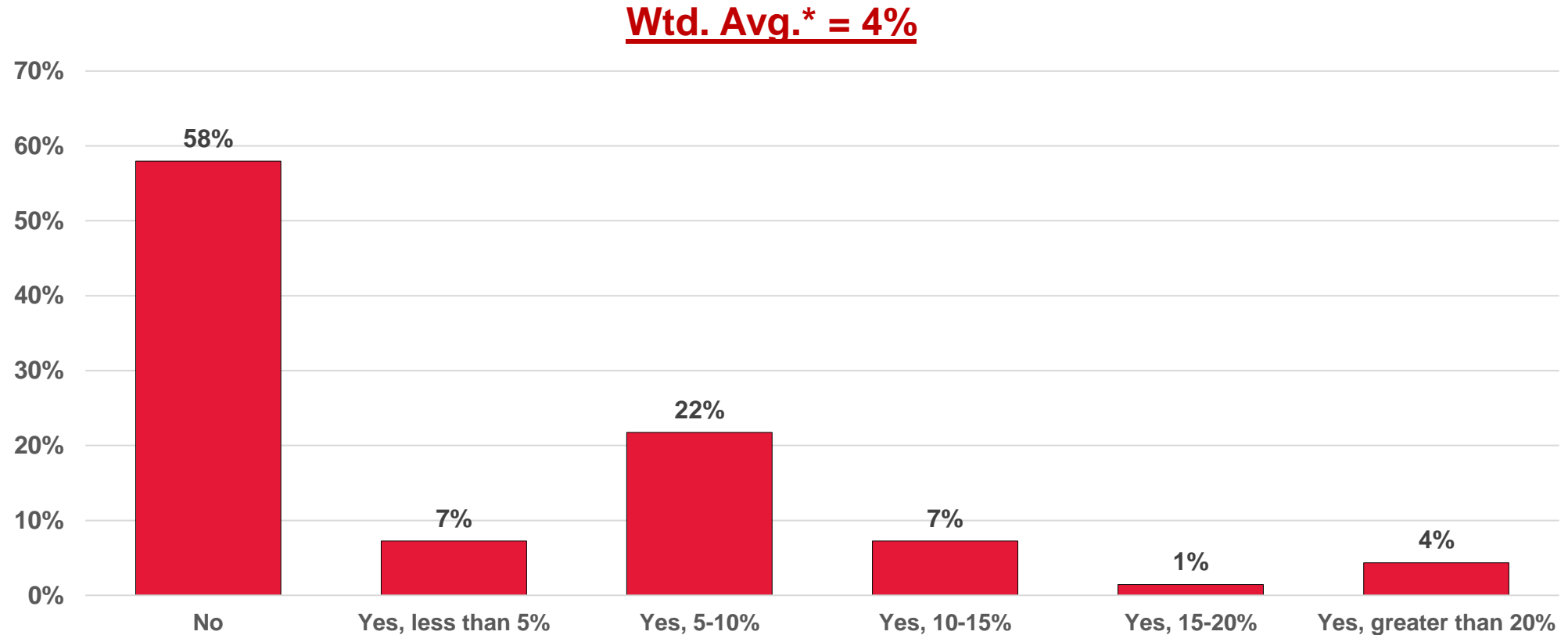


* Assumes mid-point of each range, >40% = 45%

** Assumes mid-point of each range, >40% = 45%, excludes "No target" responses

Leadership and Corporate Strategy

Does your company set annual targets for corporate purchases from third-party certified diverse suppliers?

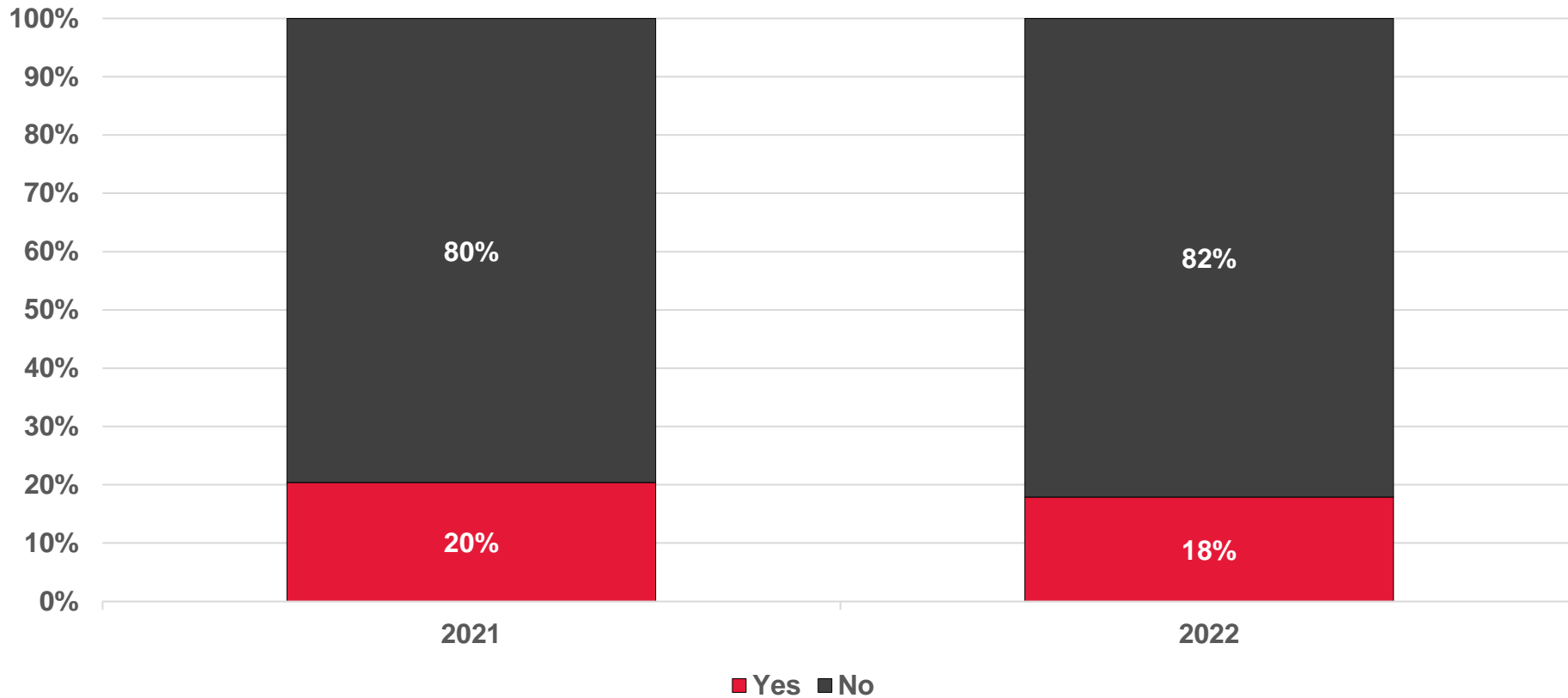


* Assumes mid-point of each range, >20% = 22.5%

Leadership and Corporate Strategy

Is your company part of CEO Action for Diversity and Inclusion?

CEO Action for Diversity & Inclusion is the largest CEO-driven business commitment to advance D&I in the workplace.
(www.ceoaction.com)



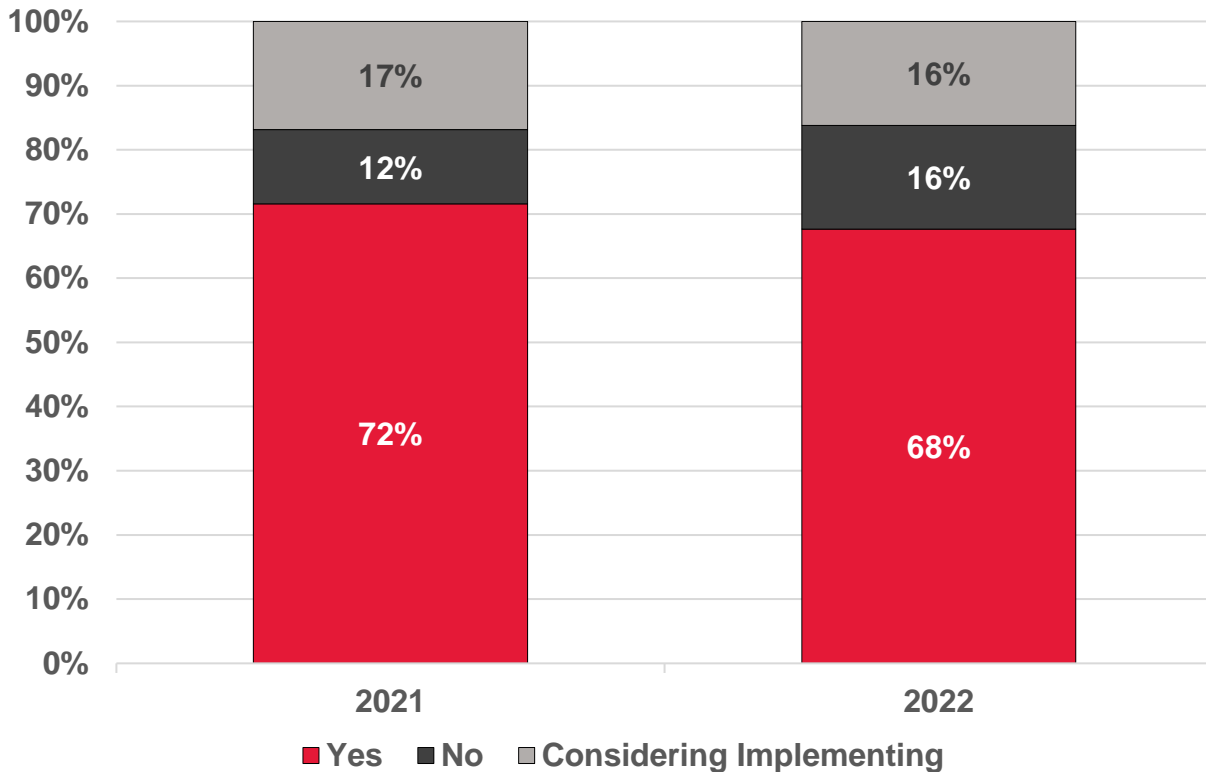


STAFF AND RECRUITING

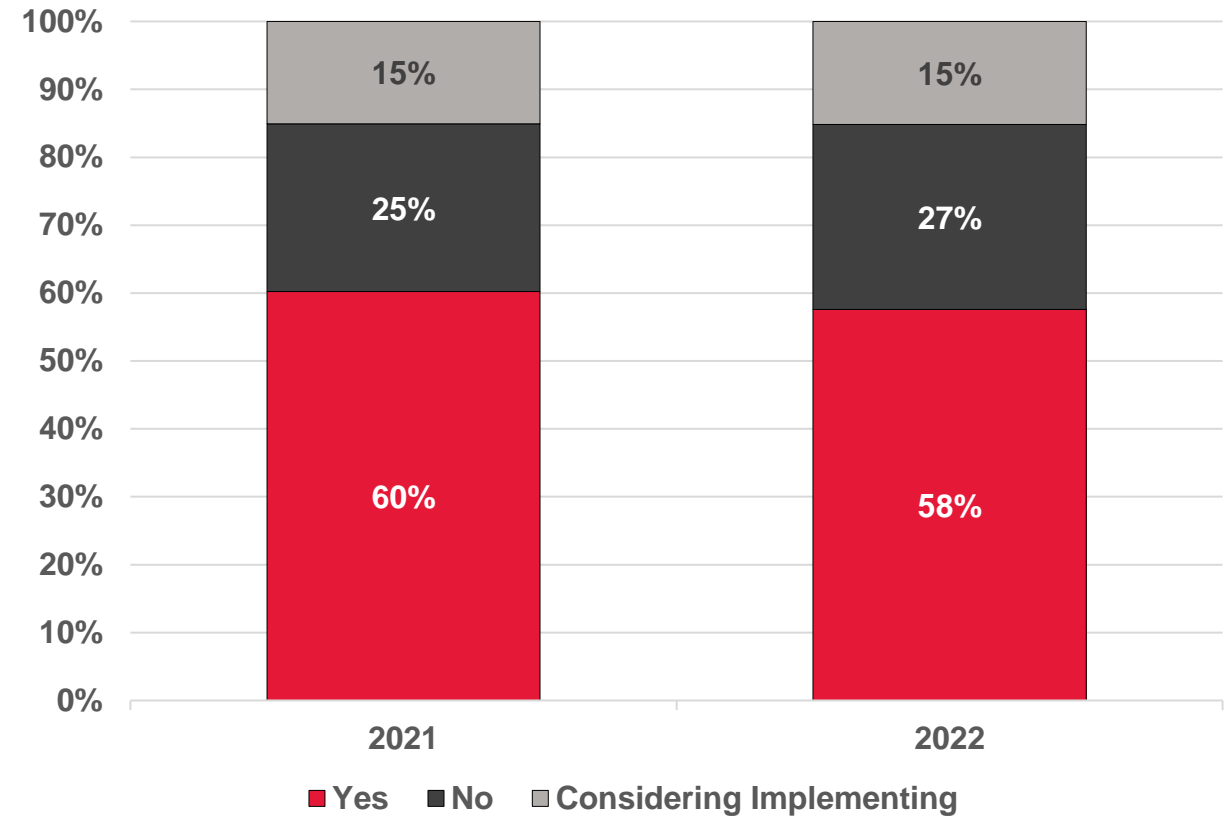
Staff and Recruiting

Which of the following staff and recruitment programs and initiatives does your company utilize...

Monitor and strive to include diversity amongst salary employees



Monitor and strive to include diversity amongst hourly employees



Comments:

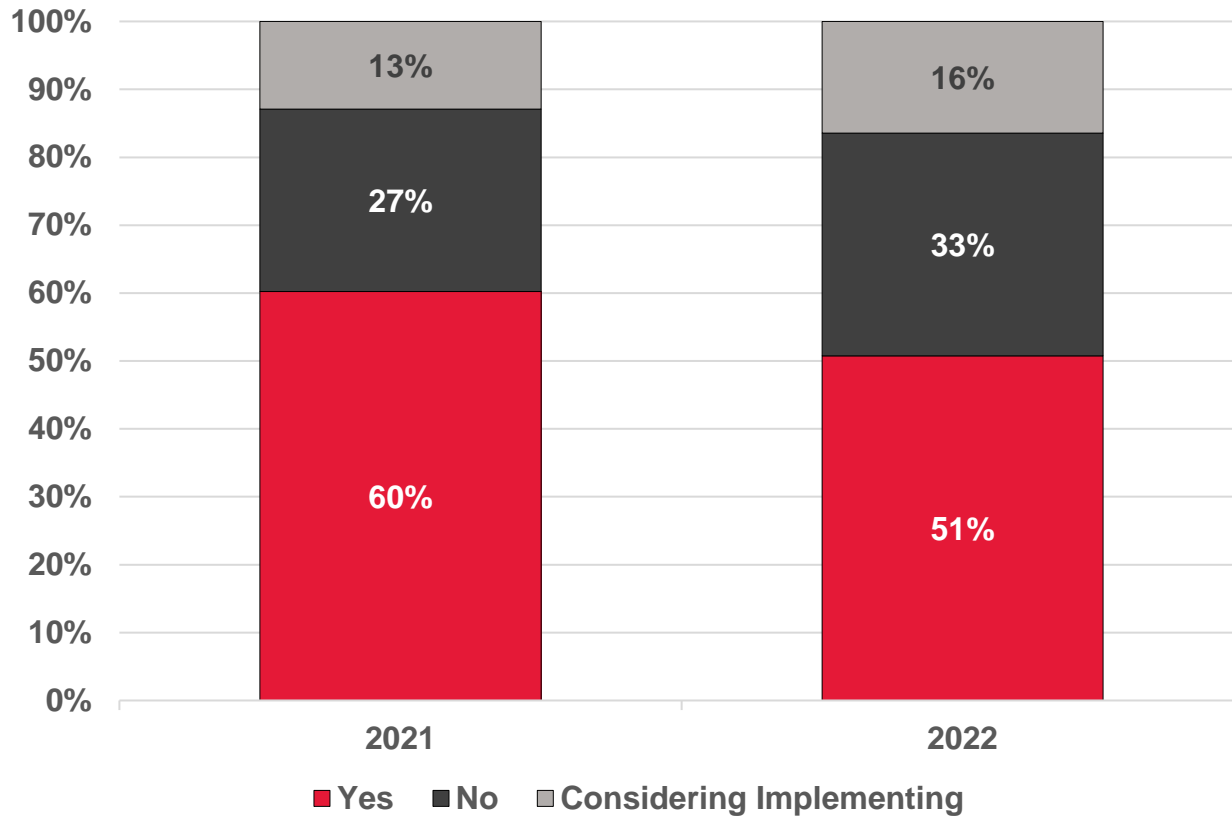
- Monitoring gender diversity, considering how to monitor other aspects of diversity.
- Private company



Staff and Recruiting

Which of the following staff and recruitment programs and initiatives does your company utilize...

Track employee turnover by employee demographics



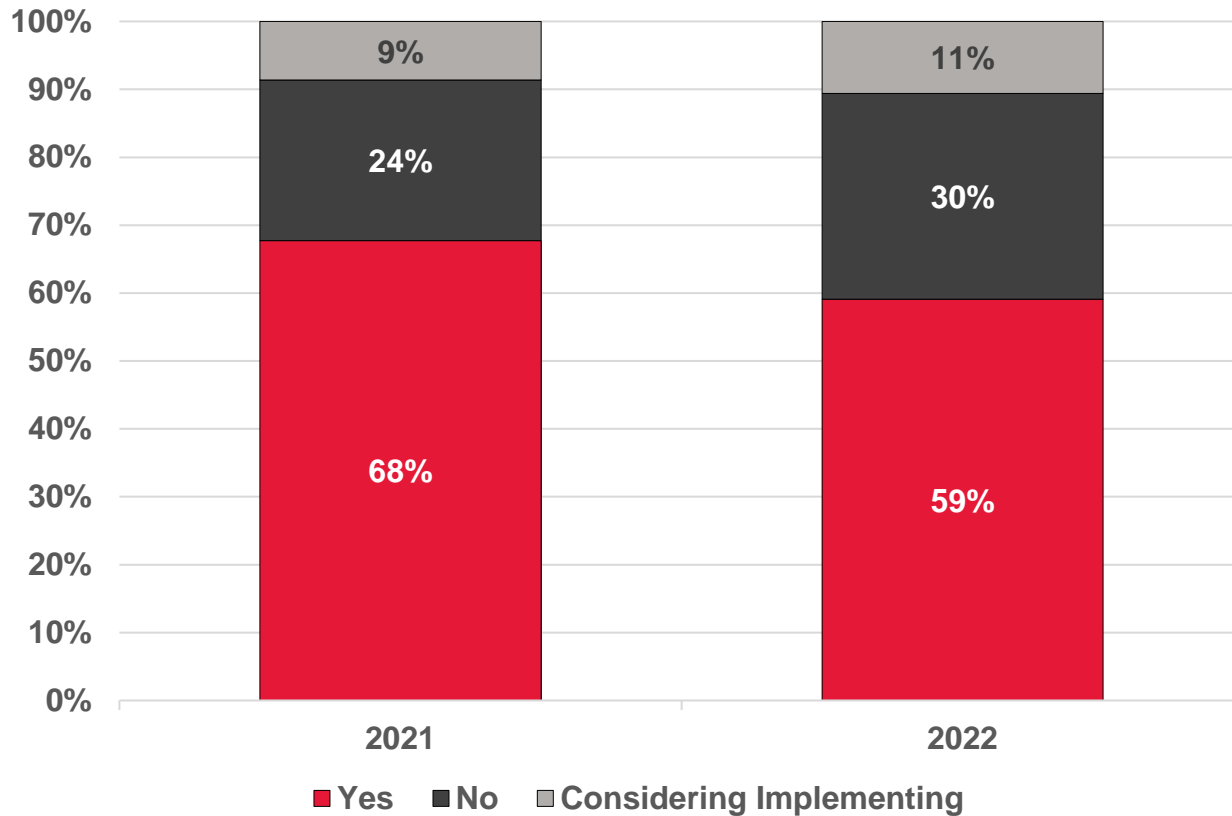
Comments:

- Monitor turnover by gender specifically.
- DEI Dashboard

Staff and Recruiting

Which of the following staff and recruitment programs and initiatives does your company utilize...

Staff member(s) with responsibilities related to DE&I



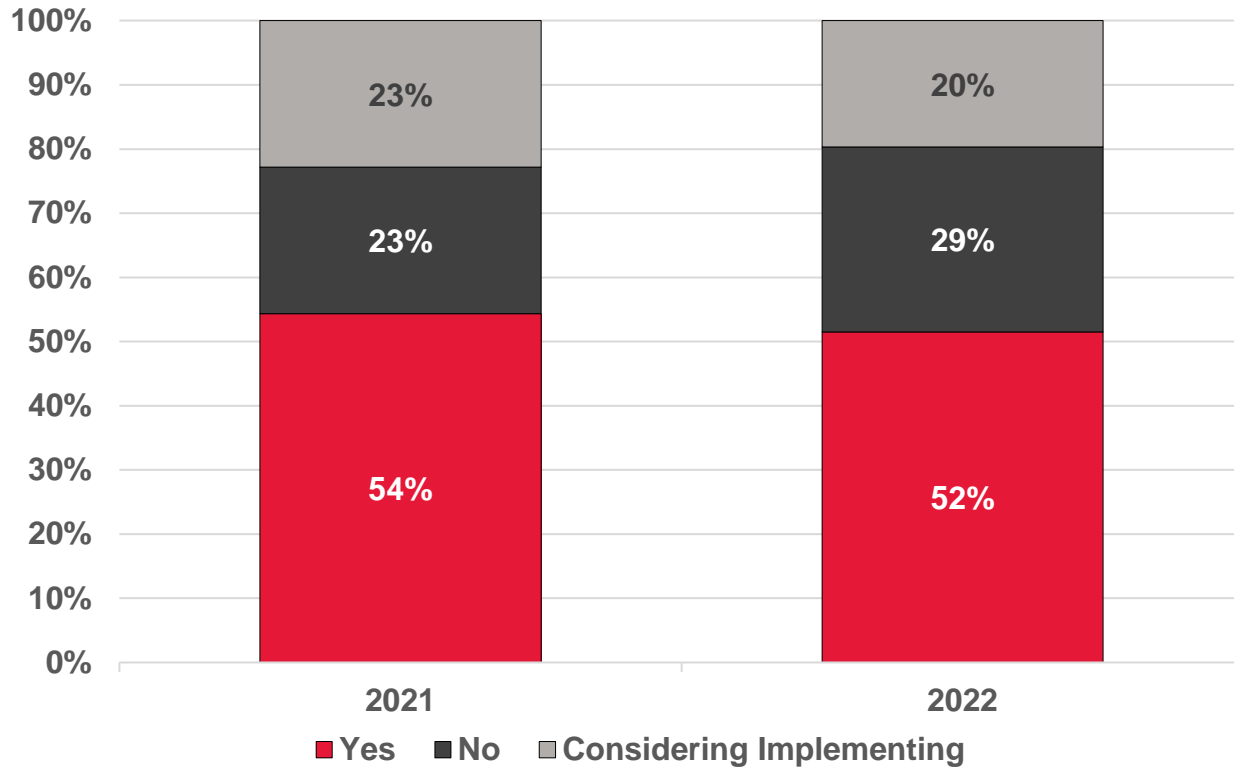
Comments:

- Staff member focused on Diversity spend for Purchasing.
- We are a small company, no unique staff specifically hired/trained for this purpose, but managed as part of our overall HR strategy.
- Volunteer on committees; not paid for extra work
- Driven by HR team
- Director lead steering committee

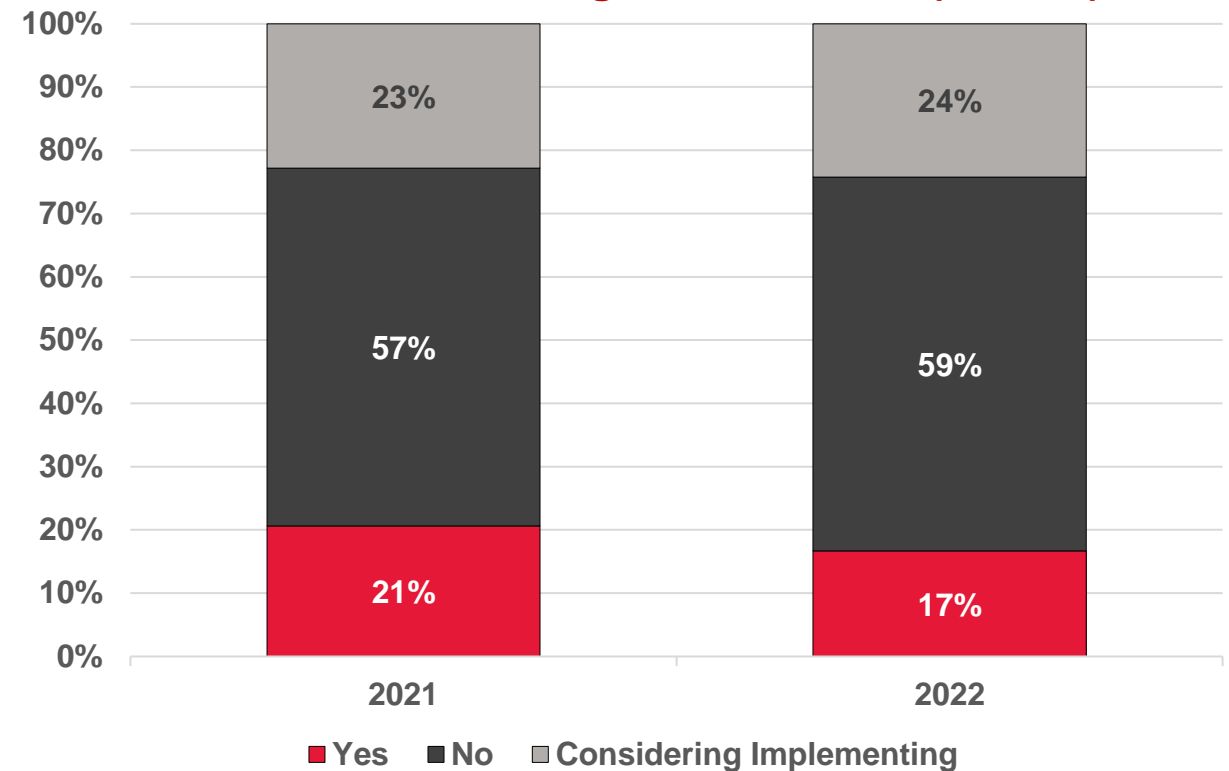
Staff and Recruiting

Which of the following staff and recruitment programs and initiatives does your company utilize...

Programs to increase recruitment, retention, and promotion of a diverse staff



Recruitment strategy for target candidates that attended Historical Black Colleges Universities (HBCUs)



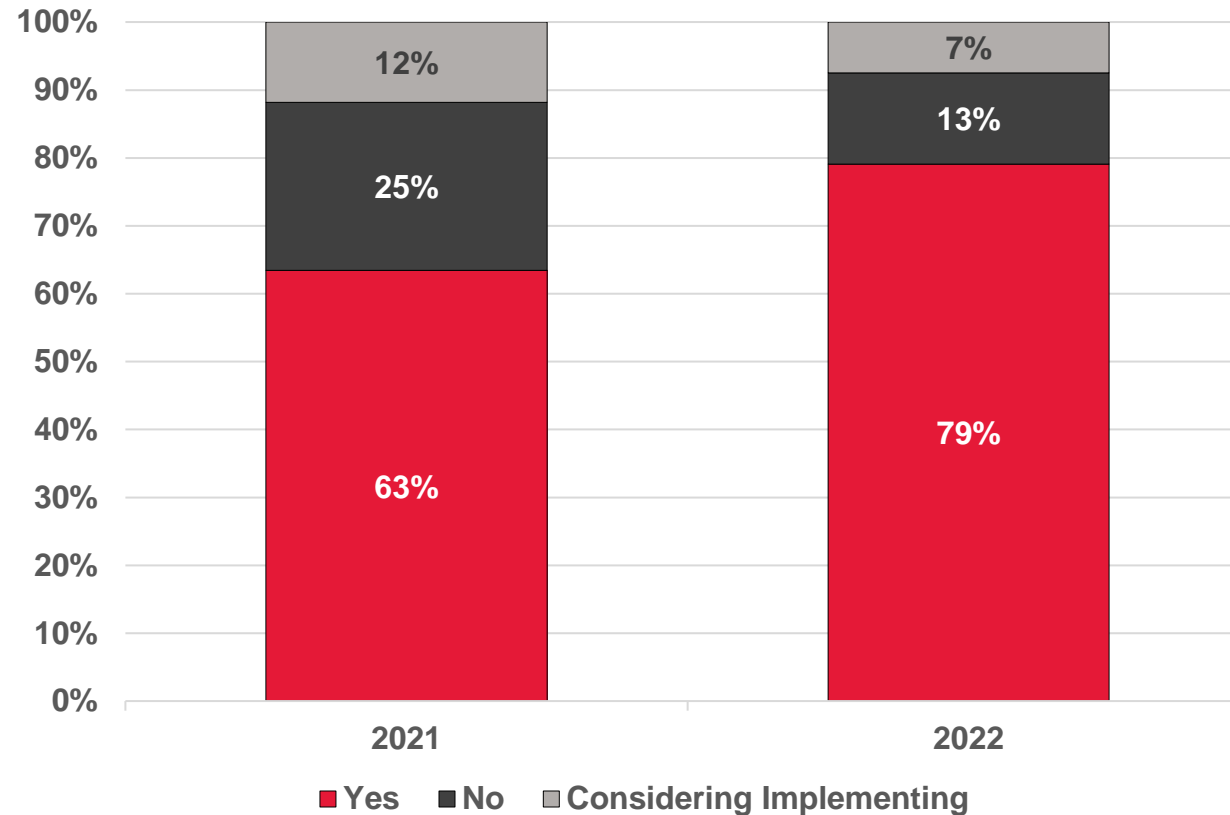
Comments:

- We do monitor and provide annual objectives on diversity hiring.
- Company has this philosophy embedded in its culture and processes.
- Focus on gender diversity.

Staff and Recruiting

Which of the following staff and recruitment programs and initiatives does your company utilize...

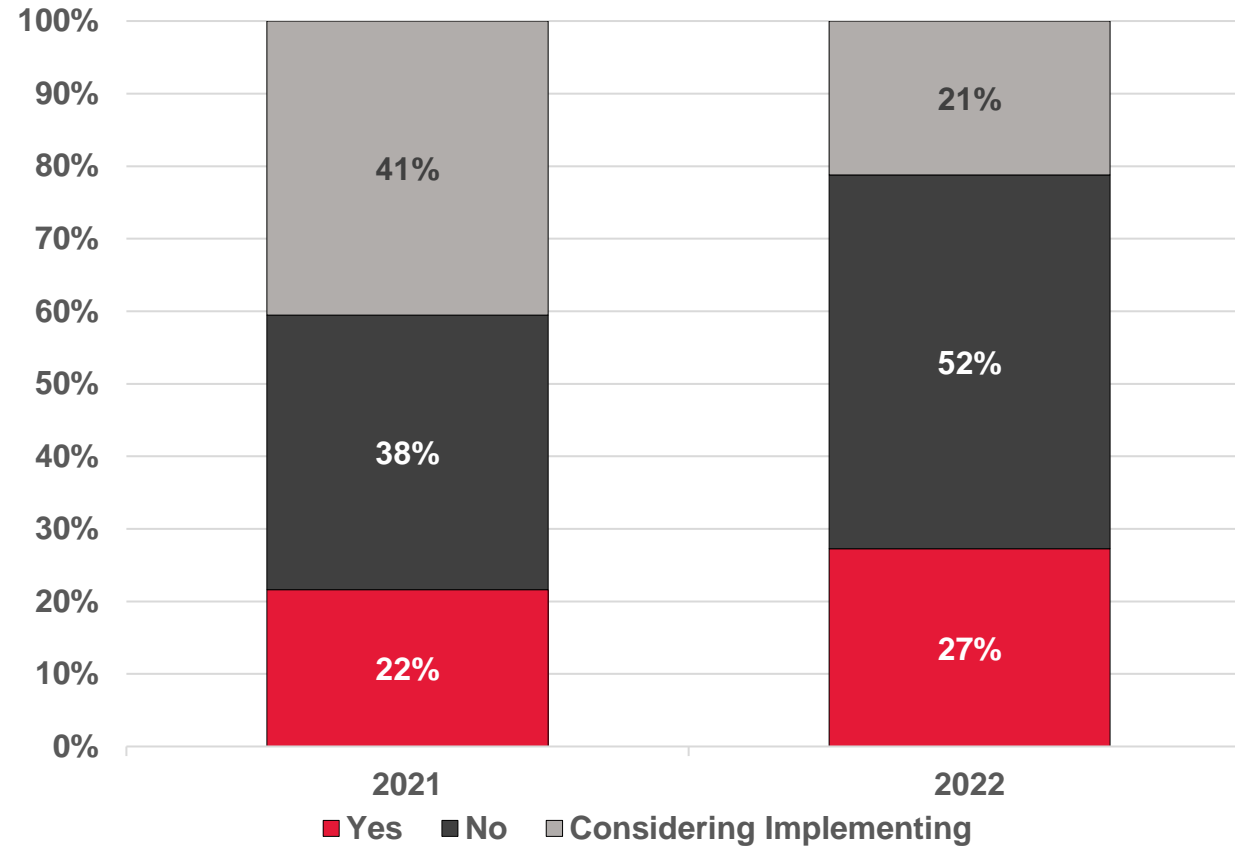
Leadership development programs for high potential staff



Staff and Recruiting

Which of the following staff and recruitment programs and initiatives does your company utilize...

Leadership performance goals related to DE&I activities



■ Yes ■ No ■ Considering Implementing

Comments:

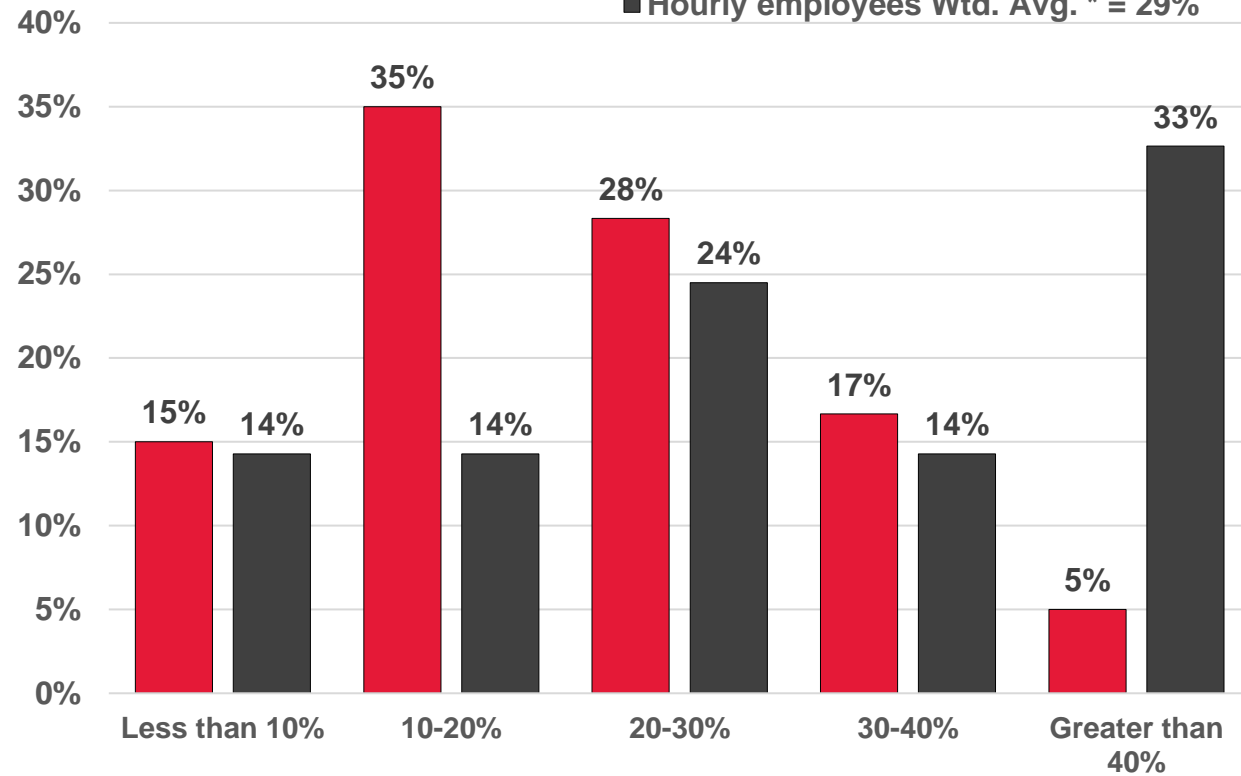
• Not sure



Staff and Recruiting

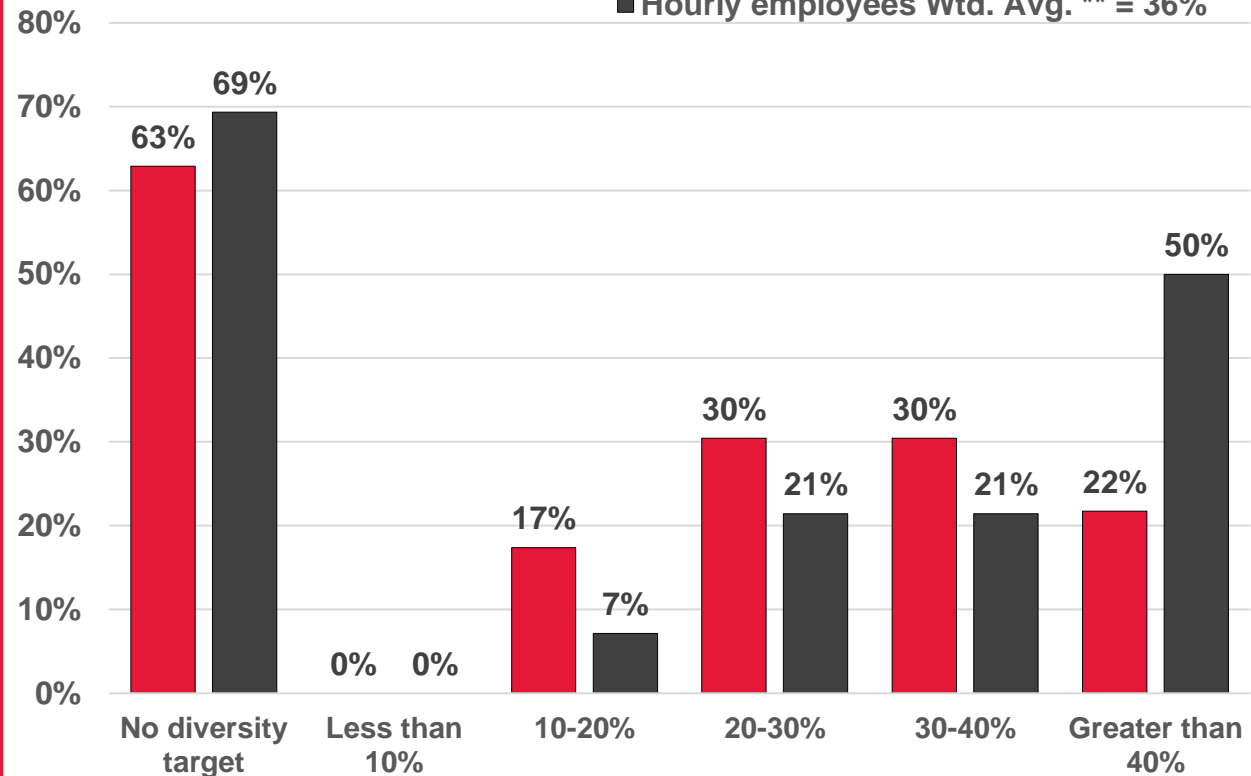
What percentage of your high potential staff is diverse?

■ Salary employees Wtd. Avg. * = 21%
 ■ Hourly employees Wtd. Avg. * = 29%



What is your target diversity percentage for your leadership team?

■ Salary employees Wtd. Avg. ** = 31%
 ■ Hourly employees Wtd. Avg. ** = 36%

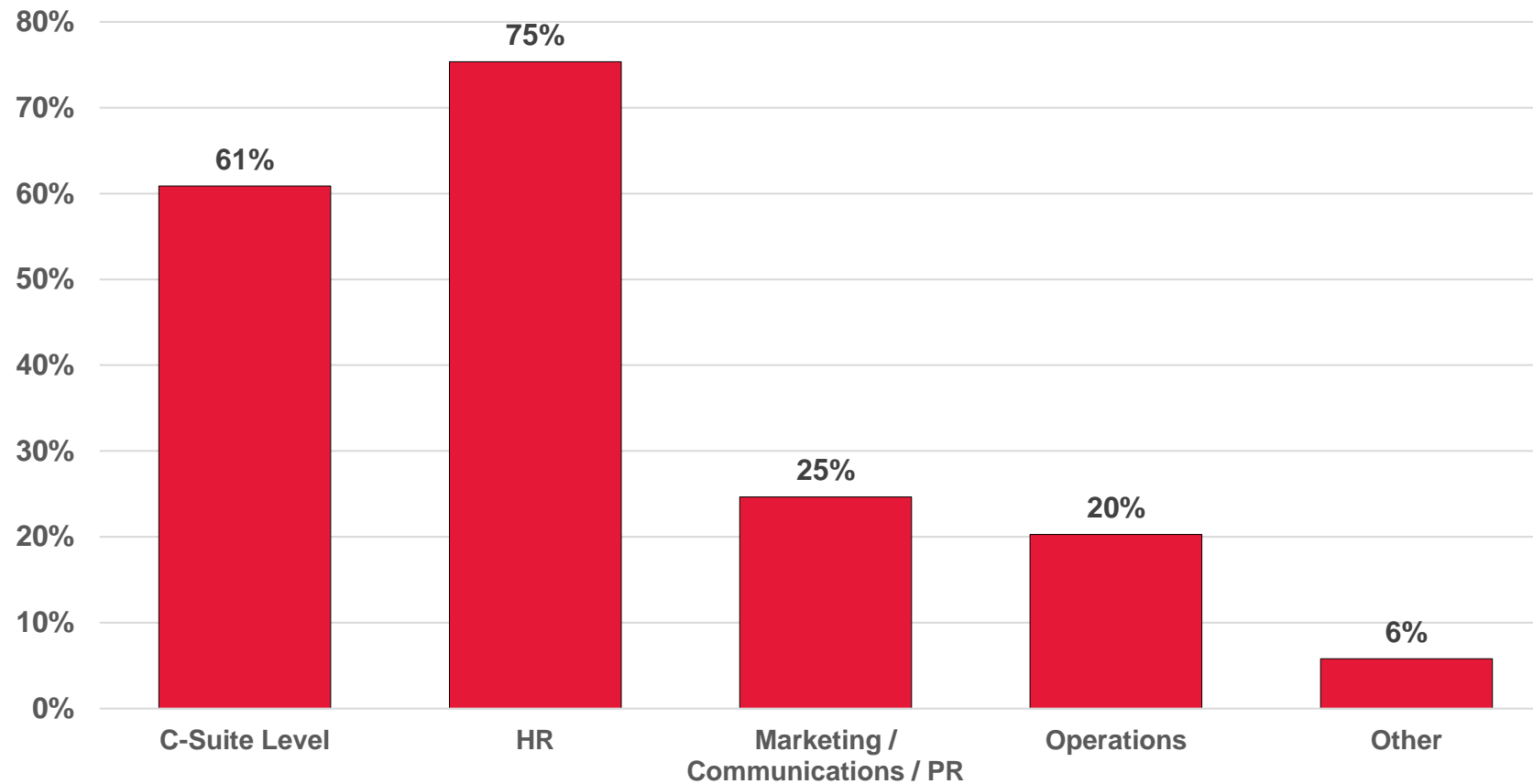


* Assumes mid-point of each range, >40% = 45%

** Assumes mid-point of each range, >40% = 45%, excludes "No target" responses

Staff and Recruiting

Which internal stakeholders drive DE&I in your organization?



Other:

- DEI Council
- Sales
- None
- Combo or HR & C-Suite

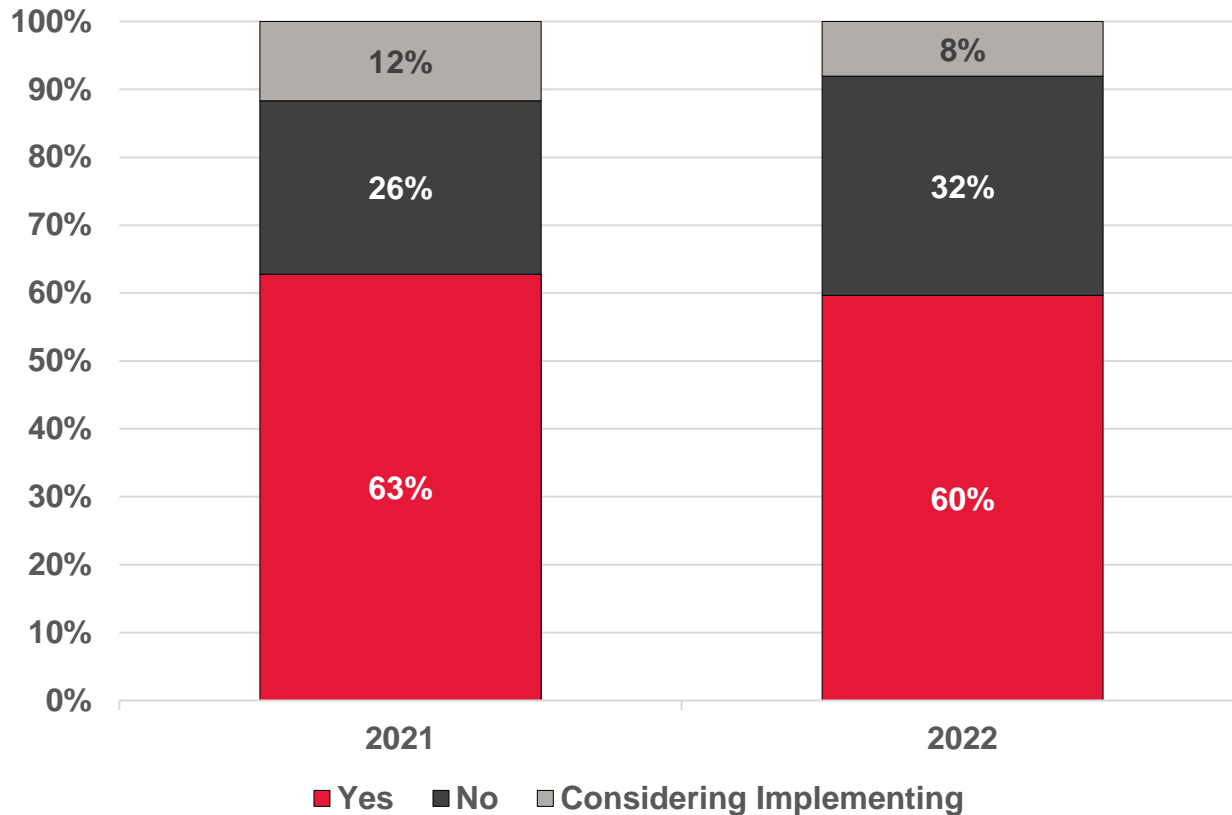


RESOURCES AND OPPORTUNITIES

Resources and Opportunities

Which of the following employee resources and opportunities does your company offer...

Celebrating or recognizing cultural or religious diversity



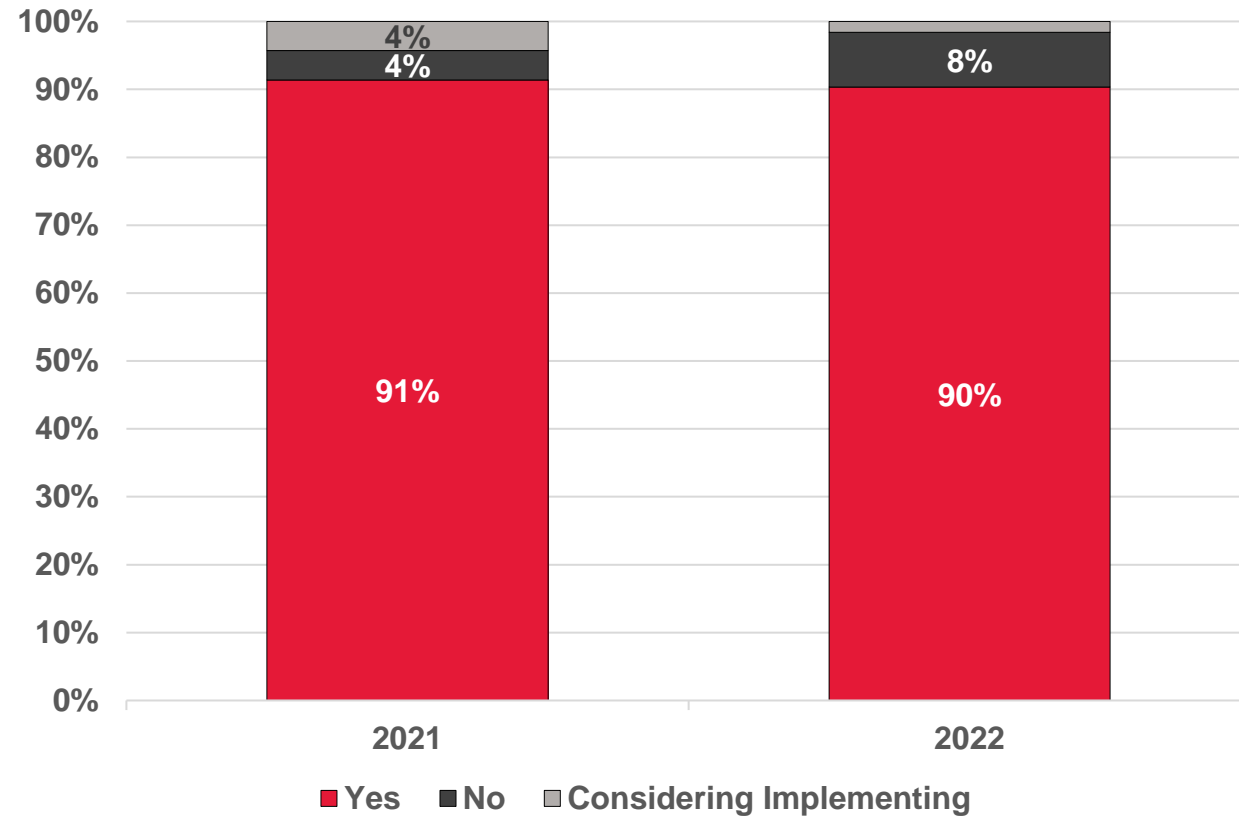
Comments:

- Added Juneteenth to our holiday schedule. Each month on intranet, highlight a cultural or diversity page/theme.
- Partially achieved through active membership in various organizations, as the Company is an MBE.
- Company newsletter featuring Cultural Corner - Celebration of holidays and various topics celebrating diversity and inclusion for Global Group Companies
- Monthly newsletter

Resources and Opportunities

Which of the following employee resources and opportunities does your company offer...

Flexible work environment



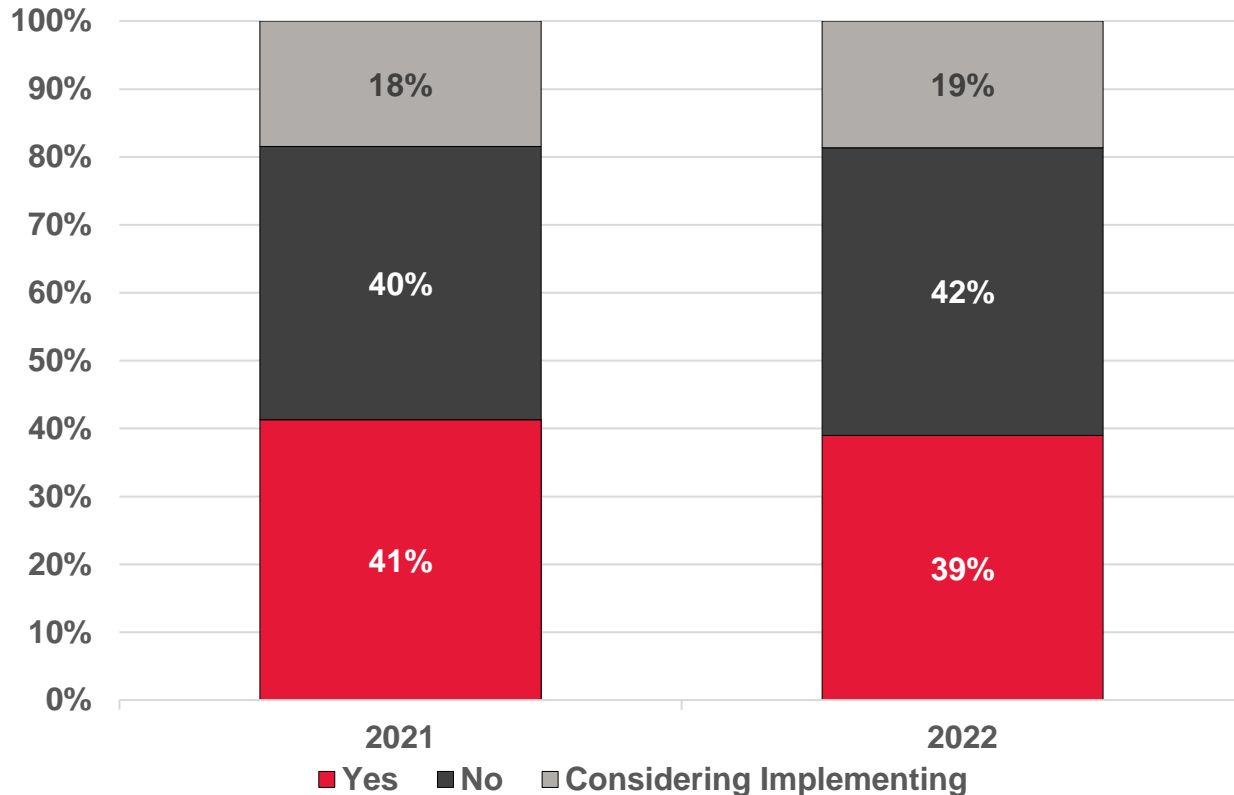
Comments:

- Flexible hours- work 9 hours, 4 days a week, and 4 hours on the remaining day. For salaried, Hybrid Work- min 3 days in office per week.
- Hybrid work policy launched for 2 days / week remote work where possible.
- Hybrid flexible schedule - allowing 2 days remote where possible for job function.
- Remote work / flex hours

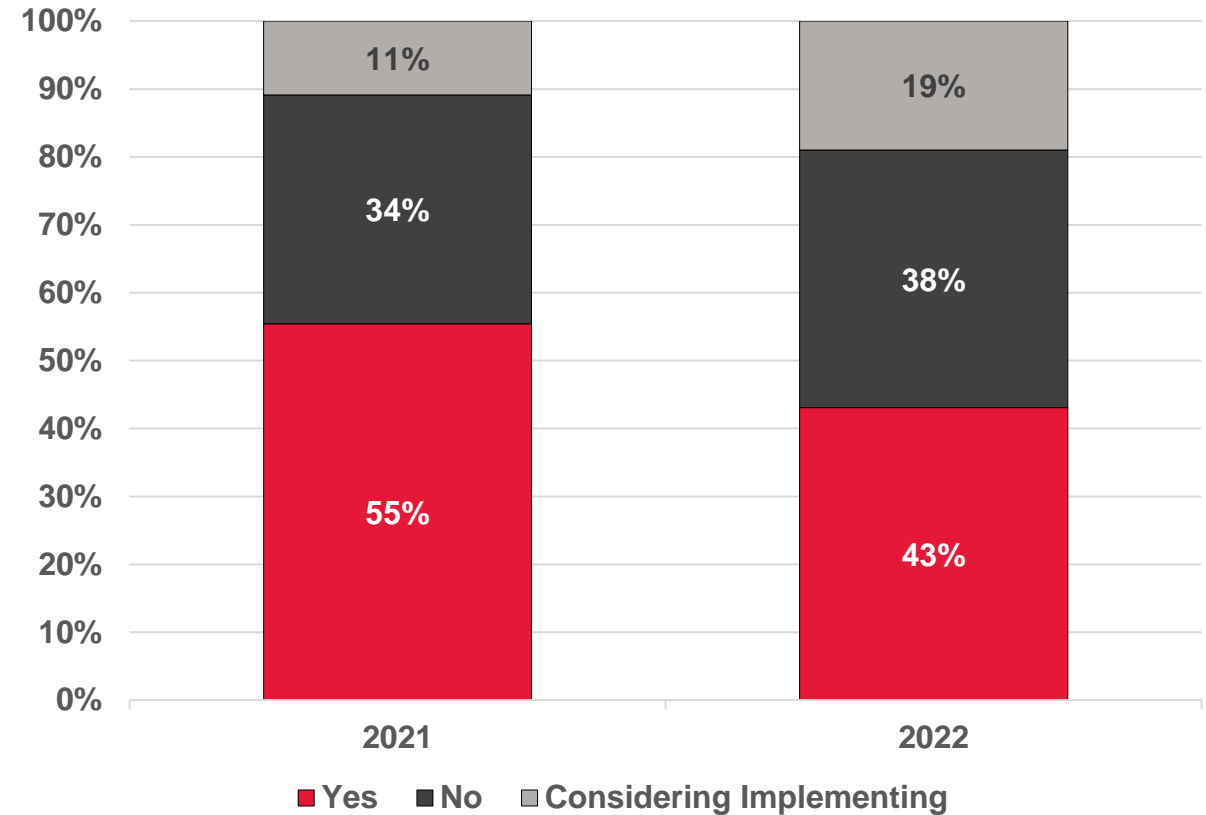
Resources and Opportunities

Which of the following employee resources and opportunities does your company offer...

Employee volunteer programs for DE&I



Employee resource groups (ERGs)



Comments:

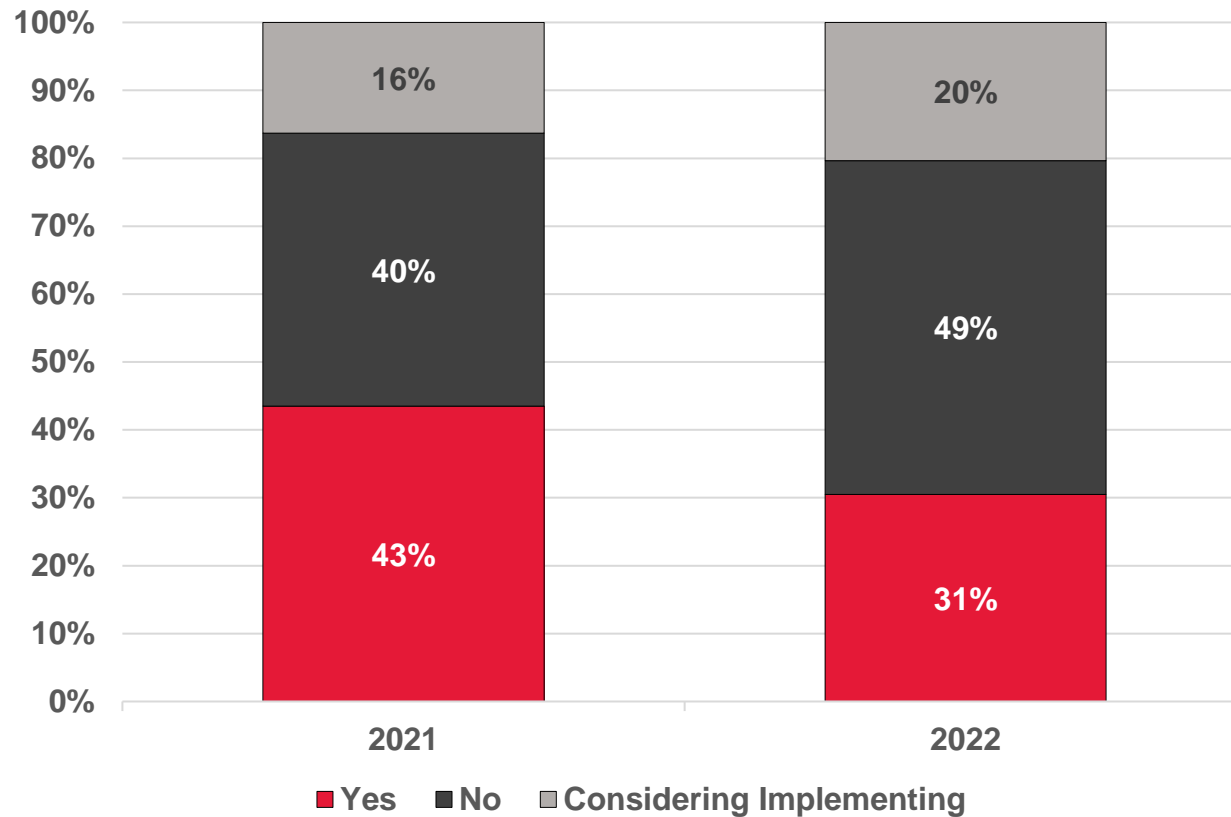
- Volunteer day (paid) offered to all employees to volunteer for the organization of their choosing.
- Local plant/facility teams



Resources and Opportunities

Which of the following employee resources and opportunities does your company offer...

Employee resource groups with executive sponsors



Resources and Opportunities

How do your company's ERGs communicate internally and collaborate with one another?

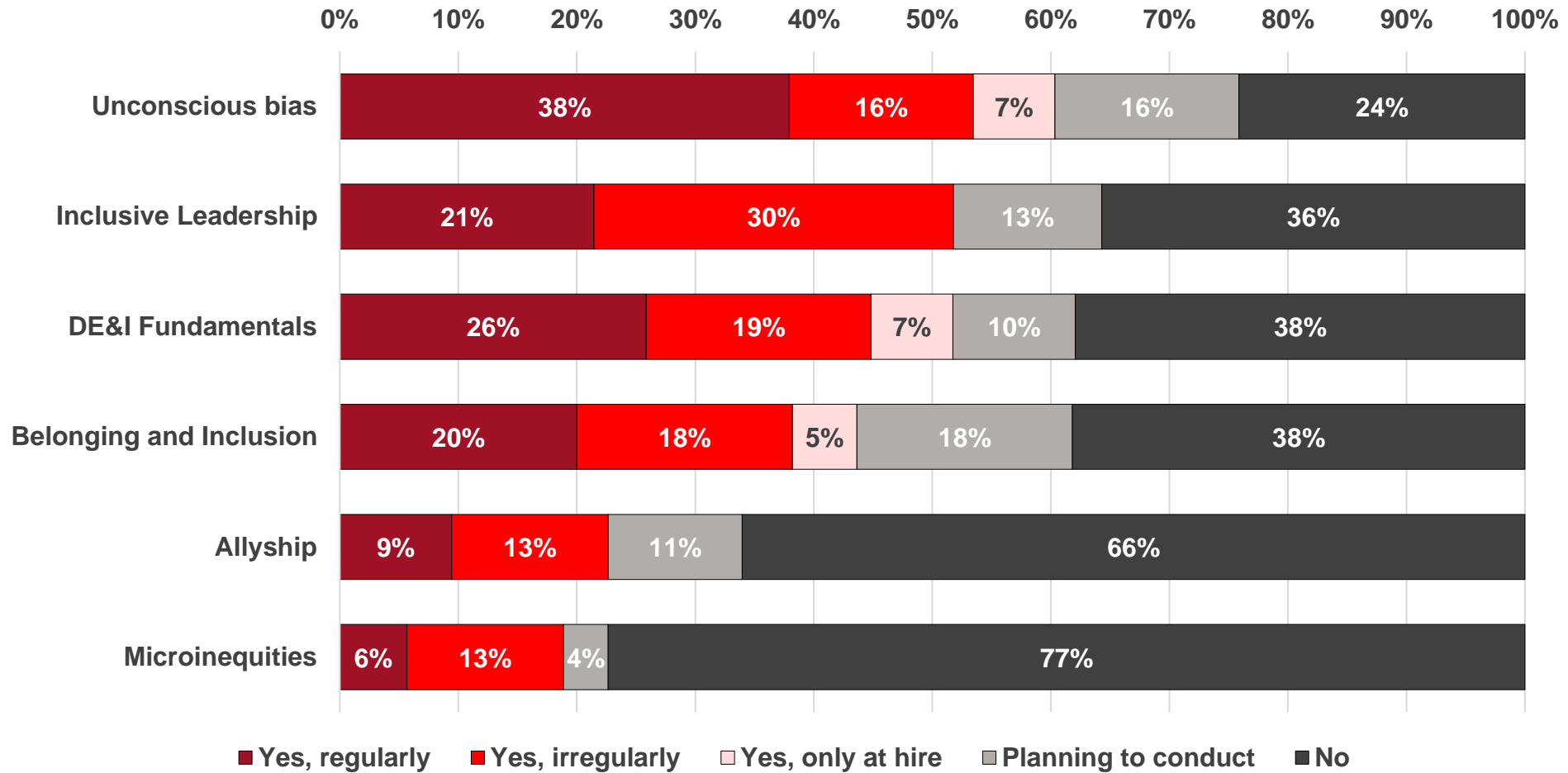
Engagement

- Monthly meetings with sub committees driving proposed actions. We launched a monthly DEI message to be communicated to all team members (done similarly with monthly safety message).
- There are cross ERG round tables to share across the ERGs
- We currently only have one Global BRG, they have a leadership team composed my members from the group from different countries, areas and backgrounds, and one of this role is Marketing and Communications, they have monthly sessions, have an online collaboration site and hold Global Webinars to learn more about certain topics and have workshops
- We really just have a Women ERG active right now.
- Virtual committee
- Microsoft TEAMS
- Via de DEI team
- The new DE&I Council is working to implement all of the above.
- N/A, however the management team meets weekly to foster strong communication on business and other topics.
- Monthly steering committee meetings and regular opportunities to network.
- Informal
- We are just getting ERG's organized within our company

- They don't - we do not have active ERG's at our company

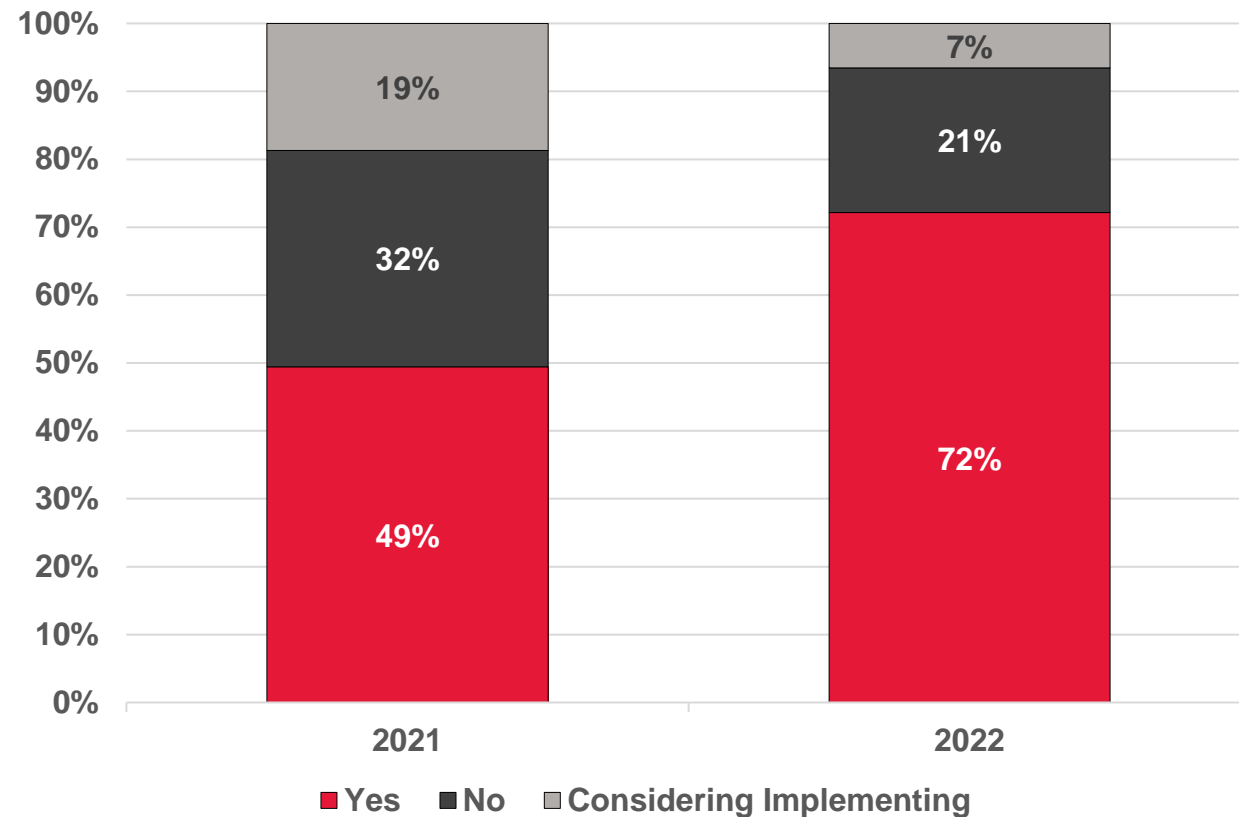
Resources and Opportunities

Does your company conduct training for any of the following topics?



Resources and Opportunities

Does your company offer a comprehensive remote work policy



Comments:

- Hybrid model with 3 days / week in the office
- Company had maintained a flexible work from home policy (with limited WFH days however) prior to Covid-19, and expanded that throughout Covid and afterwards.
- We are a 1 plant manufacturing company. The work is done at the plant.
- Can, depending on need
- Expectation is that salaried team is on site to support hourly workforce as we are a manufacturing facility. Management understands needs for hybrid work and works on case-by-case basis, alternative work hours, etc. but remote work isn't available for our business.
- Allowing flexibility. Guideline of 2 days remote / week where possible to perform remotely.



DE&I WINS AND THE FUTURE

DE&I Wins and Moving Forward

What was your biggest DE&I win over the past year?

Talent Development

- Leading our Women in the Workplace ERG
- Continuing to maintain a highly diverse (but small) workforce with extremely low turnover.
- Supporting and celebrating women.
- We integrated our Global Community of D&I Champions and all of them are championing local efforts in their Regions and also developing key initiatives like a Leadership program for our Female talent in the successors pipeline, Mentoring programs, etc. Also, we launched a Global BRG for female talent, including 130+ members and allies from our 15 countries that are working on initiatives focused on well-being, leadership, talent and community
- Expanded ERGs
- Increase in women in leadership roles
- 2 major promotions
- Promotion of two women into mgt positions
- Engagement among our women team members to participate in an ERG to support their career development and personal needs

Leadership Commitment

- Acknowledgement at the Board of Director level that we need a strategy.
- Establishment of a DE&I Strategy and implementation of a DE&I Council
- Adding DE&I to our corporate strategy
- Engagement of the organization in the topic including the resources from Leadership to set up a global DEI team
- Board diversity at 50%
- The agreement to implement and populate a NA DE&I Council with a chairperson.
- Executive Leader talking about how his learnings (in a TownHall) have changed him and how he was in denial before
- Moving facility closer to main customers



DE&I Wins and Moving Forward

What was your biggest DE&I win over the past year?

DEI Learning, Awareness and Communication

- Awareness
- Establishing committees
- Getting a council set up
- Monthly DEI messaging communicated to all team members through email and site display monitors.
- Implementing a DE&I Committee made up of employees passionate about the topic.
- Have pushed the boundaries of communicating about DE&I topics.
- Ongoing and planned communication regarding DE&I topics.
- Implementing an online awareness training program
- Employee Satisfaction Survey results with Sense of Belonging
- Formalized committee startup
- Expansion of the Company Newsletter with Cultural Corner



DE&I Wins and Moving Forward

What one thing would help your company move forward more quickly on DEI goals and initiatives?

Talent Development

- Having a diverse slate of applicants for our job postings.
- More candidates applying for key positions
- More woman and diversity candidates in the market
- Limited talent pool results in less selectivity when hiring candidates.
- More qualified diverse candidates

Leadership Commitment

- CEO allyship and inclusive behavior
- Having a full-time management level leader for DE&I with allocated budget and written commitment.
- More senior level buy-in
- Additional Board support

Strategy

- Setting a strategy
- Ability to benchmark strategies against peer group
- Define better targets and goals
- Common platform for reporting

Resources

- Resources
- Larger talent pool
- Dedicated team and structure to DEI
- Dedicated headcount to DEI
- Fund the program more aggressively and hire the right people
- A dedicated internal resource
- Allocation of a requested budget
- There are two: time and people. Within the current business conditions, we need to focus on efforts to sustain the business, which has caused us to lay off staff.
- A dedicated DE&I resource to drive activities across the enterprise.

- N/A - this philosophy is embedded in company culture, as the company is a privately-held MBE organization.

Appendix



MEMA DE&I Barometer is a survey of the top executives of MEMA regular member companies. MEMA DE&I Barometer measures the direction of the suppliers' twelve-month DE&I progress from MEMA's four divisions; AASA, HDMA, MERA, OESA. In addition, it provides a detailed overview of industry benchmarks, DE&I initiatives, and future guidance of the automotive supply base. www.mema.org

CADIA was launched in 2017 with the idea that diverse talent had long been overlooked and undervalued in the automotive industry. CADIA set about to create avenues of success for people of all diversity dimensions in automotive by providing professional development opportunities.

In 2019, CADIA reinvented itself as a mission-driven, member-oriented organization to provide Diversity, Equity & Inclusion tools, networks, insights and practical advice to companies in the auto-mobility space. <https://www.automotivediversity.org/>

Survey Methodology

- Data collected September 8 – November 10 via invitation to online survey.
- Executives of MEMA supplier companies.
- 69 complete survey responses were received.

The information and opinions contained in this report are for general information purposes. Comments are edited only for spelling and may contain grammatical errors due to their verbatim nature. Responses to this survey are confidential. Therefore, only aggregated results will be reported, and individual responses will not be released or shared.

Antitrust Statement:

Respondents/participants should not contact competitors to discuss responses, or to discuss the issues dealt with in the survey. It is an absolute imperative to consult legal counsel about any contacts with competitors. All pricing and other terms of sale decisions and negotiating strategies should be handled on an individual company basis.

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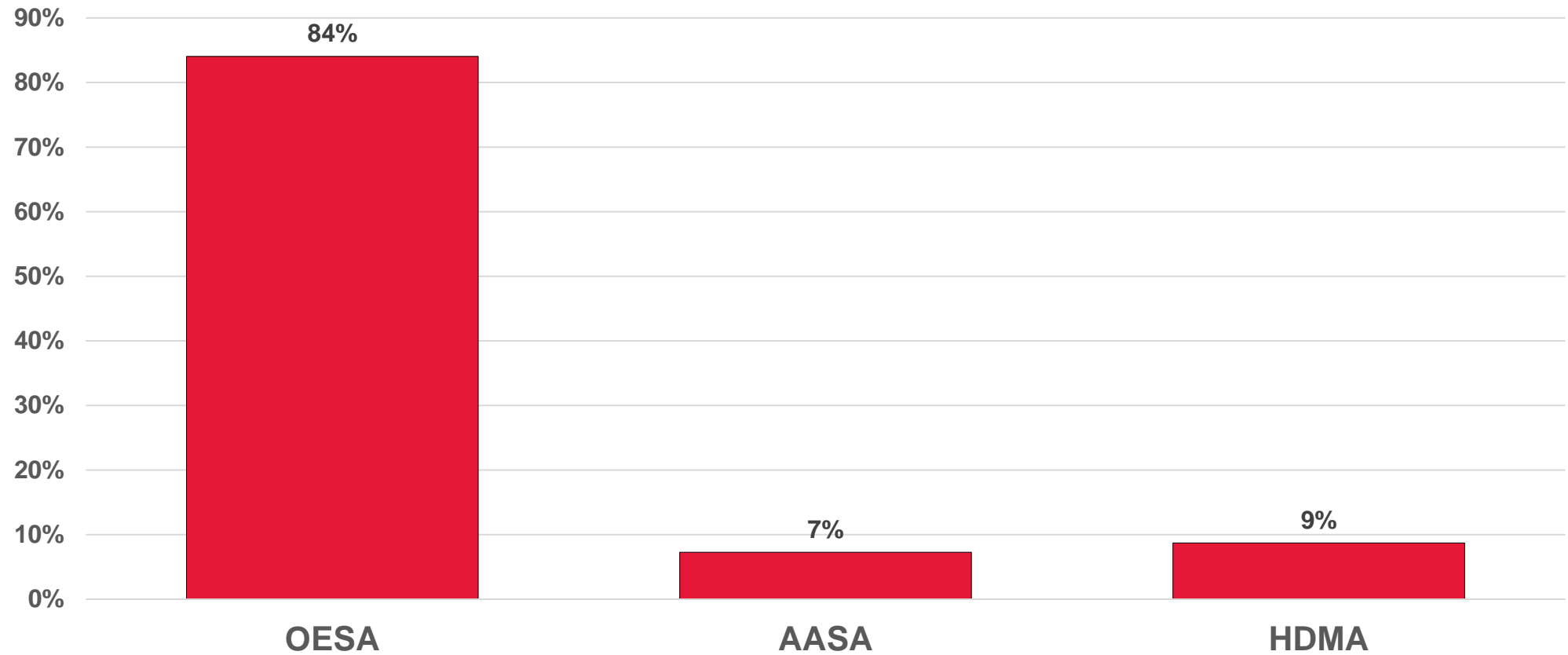
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Response Demographics



69 responses





MEMA 2022 DIVERSITY, EQUITY AND INCLUSION BAROMETER