



# Corporate Sustainability Report 2024



THE MISSION

# Growth Powered by People.

Driven by our employees and preferred by our customers, Lithia & Driveway is the leading automotive retailer in each of our markets.

OUR VALUES

## The fuel behind Lithia & Driveway



### Earn Customers for Life

Create welcoming and trustworthy experiences for our customers.



### Improve Constantly

Champion one another's growth to achieve more together.



### Take Personal Ownership

Enjoy the freedom to make the right choices and own our results.



### Have Fun!

Connect as a team through celebration, positivity, passion, and purpose.

Leading the modernization of personal transportation solutions **wherever, whenever, and however** consumers desire.


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# A Message from Bryan

## Driving a Sustainable Future

As Lithia & Driveway continues to maximize store potential and optimize operations, we recognize the importance of sustainability as a factor in our future success. That's why we embrace six sustainability goals that focus on improving our environment, facilities, employees, and communities.

To *Improve Constantly*, we strive to consume resources respectfully throughout our organization, increase sustainable-vehicle knowledge and sales, create a supportive culture, and give back to our communities.

The 2024 Corporate Sustainability Report details our goals and highlights how we are working hard to make a positive difference with resources, such as GreenCars and Lithia 4Kids, and with employee programs, such as DART and the Lithia & Driveway Partners Group (LPG).

By providing transparency in reporting our sustainability practices and efforts, we demonstrate to ourselves and our industry the need and benefits of measuring our impact on the land on which we live, work, and play. Similarly, we're mindful of keeping our work environments inclusive, efficient, and fun.




### Green Growth Powered by People!






**Bryan DeBoer**  
President & CEO

Our corporate sustainability goals align with our core values to fuel our commitment towards a carbon-neutral future.





### ENVIRONMENTAL GOALS

-  **Increase GreenCars on the Road**
-  **Operate Sustainable Stores**
-  **Extend Vehicle Lifecycles**

### SOCIAL GOALS

-  **Strengthen Our Communities**
-  **Maximize Employee Health, Wellness & Safety**
-  **Champion a High-Performance, Diverse & Inclusive Culture**

### CORE VALUES

-  **Earn Customers for Life**  
Create welcoming and trustworthy experiences for our customers
-  **Improve Constantly**  
Champion one another's growth to achieve more together
-  **Take Personal Ownership**  
Enjoy the freedom to make the right choices and own our results
-  **Have Fun!**  
Connect as a team through celebration, positivity, passion, and purpose



ENVIRONMENTAL GOAL

# Increase GreenCars on the Road

As a global automotive retailer with a unique customer ecosystem, Lithia & Driveway (LAD) holds a strong position to drive the adoption of more sustainable mobility options, including electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs). With our vast inventory and expert team members, we're working hard to meet the needs of those consumers who are interested in reducing carbon emissions via their personal transportation choices.



That's why we created **GreenCars**—a dedicated digital resource that provides free, easy access to information about zero-emission and hybrid vehicles. This go-to, one-stop website offers its visitors a variety of tools, articles, and motives to learn **EV**erything about sustainable cars:

1

### A Passionate Vision

GreenCars is advancing the zero-emission evolution by accelerating the acceptance of sustainable vehicles through education, interaction, and marketing. We believe in taking care of our planet, strengthening local communities, and setting a green example.

2

### Tailor-Made Education

Website visitors can find informative and intuitive resources—such as industry expert articles, a buyer's guide, and a current EV news blog—to help them navigate the sustainable mobility landscape.

3

### Simple Buying Experience

GreenCars partners with Driveway, our e-commerce platform, to help consumers purchase their favorite green car wherever, whenever, and however they desire.

4

### Real-World Resources

Consumers can compare EV models, calculate personalized EV incentives, and locate nearby EV-charging stations.

GreenCars is a leading advocate for sustainable transportation and a trusted source for EV sales and information. As such, GreenCars positions Lithia & Driveway as the market leader in sustainable vehicle education, online and in-person, wherever people research and shop.



SPOTLIGHT

## GreenCars at the Electrify Expo

Electrify Expo is North America’s largest electric vehicle (EV) festival featuring over one million square feet of the world’s top electric brands. It’s the premier event for EV enthusiasts, industry professionals, and everyday consumers eager to explore the future of mobility. In 2024, the Electrify Expo completed an eight-city national tour of the United States—and GreenCars was at each stop.



### What GreenCars Showcased

The GreenCars Team worked hard to offer expo attendees a special, in-person opportunity to experience the latest in EV technology, while also offering valuable tools and resources to educate them about sustainable transportation and simplify their transition to electric vehicles. The GreenCars Team offered an educational, interactive experience to expo attendees that featured the following:

#### Wide Variety of EVs from LAD Dealers

From eco-friendly sedans to high-performance sports cars, GreenCars displayed a diverse collection of electric vehicles, including models that aren’t often seen at other events. Our expo lineups featured electric vehicles for all types of drivers—family-friendly SUVs, luxury sedans, and even electric motorcycles and bikes. By partnering with local LAD dealerships near the various venues, GreenCars brought vehicles from top manufacturers and emerging brands that represent the future of transportation. Select LAD dealers were on-site to offer expert insights, helping attendees make informed decisions about their next EV purchase.

#### Hands-on Experience

Attendees had the chance to get behind the wheel of unique models, explore their interiors and exteriors, and ask questions about the EV experience. Whether they were new to electric vehicles or seasoned owners, our team guided visitors through every detail—from range and charging capabilities to performance and eco-friendly materials.

#### The Latest Technology

Beyond the vehicles themselves, GreenCars highlighted the latest in EV technology, including advanced battery systems, autonomous driving features, smart car integrations, and sustainable manufacturing practices. We believe understanding the technology behind EVs is just as important as experiencing them firsthand.

## GreenCars Tools Explained

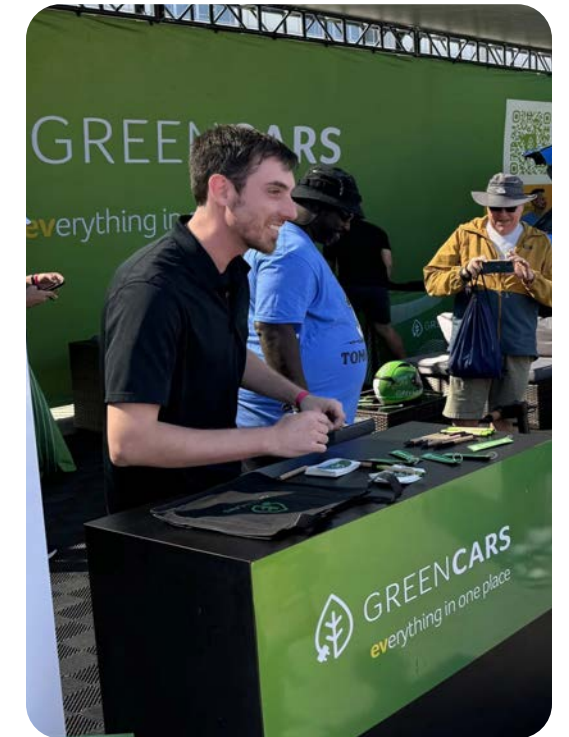
At each Electrify Expo stop, we educated the public about sustainable transportation and provided them with tools to simplify the EV-adoption process. Here are three important online tools we shared with expo attendees:

**1 GreenCars Buyer’s Guide**  
The GreenCars Buyer’s Guide serves as an essential resource for anyone considering the switch to an electric vehicle. The guide provides detailed, up-to-date information on available EV models, comparing features, range, and pricing to help consumers make the best decision for their needs. Attendees could explore the guide online or take home a printed version for easy reference.

**2 EV-Charging Network**  
As part of our commitment to supporting EV owners, GreenCars featured an interactive tool on our website that maps out charging stations across the country. This tool is designed to help new and existing EV drivers find the nearest charging locations and plan their long-distance trips with ease, ensuring that they feel confident in their ability to stay charged and on the road.

**3 EV Incentive Tool**  
To further empower attendees, GreenCars exhibited our EV Incentive Tool, which allows consumers to see available government rebates, tax incentives, and local promotions that could reduce the upfront cost of purchasing an EV. This tool helped visitors better understand the financial incentives available to make their transition to EVs more affordable.

**Fast Fact** | In 2024, Lithia & Driveway completed over **100 EV-charger projects**—bringing the total number of EV-charging ports at LAD locations across North America to **1,414**. In the United Kingdom, our locations host **831** EV-charging ports.



### The Road to a Sustainable Future

The GreenCars Team was honored to be a part of Electrify Expo and had the incredible opportunity to share the excitement of the electric vehicle revolution with thousands of attendees.

From groundbreaking technology to stunning designs, the future of driving is electric! GreenCars is proud to help shape that future.

SPOTLIGHT

## Local EV Employee Training

In addition to educating and inspiring consumers, GreenCars also drives EV and PHEV training for our workforce, which increases their knowledge and confidence regarding sustainable vehicles, ultimately boosting sales. In 2024, the GreenCars Team launched a new training initiative to start taking EV education directly to the stores in the form of on-site training events, as illustrated next.



**Dane Taylor**  
Regional Operations Trainer, North-Central Region  
15 Years with Suburban Group (Troy, Michigan)

### Can you briefly explain the GreenCars–Suburban employee educational event?

The GreenCars Team traveled to Michigan in 2024 and hosted an event that ran groups of sales consultants through a variety of different training modules on all things EV and PHEV—from charging options to servicing and selling EVs. I cohosted one of the training modules that focused on teaching sales consultants how to properly qualify an EV customer by asking them certain questions; for example, how many miles per day they drive (instead of asking about their annual driving habits, like we traditionally do with internal-combustion-engine customers).

We also instructed our sales consultants on how to use the GreenCars website effectively to educate themselves (and their customers) on EV incentives, product knowledge, and EV-charging information. To help close a deal on an EV, we discussed how the lower cost of ownership of an EV offsets the higher monthly payments and the best practices on home EV-charging.



## Local EV Employee Training

### What were some benefits of the EV event you hosted?

Our team members left with more confidence in their ability to ask the right questions, the right way, to a potential EV or PHEV buyer. They also felt like they would have an easier time overcoming potential objections for cost and understanding the different incentives for EVs/PHEVs, as well as more confidence when talking with customers that may suffer from range anxiety.



### Advice to Improve Constantly

Think more like an NFL team: **Practice playbook basics** regularly to master them. **Watch “game films”** to review monthly performance high/lowlights. **Try out new plays** to get better.

**Dane Taylor**, Regional Operations Trainer



### Fast Fact

In 2024, the monthly unique visitors at GreenCars.com grew to nearly 1 million—**up 48%** when compared to 2023.



ENVIRONMENTAL GOAL

# Operate Sustainable Stores

At Lithia & Driveway, we're committed to deploying sustainable store practices and technologies that boost profitability while reducing our carbon footprint across our network. To support this focus, LAD leaders and team members are encouraged to *Take Personal Ownership* of decisions and energies that result in leaner, greener store operations.

To help everyone follow a more sustainable path in the workplace, we provide an internal **Store Sustainability Resource Center** that offers tactics and tools to support our environmental goals.

To *Improve Constantly*, we're committed to encouraging, and investing in, key actions and projects that prioritize renewable energy adoption, energy efficiency, and waste management.



**Fast Fact**

In 2024, Lithia & Driveway's stores brought projects like LED lighting upgrades, on-site solar, and other energy efficiency measures under contract that will **save approximately 2.7 million kWh of energy annually.**

SPOTLIGHT

## Store Sustainability Strategies & Solutions

To operate more sustainably, store leadership has the flexibility and expertise to decide which strategies below work best for their facilities and locations. Across our vast retail network—from Bay Area Airstream Adventures to Stratstone BMW Milton Keynes (in England, p. 14) and from Doral Kia (in Florida) to Seattle BMW (p. 12)—all stores have their unique role in driving towards a sustainable future.

### Energy Monitoring & Management

- Install and maintain real-time energy monitoring systems
- Use data insights to identify and act on energy-saving opportunities
- Review performance trends to support energy-efficiency improvements

### Smart Controls Integration

- Implement smart HVAC and lighting controls that adjust based on certain conditions
- Standardize use of automated building management systems

### Plug Load Control Measures

- Install plug controls and smart outlets to reduce energy use in equipment
- Conduct regular audits to identify plug load savings opportunities

### Preventive Maintenance & Repairs

- Perform regular inspections and maintenance of energy-critical systems
- Ensure timely repair of energy-intensive operational equipment

### Mechanical System Upgrades

- Transition to energy-efficient mechanical systems (e.g., HVAC systems)
- Prioritize replacements during renovations or scheduled upgrades

### Renewable Energy Integration

- Install on-site solar generation systems where feasible
- Design systems to allow for future battery storage to manage demand and improve resiliency

### EV-Charging Management

- Monitor and manage EV-charging infrastructure to reduce peak demand charges
- Implement load balancing or timed charging protocols to align with off-peak utility hours

### ENERGY STAR Certification

- Pursue ENERGY STAR certifications for buildings (see page 15)
- Benchmark performance annually and target continuous improvement

### Waste Management & Recycling

- Develop a plan that prioritizes recycling and landfill diversion
- Negotiate recycling-inclusive waste contracts with service providers

### Water Conservation

- Install water-reclamation and smart-irrigation systems to optimize water use
- Utilize landscaping with native or drought-tolerant plants

SPOTLIGHT

## Saving Electrical Energy

Energy management is good management of an easily measurable resource. At Lithia & Driveway, one key priority we encourage across our store network is to save electricity through easy, no-cost measures to ones involving low to medium investment, such as lighting, heating, or energy-control updates.

Our real estate and facilities teams are standing by to assist store partners with opportunities to reduce energy consumption. For 2024, Lithia & Driveway committed to **18 energy-efficiency update projects in North America**, two of which are featured next.

### BMW Seattle

Seattle, Washington (US)

#### Energy Project:

Through a pilot program focused on low and no-cost energy conservation measures, Lithia & Driveway installed plug load controls and optimized thermostat setpoints at BMW Seattle.

#### Positive/Future Impact:

Real-time energy monitoring allows us to measure these initiatives' impact. Pending results, we anticipate expanding successful measures across our network in the coming years.



**Fast Fact**

Our stores saved over **\$300,000** from completed energy-reduction projects in 2024.

### DCH Toyota of Torrance

Torrance, California (US)

#### Energy Project:

DCH Toyota of Torrance decided to upgrade the lighting in its customer-facing areas, replacing outdated fluorescent and metal halide fixtures with energy-efficient LEDs.

#### Positive/Future Impact:

The project is expected to save the dealership over \$30,000 annually with energy consumption reduced by more than 70,000 kWh per year. This project also enhanced the store's interior and exterior quality of lighting, improving the overall customer experience:



BEFORE Lighting Upgrade



AFTER Lighting Upgrade



**Fast Fact**

In 2024, Lithia & Driveway's total committed investment in energy-reduction programs through collaborating with our stores totaled over **\$4.8 million**.

SPOTLIGHT

## Going Solar

Because our dealerships consume substantial amounts of electrical energy, the ability to generate that electricity on-site has the potential to reduce our energy expenses as we lessen our relative carbon footprint. Thus, we're investing in solar panels in select stores throughout our network.

Solar panels are a natural fit for automotive retail because our facilities' large, flat roofs are conducive to bi-facial panels that can:

- Make more efficient use of rooftop space, thus increasing energy production per square foot, and
- Take advantage of reflective energy to further increase efficiency.

In addition, many of our North American stores enjoy plenty of longer days of sunlight than most. Therefore, going solar provides an ideal starting point to roll out on-site energy generation. In 2024, Lithia & Driveway committed to five solar projects, two of which are featured next.

### Stratstone BMW Milton Keynes

Milton Keynes, England (UK)

#### Energy Project:

Stratstone BMW Milton Keynes successfully completed the installation of 814 solar panels at its facility, marking a significant step towards operating more sustainably.

#### Positive/Future Impact:

The new solar system is projected to generate over 300,000 kWh of clean, renewable energy annually—reducing the store's reliance on conventional power sources. Within six months of the system becoming operational, Stratstone Milton Keynes BMW had already saved more than £49,000 in energy costs.



### DCH Toyota of Torrance

Torrance, California (US)

#### Energy Project:

DCH Toyota of Torrance took its sustainability efforts to the next level by pursuing an on-site solar installation. With support from LAD, the dealership invested in a 330 kW-DC solar panel system, which was installed on the roofs of the service and showroom buildings.

#### Positive/Future Impact:

This system is expected to generate nearly 500,000 kWh of renewable energy each year, offsetting more than 75% of the dealership's energy consumption and providing an estimated \$60,000 in annual energy savings.



SPOTLIGHT

## ENERGY STAR Certification



At Lithia & Driveway, we encourage stores to *Improve Constantly* with facility updates and ENERGY STAR certification. To be certified as ENERGY STAR, a building must meet strict energy-performance standards.

For automotive businesses, ENERGY STAR certification is based on a 1–100 score that compares a business's energy use to similar businesses. The US Environmental Protection Agency (EPA) collects the data—on building characteristics, energy use, and water use—that determines a dealership's score. To achieve ENERGY STAR certification, a dealership must attain a score of over 75.

### LAD's ENERGY STAR–Certified Stores

In 2024, the following six dealerships attained ENERGY STAR certification—the **largest number of stores out of any dealership group in the United States!**



**Acura of Sherman Oaks**  
Sherman Oaks, California



**Honolulu Volkswagen**  
Honolulu, Hawaii



**DCH Tustin Acura**  
Tustin, California



**Island Honda**  
Kahului, Hawaii



**Honolulu Ford**  
Honolulu, Hawaii



**Suburban Ford of Sterling Heights**  
Sterling Heights, Michigan



ENVIRONMENTAL GOAL

# Extend Vehicle Lifecycles

Our business positions us to provide products and services throughout our customers' entire vehicle-ownership lifecycle by facilitating trade-ins, maintenance, and resales to ensure vehicles are reused and retain value. At Lithia & Driveway, **value autos** (vehicles with over 80,000 miles) play an integral part to our sustainability business model. By offering refurbished vehicles and affordable servicing options, customers gain access to reliable transportation at a lower cost, and we promote increased sustainable mobility.

Other green components of our vehicle processes reside within the service/office facilities across our network and include maximizing service retention; recycling solvents, oils, and tires; and using water reclamation systems.



**Fast Fact**

In 2024, we initiated the consolidation of waste partners wherever feasible—a strategic effort aimed at enhancing visibility into our waste streams and improving our reporting processes.

With hundreds of locations across North America and the United Kingdom, Lithia & Driveway is well-positioned to have a positive environmental impact by selling more sustainable (green) vehicles, such as electric and hybrid vehicles. In addition, we're in a strong position to sell more value autos to customers not in the market for new or green cars.



## SPOTLIGHT

### Promoting Value Autos

In 2024, the Lithia & Driveway retail network sold over 72,000 value autos and serviced countless others, extending their lifecycles on the road. To illustrate this important part of our sustainability strategy, we'd like to feature one of our top-performing dealerships in value auto sales.



**James Reifenrath**  
**General Manager**

31 Years with Wilde Honda (Waukesha, Wisconsin)

#### What makes your store so successful in selling value autos?

Our approach to selling value vehicles has been a cornerstone of our success. We believe that if a vehicle is mechanically sound and offers significant remaining mileage, we have a responsibility to provide it as affordable transportation for our customers.

This philosophy has cultivated long-term relationships with many customers beginning their journey with a value vehicle and later transitioning to new or certified pre-owned vehicles.

Additionally, some return to purchase value vehicles for their children and grandchildren, further reinforcing their trust in our dealership.

#### How can other store leaders improve their used car sales?

I'd emphasize the importance of being mindful of the entire process and the financial benefits value vehicles bring to the dealership during the reconditioning process.

As a former used car manager, I quickly learned that value vehicles are fast-moving and generally do not cause inventory inversion, as their depreciation curve has already stabilized.

I'd also encourage fostering collaboration between the pre-owned and service departments. While both departments aim to optimize their results, it's essential to prioritize what's best for the dealership and the customer.



#### Advice to Earn Customers for Life

Not every customer can afford a new or a late-model used car. For those customers, **value autos offer solutions** for a first-car purchase, a change in life's circumstances, or a critical step in securing employment. Whatever the reason, value autos help **increase market share and build loyalty.**

**James Reifenrath**, General Manager, Wilde Honda



SOCIAL GOAL

# Strengthen Our Communities

The desire to strengthen community engagement and help others runs deep throughout our entire organization. Nearly every one of our more than 400 stores and corporate locations participate in or sponsor charitable events that can range from advocating for youth to helping defeat cancer. Because many of our team members live within the communities we serve, we often support nonprofit initiatives that are unique to their city or region.

As one of the largest global automotive retailers, our giving efforts are substantial. While we wish we could feature every community campaign that our stores and teams have supported in 2024, we're excited to highlight some stories that are representative of our commitment to social sustainability wherever, whenever, and however we are able.



**Fast Fact**

In 2025, Lithia & Driveway will be launching a quarterly companywide focus on nonprofits to **boost our giving power** and **build collaborations with charities**, such as Special Olympics, SkillsUSA, and The American Cancer Society.

SPOTLIGHT

## Expanding Donations

Lithia & Driveway's unique management framework grants local managers the freedom to make frontline business decisions that work best for their customers, markets, and teams. This independence is evident in how stores choose to execute their giving-back efforts, as seen with Priority Toyota Springfield. In 2024, this store raised \$147,000 in donations and decided to spread those monies across 13 charities.



## Expanding Donations



**Matthew Bibbo**  
**Multi-Store General Manager**  
 6 Years with Priority Toyota (Springfield, Virginia)



### Why did your store decide to donate to 13 different nonprofits?

We aimed to spread our contributions across the community to support as many organizations as possible. Typically, we provided donations in \$10,000 increments to ensure we could make a meaningful impact across each organization.

### Are there any causes that are especially important to the store and the employees?

We're in a community with a strong military presence, and many of our employees are veterans who have deeply personal connections with certain organizations.

Their stories and recommendations often guide our decisions to support specific charities. Also, many of us are parents, so when the opportunity arose to support a children's cancer center in Washington, DC, the decision to help was unanimous.

### Why is community giving important to the store and the employees?

Giving back to our community and supporting amazing charities has truly been one of the highlights of my automotive career. It's been an incredible blessing to see how our contributions help organizations that work tirelessly to make a difference—whether it's for military veterans, animals in need, children battling cancer, or young people aspiring to serve their country.



### Advice to Take Personal Ownership

Our commitment to community giving is more than donations—it's about being part of a **network of hope and care** for those who need it most.

**Matthew Bibbo**  
 General Manager, Priority Toyota



## SPOTLIGHT

## Supporting Children's Health

The Porsche Minneapolis & St. Paul stores have established a partnership with St. Jude Children's Research Hospital headquartered in Memphis, Tennessee. Since 1962, St. Jude has been leading the way the world understands, treats, and defeats childhood cancer and other life-threatening diseases. Through extensive donor support, no family is ever charged for the cutting-edge treatment at St. Jude.



**Bill Dunne**  
**Multi-Store General Manager**  
 14 Years with Porsche Minneapolis & St. Paul (Minnesota)

### Why did your stores choose to support St. Jude Children's Research Hospital?

Several years ago, we took the initiative to unify our charitable giving behind one cause to make the biggest impact. We sent a survey out to all staff members and requested feedback and ideas of charities that meant the most to them—the overwhelming response was to focus our efforts on supporting children's health.

### Why is community giving, in general, important to the stores and employees?

Team members really enjoy the feeling of taking part in something bigger than themselves, and raising awareness for St. Jude, because the hospital not only helps the kids in Minnesota but kids around the world.

### Can you explain more about being awarded St. Jude's "Emerging Partner of the Year"?

The annual "**Emerging Partner of the Year**" award is given to a relatively new corporate partner that has demonstrated significant commitment and success in fundraising and awareness efforts for the hospital, typically recognizing their rapid growth in supporting St. Jude's mission.

In 2024, our Porsche Minneapolis & St. Paul stores earned this award in recognition of an 83% increase in donations year over year. The total Porsche Community Support—which included store events, client donations, and a JDC-Miller MotorSports partnership—totaled over \$500,000!

In addition, for the second year in a row, we were the Presenting Sponsor of the annual St. Jude Moments of Courage Gala, where staff, families, and donors celebrate the resilience and unwavering spirit of the hospital's community. Every dollar raised at the gala brings us closer to a world without childhood cancer.



## Supporting Children’s Health

### What is the “St. Jude Macan,” and why is it important in your community engagement?

When I attended a recent Partner Summit at the St. Jude Children’s Research Hospital in Memphis, Tennessee, I learned about how creativity plays an important part throughout the healing process of St. Jude’s young patients. Taking this insight back to our marketing team, we came up with the idea of bringing patient artwork to life by “installing” it on a brand-new, white Porsche Macan—as a symbol of partnership and inspiration.

As part of this project, we covered the entire vehicle in a clear film, which created the perfect blank canvas. We then encouraged St. Jude supporters to write their own messages, draw pictures, and share how St. Jude has positively impacted them.

The **St. Jude Macan** gave us the opportunity to show our support and educate employees and customers about why this charitable cause means so much to us at Porsche Minneapolis & St. Paul.



### Advice to Take Personal Ownership

We’re proud of our partnership with St. Jude and hope to inspire others to be **courageous, creative, and generous**. Help us find cures and **save children**—everywhere!

**Bill Dunne**, Multi-Store General Manager, Porsche Minneapolis & St. Paul

## SPOTLIGHT

## Partnering with Communities & Charities

Connecting with the communities where we live and work is a core pillar of Lithia & Driveway’s social sustainability outlook. When we stand shoulder-to-shoulder with our neighbors, we cultivate strong bonds, build bridges, foster teamwork, and *Have Fun!*—as illustrated in the following examples from across our network in 2024.

### Special Olympics Oregon’s Polar Plunge

#### Community Project:

In an ongoing effort to support local youth, 33 Oregon-based dealerships participated in the Special Olympics Polar Plunge fundraiser. The Polar Plunge event involves supporters jumping into cold-water lakes, rivers, and swimming pools during the winter months to raise awareness and donations for Special Olympics.

#### Positive Impact & Future Aspirations:

Because of our store teams’ enthusiastic participation, we raised and donated over \$90,000—which contributed to nearly 4,000 athletes getting the opportunity to reconnect with Special Olympics Oregon. In 2025, we plan on implementing a companywide campaign to encourage more stores to “take the plunge” for Special Olympics.



### Fast Fact

According to the Special Olympics Oregon Gratitude Report, the Polar Plunge donations, among other program milestones, helped over 1,000 athletes, partners, and coaches travel to the state’s Summer Games in Corvallis, Oregon, where “**countless smiles** and **memories to last a lifetime**” were made.

## American Cancer Society’s “Men Wear Pink” Campaign

### Community Project:

In October, dozens of employees participated in—and more than 70 Lithia & Driveway dealerships donated to—the U.S. Northwest Golf Tournament for the American Cancer Society to benefit breast cancer research.

For the second year in a row, Matt Sidman, our U.S. Northwest Fixed Operations Director and an ambassador for the American Cancer Society, hosted the “Men Wear Pink” event in Springfield, Oregon.

### Positive Impact & Future Aspirations:

Together, our dealerships donated more than \$100,000 to the American Cancer Society’s “Men Wear Pink” campaign.

To build on momentum for this campaign in 2025, we will have one American Cancer Society ambassador in each U.S. LAD region driving efforts to raise more funds for breast cancer research.



## Lithia 4Kids Grant Program

### Community Project:

The guiding pillars of the Lithia 4Kids mission is to educate, advocate, support and strengthen the youth in and around the communities we serve.

Each year, the Lithia 4Kids Grant Program offers monetary grants to U.S. 501(c)(3) nonprofit organizations engaged in helping youth in those communities.

### Positive Impact & Future Aspirations:

Lithia 4Kids has awarded nearly \$200,000 in grants to children-focused organizations across the country. Our online 2025 grant application process begins in November at lithia4kids.com.

**Advice to *Have Fun!***

“
 We make **giving back a priority** and are dedicated to supporting programs that enrich the lives of children and their families and **help our communities thrive.**

**Brittany Osterhout**  
 Community Relations Manager  
 Lithia & Driveway



## SkillsUSA & Technical School Partnerships

SkillsUSA is a national, workforce-development nonprofit organization with a mission to empower students to become skilled professionals, career-ready leaders, and responsible community members.

To champion its mission, SkillsUSA partners with industry professionals to help educate and train students on-site, as well as through local, state, and regional competitions. In turn, industry partners take an active role in producing a pipeline of career-ready students for their respective operations.



### Community Project:

Last year, Lithia & Driveway (LAD) became a general partner for five SkillsUSA state programs—Alaska, Oregon, Idaho, Montana, and Washington—helping bridge the gap between education and industry to empower student success. LAD's expertise, support, and resources help to drive innovative programs, engaging events, and real-world experiences in the automotive technical arena.

Additionally, LAD dealership leaders serve as state technical chairs for these five states, helping organize and conduct the regional and state-level competitions and recruiting LAD team members to be judges for the competitions.

Clearly, we support the automotive service-related competitions, which follow guidelines published by the National Institute for Automotive Service Excellence (ASE), the leading organization that certifies automotive professionals.



## SkillsUSA & Technical School Partnerships

### Positive Impact & Future Aspirations:

In addition to helping hundreds of U.S. students develop professional skills with hands-on competitions, our SkillsUSA partnership has facilitated growing partnerships with regional trade/technical schools throughout the Pacific Northwest, and beyond.

In 2024, these educational partnerships resulted in LAD hiring more than 300 auto technicians from across the country. With some of these trade school partnerships, we have been able to introduce manufacturer-specific programs in addition to the school's regular automotive curriculum.



In 2025, we plan to expand technical school partnerships to help **foster the automotive tech leadership of tomorrow.**





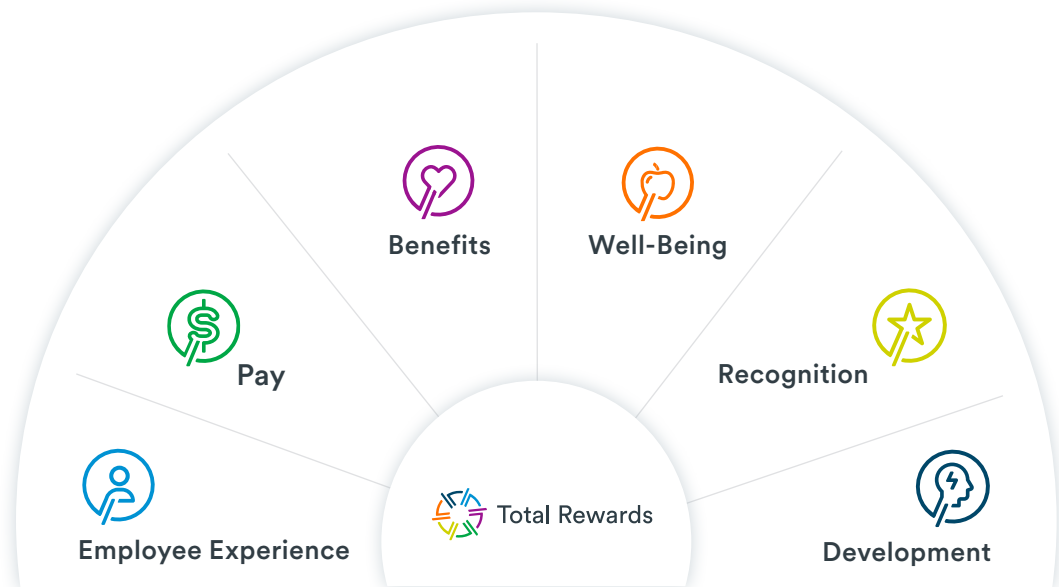
SOCIAL GOAL

# Maximize Employee Health, Wellness & Safety

The health, well-being, and safety of our thousands of team members is paramount to our mission, *Growth Powered by People*. From our service techs and sales staff to our store leadership and support services, we strive to nurture a workplace where employees feel engaged, valued, and inspired.

## 1 Total Rewards

We celebrate employee contributions at Lithia & Driveway with **Total Rewards**, which elevates their employment experience by empowering their healthcare needs, increasing financial security, and providing opportunities for professional development. As an industry leader, we deliver competitive, comprehensive total rewards in six categories that go the distance:



**Fast Fact**

In 2024, through its Total Rewards' Wellness Bonus Program, Lithia & Driveway **awarded \$1,088,650 to over 4,200 employees.**

## 2

### “Best Dealerships to Work For” Program

We encourage our stores in the United States and Canada to participate in the annual *Automotive News* **Best Dealerships to Work For Program**, which recognizes new-car dealerships that create exceptional employee work environments, despite industry and economic challenges.

To determine its Top 150 honorees, *Automotive News* works with an independent research group to measure dealership workplace satisfaction. This group administers confidential employee surveys—which represent 80% of a dealership’s overall score—and the in-depth questionnaires completed by general managers.

Every year, *Automotive News* magazine selects the Top 150 “Best Dealerships to Work For” for their ability to create a positive work environment for their employees. In 2024, 16 of our U.S. stores made the Top 150 overall rankings.

### LAD’s 2024 U.S. “Best Dealerships to Work For” Honorees

#6	Lithia Hyundai of Fresno Fresno, California	#96	BMW of Freehold Freehold, New Jersey
#31	Audi Millburn Maplewood, New Jersey	#100	Kia of North Austin Austin, Texas
#56	CDJR of Calallen Corpus Christi, Texas	#104	Suburban Mazda of Farmington Hills Farmington Hills, Michigan
#58	Audi Fort Lauderdale Fort Lauderdale, Florida	#113	DCH Montclair Acura Verona, New Jersey
#62	DCH Academy Honda Old Bridge, New Jersey	#116	Audi Oxnard Oxnard, California
#79	Audi Coral Springs Coral Springs, Florida	#142	Centennial Hyundai Las Vegas, Nevada
#87	CDJR of Corpus Christi Corpus Christi, Texas	#143	Wesley Chapel Toyota Wesley Chapel, Florida
#94	Tampa Honda Tampa, Florida	#148	Porsche Monterey Seaside, California

SPOTLIGHT

## Building Strong Workplaces in the US



We celebrate all of our U.S. stores who ranked as one of the "Best Dealerships to Work For" in 2024—with special recognition for **Lithia Hyundai of Fresno (California), which achieved the highest-ranking at 6th place.** We'd also like to feature one of our stores that made the top 100 rankings.



**Anthony Luna**  
General Manager

33 Years with CDJR of Calallen (Corpus Christi, Texas)



**Why do you think you were named a "Best Dealerships to Work For" honoree?**

I think it's the positive, caring culture of the store. I believe our employees enjoy coming to work because we provide daily training and coaching in career and life.

You must truly care for your employees, and they have to know you care for them.

**What are some company benefits that you think employees appreciate the most?**

Affordable medical benefits, employee stock options, and autonomy of store leadership.

**Advice to Improve Constantly**

We talk about getting **1% better each day.** There are 1,440 minutes in a day, and 1% of that total is 14:40 minutes. So, for 14:40 minutes a day we pursue improvement—however it evolves for each employee.

**Anthony Luna**  
General Manager, CDJR of Calallen



SPOTLIGHT

## Building Strong Workplaces in Canada



In 2024, two of our Canadian stores made the Top 20 overall rankings. We're excited to spotlight one of those two best dealerships here.



**Kenneth Li**  
General Manager

2 Years with Porsche Centre Markham (Markham, Ontario)



**Why do you think you were named a "Best Dealerships to Work For" honoree?**

I'm fortunate to work with a team of managers whose philosophies align with mine. Business becomes easier when everyone agrees that our Guests come first and that the foundation of our success is built on trust and respect. This attitude quickly becomes culture among the entire team.

**What are some company benefits that you think employees appreciate the most?**

Every year, we have our Budget Race Car competition. Each dealership builds a budget track car, and we compete head-to-head in a series of time-attack events and drag racing. Everyone at the dealerships gets involved and gets behind their team. Hundreds of employees and their families spend the day together to cheer on their favorite team.

**Advice to Earn Customers for Life**

Look for **ways to "wow"** clients at every interaction and **empower employees** to resolve the customer issues they encounter. This mindset **creates loyalty** at the deepest level.

**Kenneth Li**, General Manager, Porsche Centre Markham

**Fast Fact** | **Pfaff Subaru**, located in Guelph, Ontario, was one of two stores in our Canadian network named as one of 2024's Best Dealerships to Work For, achieving **#18.**



SOCIAL GOAL

# Champion a High-Performance, Diverse & Inclusive Culture

We understand that a culture of belonging throughout all corners of the company fuels innovative solutions, invites personal growth, and promotes performance. That’s why we’re dedicated to finding avenues that sustain and grow a diverse and inclusive work environment in which employees can achieve their potential and thrive with others. This goal is core to our mission of **Growth Powered by People**.

To attract, develop, and retain loyal employees at Lithia & Driveway, we champion professional development programs that advance careers, and recognition programs that honor loyalty and high performance. Two programs accelerating these employee-centric goals include the following:

**1 The Lithia & Driveway Partners Group (LPG)**  
The LPG exists to recognize our highest-performing stores that maximize their profit potential and embody our four core values. Every January, we announce our LPG winners—either platinum, gold, or silver—after reviewing their Store Performance Scorecards. The LPG illustrates our decentralized business model by celebrating store leadership’s agency to make the decisions that work best for their customers and employees.

**2 The DART Program**  
DART is an internal, professional development program designed to offer motivated individuals—with a variety of educational and work backgrounds—a full-time employment opportunity to rotate through a broad range of corporate and operational functions at Lithia & Driveway. With DART, new hires can discover which position fits them best and pursue a pathway to becoming a high-performance team member and leader in their area(s) of expertise.

Our diverse, welcoming, and high-performance culture empowers individuals to *Take Personal Ownership* of their career at Lithia & Driveway and feel valued.

SPOTLIGHT

## Honoring High Performers

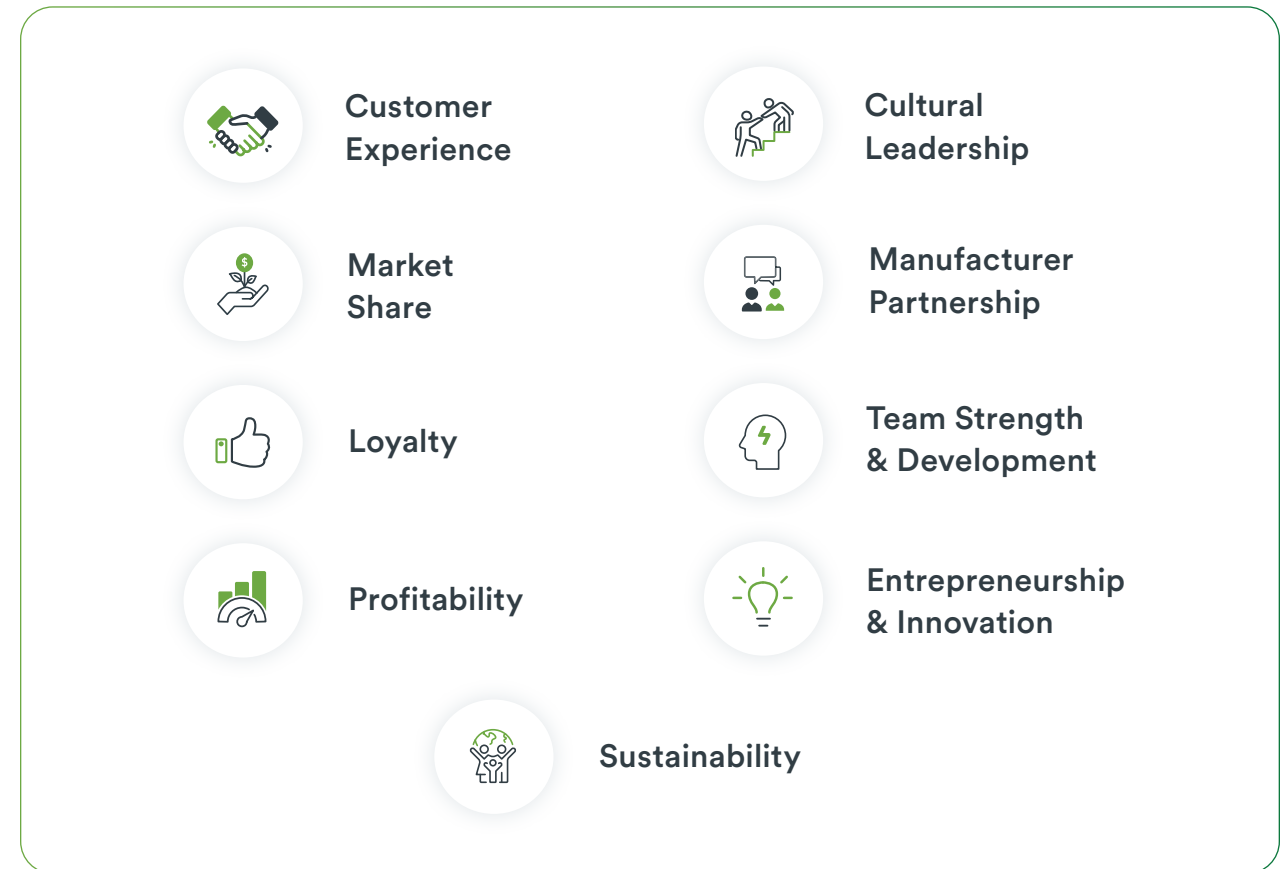
### Lithia & Driveway Partners Group

The Lithia & Driveway Partners Group (LPG) awards its prestigious membership to store department and general managers based on their outstanding performances in nine key considerations throughout the calendar year. In addition to these key considerations, department and general managers earn an LPG win—either a platinum, gold, or silver level—because of their ability to merge our four core values into everyday interactions.

In 2024, LPG expanded its eligibility scope to include general department managers, which will further strengthen our high-performance culture.

Next, we highlight two LPG winners to provide real-world insights into this unique leadership-recognition program.

### LPG’s 9 Key Considerations



# Honoring High Performers

## LPG Platinum Winner



**Mario Aguirre**  
**Multi-Store General Manager**  
 20 Years with Grapevine Honda (Grapevine, Texas)



### What are some benefits of being an LPG winner?

For me, it's the autonomy you earn by performing at a high level. This has ignited my entrepreneurial spirit to find ways to be successful at managing the store.

### How would you inspire others who wish to gain LPG status?

Use all the tools that Lithia and Driveway offers to make decisions. Embrace the company culture by living the company's core values daily.

### What are some ways that you create a healthy culture in your store?

I focus on keeping everyone productive, so each team member is achieving success.



**Fast Fact**

In 2024, **69** stores earned LPG status for their operational excellence and clear demonstration of our core values.



### Advice to Have Fun!

We always **find the wins and celebrate them** with the team.

**Mario Aguirre**  
 General Manager, Grapevine Honda



## LPG Platinum & Founder's Cup Winner



**Lisa De Vivo**  
**General Manager**  
 23 Years with Brunswick Toyota (Brunswick, New Jersey)



### What are some benefits of being an LPG winner?

The biggest benefits are the introductions and relationships I've built with some of the best performers in the company. The networking and brainstorming opportunities have been priceless. Once you achieve LPG status, you don't want to lose it. My dealership is a reflection of my efforts, and the energy I bring directly impacts team morale and departmental results.

### How would you inspire others who wish to gain LPG status?

Achieving an LPG year doesn't start on January 1. Rather, it's the result of strategic efforts that begin six months earlier, which include:

- Building your team,
- Outlining your vision for the upcoming year, and
- Ensuring that everyone is ready to hit the ground running on Day One.

Success isn't just about the general manager's plan—it also requires department managers to *Take Personal Ownership* of their goals and be fully committed to achieving them. Lastly, we never get too confident, because that's when you don't see your missed opportunities.

### What are some ways that you create a healthy culture in your store?

I maintain an open-door policy with all team members and focus on creating a winning, energetic atmosphere that's fun and motivating. I take the time to get to know my team members individually and coach them in ways that address their specific areas of opportunity, while newer team members are nurtured and given clear paths for growth. I also prioritize living and teaching Lithia & Driveway's core values to build a strong, cohesive culture.



### Advice to Improve Constantly

Constant improvement—whether it's learning from mistakes or fixing a broken process—is **essential for growth**. A happy, thriving employee contributes significantly to **team success**.

**Lisa De Vivo**, General Manager, Brunswick Toyota

SPOTLIGHT

## Inspiring Leadership with DART



**Diego Rojas**  
Program Manager of the DART Program  
6 Years with Lithia & Driveway (Medford, Oregon)

### How is DART helping people grow and succeed?

The rotational-scheduling aspect of the DART Program allows participants to experience different parts of the business, giving them a holistic view of how departments and stores uniquely and collectively contribute to our vision of meeting consumers wherever, whenever, and however they desire. They literally can begin to connect the dots on how we cultivate high performance and embody our core values from the very beginning of their career journey.

We also provide support and guidance as they navigate their career path and when they encounter roadblocks or detours along the way. Another distinct DART advantage is the opportunity to develop more relationships and friendships outside their direct work area, potentially leading participants to network their way into new career avenues.

### How is DART benefiting our culture of belonging?

DART hires people from all over the United States with diverse backgrounds and degrees, providing us with solutions and suggestions from different points of view and experiences.

At the stores, for example, we're experimenting with bringing in nontraditional automotive hires, with varying college degrees, to innovate and "think outside the industry" so we build loyalty and store potential.

At the Home Office in Medford, Oregon, we're focusing on computer science, data analytics, and marketing degrees. As we learn from these individuals, we *Improve Constantly* to help our talented teams excel in a welcoming workplace as we inspire the next generation of leaders and top performers.



### Advice to Take Personal Ownership

Lithia & Driveway gives you the opportunity to go as far as you want—**Unlimited Potential!**

**Diego Rojas**, DART Program Manager

## DART Initiatives to Strengthen Growth Powered by People

To bolster the DART pipeline, we're developing strategic university partnerships to educate students about DART's unique exploratory employment opportunity within the U.S. automotive industry. Additionally, in 2024, we launched a new rotational-training program at the stores called DART Ops.

### DART Partnerships: University of Oregon

As a Professional Edge partner at the University of Oregon, DART operates an eight-week program on data analytics for participating students.



To facilitate the DART educational goal of creating a comprehensive, data-analysis presentation, students are given relative data acquired by Lithia & Driveway and then asked real-world questions regarding business goals, such as increasing market share, increasing performance, and building customer loyalty. In addition to completing an in-depth data analysis, students also create a dashboard focused on electric vehicles (EVs) and GreenCars, our online sustainable education resource.

Once their projects are completed, students present their analyses and dashboards to leaders at the company's Home Office, giving them an opportunity to get valuable feedback and make strategic contacts.

### DART Ops: A Pathway to Management

DART Ops offers individuals a rotation schedule throughout a dealership's operations, giving them a well-rounded view of how departments interconnect—from accounting and F&I to sales and service/parts—at the beginning of their career journey.

In addition, DART Ops integrates participants with our Performance Management Team, so they learn how a data-centric approach can maximize store (and department) potential and promote high performance. As a result, DART Ops graduates are better-equipped to find a pathway to store management after completing their rotations. DART Ops is seeing initial success with strong store leadership buy-in, organic teamwork with participants, and an increased sense of loyalty.

## DART Success Stories

Since its inception in 2021, DART has graduated 55 participants who became integral team members in our mission, *Growth Powered by People*. We're excited to showcase three outstanding DART graduates who have excelled in Lithia & Driveway's omnichannel retail ecosystem.



**Kendall Curtis**  
**Program Manager of Learning & Development**  
1 Year with Lithia & Driveway (Tigard, Oregon)

### What has been your DART career pathway?

I started in human resources focusing on talent development and recruiting, and then I moved into program management through an internship.

### How has DART most benefited you?

The community and networking opportunities have been incredibly valuable, allowing me to connect with colleagues across the organization. Additionally, the flexibility to shape my career path through different rotations has enabled me to explore various roles and find my true passion.

### How did DART rotations help your skills?

I gained a range of skills, including technical expertise in program management, strong communication abilities for effective collaboration, and recruiting skills to identify top talent. Moreover, my management skills have been honed through leading projects, which is essential in my current role.



## DART Success Stories



**Giovanni Bottero**  
**DART Analyst**  
1 Year with Lithia & Driveway (Medford, Oregon)

### What has been your DART career pathway?

My DART Ops journey began in the sales department at Buick GMC of Beaverton (in Oregon) and then I moved into the service department at Medford Honda. In addition to these professional experiences at high-volume stores, I also worked at the Home Office, where I learned about performance management and networked with corporate leaders. I finished my DART Ops rotation training as a full-service advisor at Bend Honda.

### How has DART Ops most benefited you?

This program has allowed me to meet new peers and network across most dealership departments. I have learned so much from veteran leaders and expert team members who have shared their knowledge so I can accelerate my own career. Also, having had the chance to experience everyday store operations firsthand and learn from the performance analysts, I now have a better perspective on how store operations should correlate with the analytical view of a successful dealership. I'm more adept at understanding store reports and applying innovations to generate certain outcomes successfully.

### What inspired you to join DART Ops?

I was excited about the chance to be exposed to all aspects of a dealership, as well as some corporate-level departments. I have a continuous excitement to learn, and once inside a store, I wanted to learn about everything!

## DART Success Stories



**Angelo Marabello**

**DART Analyst**

1 Year with Lithia & Driveway (Medford, Oregon)

### What has been your DART career pathway?

I began in the dealership's business development center, where I learned the ropes before transitioning to the service department.

Next, I worked with the sales department. After undergoing sales training, I was given the opportunity to work on the floor, selling cars. What made this transition unique was that I was able to continue learning about the service side of the business.

As of Q4 2024, I'm working in the used car department, where my primary focus is acquiring vehicles for our dealership.

### How has DART Ops most benefited you?

The most valuable aspect of the Dart Ops Program has been witnessing firsthand how collaboration between departments leads to success. When we work together as a unified team, we not only create lifelong customers, but we also maximize the company's profitability.

Rather than engaging in unhealthy competition, I learned to focus on working together to achieve shared goals. One key lesson was the importance of not allowing titles to hinder either seeking assistance or offering help to others.

### What inspired you to join DART Ops?

I was very interested in this unique opportunity to gain a comprehensive understanding of how each department contributes to the overall success of the dealership. Also, I was interested in working in collaborative environments to enhance interdepartmental relations by staying engaged with my colleagues and supporting them.



### Advice to Take Personal Ownership

My Dart Ops journey has been **incredibly rewarding**—offering me the opportunity to experience every facet of dealership operations.

**Angelo Marabello**, DART Analyst

## SPOTLIGHT

# Advocating for Diversity & Inclusion

## Lithia UK & Automotive 30% Club Partnership

Based in the United Kingdom (UK), the Automotive 30% Club is a network of automotive chief executive officers and managers who have committed to being inclusive leaders and building diverse, gender-balanced businesses. Lithia UK, a proud member of the Automotive 30% Club, continues to champion gender diversity within the automotive sector.



Neil Williamson, Regional President of Lithia UK, is a founding patron of the Automotive 30% Club and leads our commitment to improving gender representation and promoting a balanced workforce in the industry.

## LinkedIn Campaign Sponsorship

In 2024, Lithia UK—through its brands Stratstone and Evans Halshaw—proudly sponsored the Automotive 30% Club's LinkedIn campaign, "Inspiring Automotive Women: Who Inspires You?" This initiative aimed to highlight the remarkable women shaping the automotive industry and inspire other talented women to consider the industry as a place to work. The LinkedIn campaign's impacts included the following:

- Direct engagement of 87 automotive companies in the UK generated over 500 nominations of inspiring women from across the sector
- Nominations spanned 330 unique job roles, reflecting the many and varied potential careers and talent path opportunities within the industry
- Fifty-five women from Lithia UK received recognition through nominations, underscoring our commitment to championing gender equality and fostering a diverse work environment

Lithia UK remains dedicated to driving diversity and supporting future generations of women in the industry.



# Advocating for Diversity & Inclusion

## Lithia UK Leader Earns Inspiring Automotive Women Award



**Claire Bell**  
**Head of Diversity & Inclusion**  
 1 Year with Lithia UK (Market Rasen, England)

As a result of the 2024 LinkedIn campaign, Claire Bell, Head of Diversity & Inclusion at Lithia UK, was honored as an Inspiring Automotive Women award winner.

Winners were selected on the following criteria:

- Helping to promote the company as an employer of choice for women
- Mentoring or coaching female colleagues
- Driving change to ensure companies better serve female customers

**Advice to Improve Constantly**

The Automotive 30% Club places a spotlight on the industry, showing others—especially women—how much it has to offer them. **If you can see it, you can be it!**

**Claire Bell**  
 Head of Diversity & Inclusion, Lithia UK

## Women LEAD at Lithia & Driveway



Since 2015, the **Women LEAD (Lead, Explore, Achieve, Develop)** Program in the United States has been dedicated to fostering leadership, growth, and career development for women across the organization.

Through engaging sessions and discussions, Women LEAD has provided a platform for mentorship, empowerment, and professional advancement.

Each year, the program highlights topics to help shape an inclusive workplace where women can thrive.

## Women LEAD: Excellence in Action

In 2024, the theme of Women LEAD was **“Excellence in Action”**. Our Learning & Development Team produced four virtual sessions, which were made available to all employees, to provide inspiration on career advancement. Attendees heard directly from company leaders and keynote speakers on how to excel in four main areas:



**Cultural Catalyst**  
 Fueling Growth at Lithia & Driveway



**Leadership Odyssey**  
 Women’s Journey across the Years



**Pathways to Prosperity**  
 Financial Matters for Women



**Driving Excellence**  
 Spotlight on Women LPG Winners



**Fast Fact**

In 2024, Women LEAD saw the **second greatest number of unique attendees** since 2021.



## Sustainability Frameworks

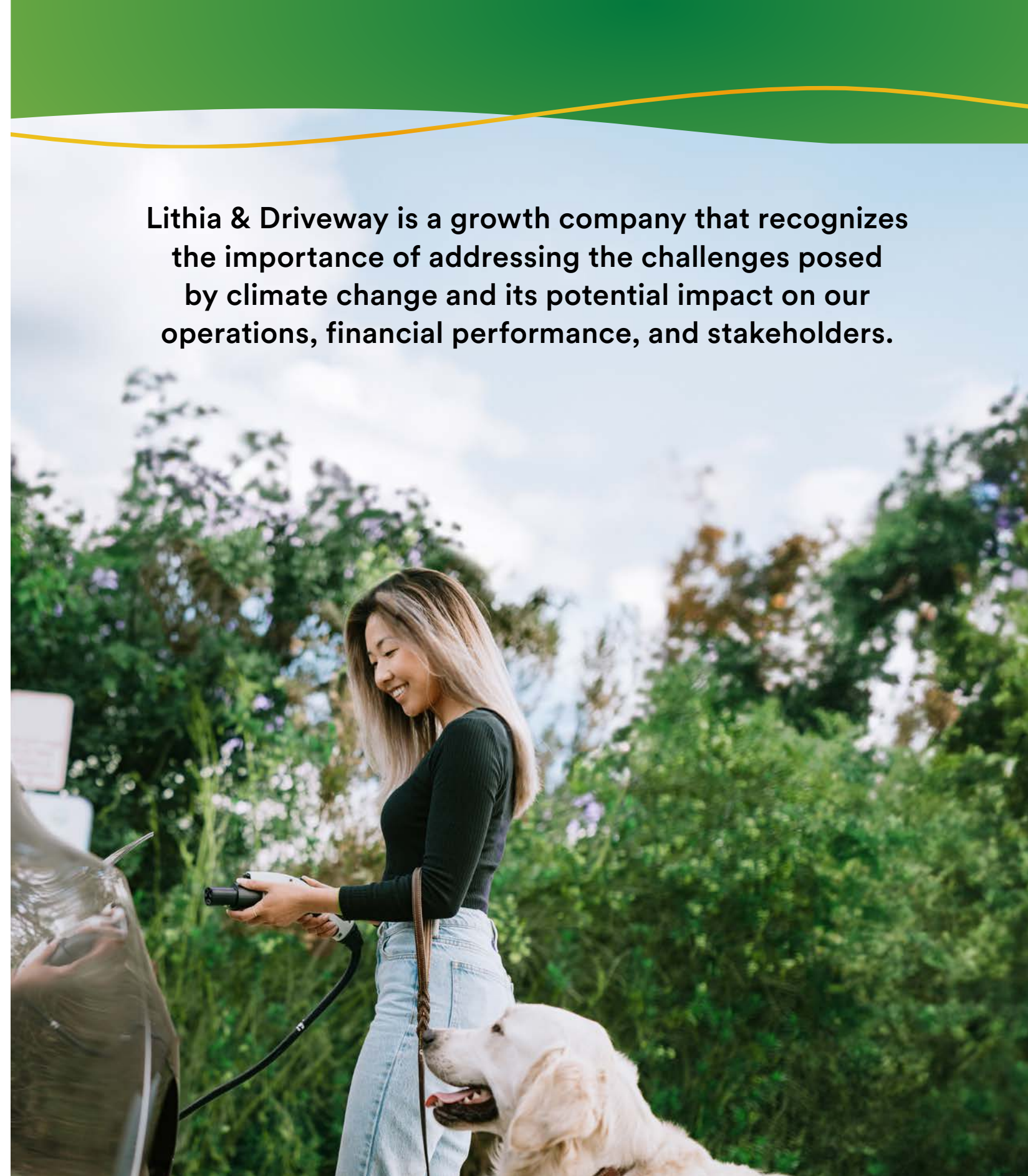
Our approach to sustainability reporting is guided by globally recognized frameworks, including the **Global Reporting Initiative (GRI)** and the **Sustainability Accounting Standards Board (SASB)**.

These standards inform our commitment to transparency and accountability as we identify and disclose topics that are most material to our business, stakeholders, and long-term value creation.

We recognize that the expectations for corporate responsibility continue to evolve, and each year, we seek to *Improve Constantly*—enhancing the depth, relevance, and accessibility of our disclosures.

Through this process, we aim to provide meaningful insights into our environmental, social, and governance performance while aligning with best practices and the needs of our investors, customers, employees, and broader communities.

**Lithia & Driveway is a growth company that recognizes the importance of addressing the challenges posed by climate change and its potential impact on our operations, financial performance, and stakeholders.**



# Sustainability Frameworks

Framework	Section	Description	Response
<b>Sustainability Reporting</b>			
GRI	2-3	The organization's reporting period, frequency of sustainability reporting, publication date of the reported information, and contact point for questions.	Lithia & Driveway's sustainability reporting aligns with its financial reporting for the 2024 fiscal year which runs January to December. These frameworks are published annually with this version uploaded on April 23, 2025. For inquiries, please contact ir@lithia.com.
GRI	2-14	The role of the highest governance body in sustainability reporting.	The Board of Directors provides oversight and input on sustainability matters, which are primarily managed by the executive team. While the Board is engaged in the process, there is currently no formal approval framework in place.

Framework	Section	Description	Response
<b>Corporate Structure</b>			
GRI	2-1	Organizational details including the legal name, ownership structure, location of headquarters, and countries of operation.	Lithia & Driveway (NYSE: LAD) is the largest global auto retailer, delivering a seamless omnichannel experience that connects customers with the vehicles, financing, and services they need, when and where they need them. Founded in 1946 in Ashland, Oregon, and headquartered in Medford, Oregon, LAD has grown with a data-driven approach to optimizing market share and profitability. Our expansive network across North America and the United Kingdom combined with our technology-driven platforms, including Driveway and GreenCars, enhance customer engagement across every stage of vehicle ownership.
GRI	2-2	Entities included in the organization's sustainability reporting.	This report covers all entities in North America and the United Kingdom, unless stated otherwise.
GRI	2-6	A description of the organization's sector, value chain, and major business relationships.	LAD operates in the Consumer Discretionary GICS sector and ranks among the world's largest automotive retail companies, representing over 50 brands across more than 450 locations in three countries.

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Board of Directors</b>			
GRI	2-9	A description of the organizations' governance, structure, and composition.	<p>The company's Board of Directors consists of a mix of independent and non-independent members, ensuring diverse perspectives and effective oversight. The Board has three standing committees:</p> <ul style="list-style-type: none"> <li>I. Audit Committee – Oversees financial reporting, risk management, internal controls, and auditor engagements.</li> <li>II. Compensation Committee – Determines executive compensation, reviews CEO performance, and ensures alignment with shareholder interests.</li> <li>III. Nominating and Governance Committee – Identifies board candidates, oversees governance policies, and provides guidance on corporate social responsibility initiatives.</li> </ul> <p>Each committee is composed entirely of independent directors in accordance with corporate governance best practices and regulatory requirements. The Board maintains a Lead Independent Director, currently David J. Robino, to support independent oversight and facilitate communication between management and non-executive board members.</p> <p>Sidney B. DeBoer serves as Chair of the Board, while Bryan B. DeBoer is President and CEO, ensuring a separation of leadership roles between governance and day-to-day operations. The company's governance framework includes stock ownership guidelines, anti-hedging policies, and corporate governance principles that reinforce accountability, transparency, and shareholder alignment.</p> <p>Key governance documents, including committee charters and the Code of Business Conduct and Ethics, are publicly available through our Investor Relations website.</p>
GRI	2-10	A description of the nomination and selection process for the board of directors and criteria taken in to consideration.	<p>The Nominating and Governance Committee is responsible for identifying and recommending candidates for the Board of Directors. The selection process begins with identifying individuals who bring valuable experience, leadership, and industry knowledge to the company. Candidates are evaluated based on their professional background, financial expertise, and ability to contribute to corporate governance. The committee also assesses whether nominees meet independence requirements to ensure objective oversight.</p> <p>In addition to individual qualifications, the committee considers the overall composition of the Board, aiming to maintain a diverse range of skills and perspectives that align with the company's strategic direction. The Board's effectiveness is periodically reviewed to identify any gaps in expertise, ensuring that future nominations support the company's long-term growth and governance priorities. Final recommendations are submitted to the full Board for approval, and nominees are presented for shareholder vote at the Annual Meeting.</p>

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Board of Directors</b>			
GRI	2-11	A description of the organization's chair, function, and measures to avoid conflicts of interest.	<p>Under the company's leadership structure, the Chair of the Board is responsible for overseeing governance and strategic direction. The Chair collaborates with the President and CEO to align corporate initiatives with shareholder interests while facilitating board discussions, setting meeting agendas, and ensuring the Board fulfills its oversight duties effectively.</p> <p>Because the Chair is not an independent director, the Board has designated a Lead Independent Director to provide objective oversight and ensure independent directors play an active role in governance. The Board maintains a majority of independent directors in accordance with NYSE listing standards, reinforcing its commitment to balanced decision-making.</p> <p>To mitigate conflicts of interest, the company enforces a Code of Business Conduct and Ethics, which applies to all directors, officers, and employees. Directors are required to disclose any potential conflicts annually, and the Nominating and Governance Committee evaluates these disclosures to ensure compliance with governance policies. Additionally, the Audit Committee is responsible for reviewing and approving related-party transactions to prevent conflicts from influencing corporate decisions. Through these measures, the company ensures that governance remains transparent, ethical, and aligned with shareholder interests.</p>
GRI	2-12	Role of the board of directors in sustainable development and organizational impact of the economy, environment, and society.	<p>The Board of Directors is committed to responsible corporate governance that supports long-term value creation while considering the broader impact of the company's operations on the economy, environment, and society. Through oversight of risk management, corporate responsibility, and governance practices, the Board ensures that strategic decisions align with sustainable growth and ethical business practices.</p> <p>The Nominating and Governance Committee plays a key role in reviewing policies related to corporate social responsibility and sustainability, ensuring that the company remains responsive to evolving environmental and societal expectations. Additionally, the Audit Committee oversees risk management processes that account for regulatory compliance, financial stability, and ethical considerations that influence long-term resilience.</p> <p>As part of its broader governance framework, the Board evaluates external factors such as regulatory changes, technological advancements, and shifts in consumer expectations to mitigate risks and position the company for sustainable success. Cybersecurity and data protection, both critical to economic and social stability, are reviewed at the board level, with regular updates from management to address potential risks and safeguard stakeholder interests.</p> <p>Through these governance structures, the Board remains focused on maintaining responsible business practices that contribute to economic growth, environmental stewardship, and positive societal impact.</p>

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Board of Directors</b>			
GRI	2-19	Describe the remuneration policies for the Board of Directors and how it relates to sustainable performance, the process to determine remuneration as well as the annual total compensation ratio.	<p>The remuneration policies of the Board of Directors align with long-term strategic growth and sustainable performance. Compensation is structured around base salary, short-term incentives, and long-term incentives, with a strong emphasis on performance-based pay. In 2024, 91% of the CEO's total compensation and 79% of other named executive officers' (NEOs) compensation were tied to measurable outcomes.</p> <p>To reinforce sustainability, 10% of the short-term incentive plan (STIP) is linked to corporate responsibility initiatives, including environmental efforts and strategic objectives. In 2024, strong execution in areas such as EV market share growth, energy efficiency, and dealership sustainability led to a 150% payout for this portion of the plan.</p>
<b>Supply Chain</b>			
GRI	2-6	Describe the organization's value chain and significant business relationships	<p>As a leading automotive retailer, Lithia Motors, Inc. operates across multiple sectors within the automotive industry, including new and used vehicle sales, vehicle maintenance and repair services, and automotive financing and insurance products.</p> <p>Our supply chain includes some of the top auto and parts manufacturers in the world, ensuring that we provide customers with a diverse selection of high-quality vehicles and genuine parts. A significant portion of our inventory is sourced directly from manufacturer partners, allowing us to maintain a reliable flow of new and pre-owned vehicles across our dealerships. In addition to vehicle procurement, we rely on an extensive network of authorized distributors for parts and accessories, supporting our service and maintenance operations. Our partnerships with leading technology providers and service vendors further enhance our ability to streamline operations, optimize inventory management, and improve the customer experience.</p> <p>Downstream, we serve a wide range of customers, from individual buyers seeking personal transportation solutions to businesses managing fleet operations. Through Driveway.com, our digital retailing platform, we have expanded our reach beyond traditional dealership sales, allowing customers to browse, purchase, and arrange financing online. Our post-sale services, including maintenance programs, parts distribution, and long-term service agreements, help build lasting relationships with our customers. By integrating both physical and digital retail experiences, we continue to adapt to changing consumer preferences while reinforcing our commitment to convenience, accessibility, and high-quality service.</p>

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Strategy and Policy</b>			
GRI	2-22	A statement from senior leadership on sustainable development.	<p>As Lithia &amp; Driveway continues to pursue customer loyalty, potential, and growth, we recognize the importance of sustainability as a factor in our future success. That’s why we embrace six sustainability goals that focus on improving our environment, facilities, employees, and communities.</p> <p>To Improve Constantly, we strive to consume resources respectfully throughout our organization, increase sustainable-vehicle knowledge and sales, create a supportive culture, and give back to our communities.</p> <p>The 2024 Corporate Sustainability Report details our goals and highlights how we are working hard to make a positive difference with resources, such as GreenCars and Lithia 4Kids, and with employee programs, such as DART and the Lithia &amp; Driveway Partners Group (LPG).</p> <p>By providing transparency in reporting our sustainability practices and efforts, we demonstrate to ourselves and our industry the need and benefits of measuring our impact on the land on which we live, work, and play. Similarly, we’re mindful of keeping our work environments inclusive, efficient, and fun.</p>

Framework	Section	Description	Response
<b>Ethics and Compliance</b>			
GRI	2-15	Describe how the Board of Directors and organization ensures that conflicts of interest are prevented and mitigated.	<p>The Board of Directors ensures conflicts of interest are prevented and mitigated through a structured governance framework, strict ethical policies, and independent oversight. Directors are required to disclose potential conflicts annually, with the Nominating and Governance Committee reviewing these disclosures to assess compliance with governance policies. The Audit Committee further safeguards against conflicts by overseeing related-party transactions and ensuring transparency in financial reporting.</p> <p>Additionally, the company enforces a Code of Business Conduct and Ethics, which applies to all directors, executives, and employees, outlining expectations for ethical decision-making and responsible business practices. With independent directors comprising the majority of the Board, governance decisions remain free from undue influence, reinforcing accountability and shareholder trust.</p>

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Ethics and Compliance</b>			
GRI	2-25	Describe the organization's process and mechanisms to report ethics concerns.	<p>Our organization upholds a strong ethical culture by providing clear, accessible, and confidential mechanisms for reporting ethics concerns. The Fraud Risk &amp; Ethics Monitoring Program, overseen by Internal Audit, ensures that reported issues are reviewed in coordination with Employee Relations and Legal teams, with a quarterly report presented to the Board's Audit Committee.</p> <p>Employees can report concerns through a Corporate Whistleblower Hotline, available 24/7 via a third-party provider, ensuring anonymity and multilingual support. Awareness is reinforced through the Employee Handbook, breakroom posters, company intranet, and the annual Ethics and Fraud Survey.</p> <p>The Annual Ethics and Fraud Survey, conducted anonymously, allows employees across all business units to report issues directly to Internal Audit. Additionally, open-door guidance encourages discussions with supervisors, with escalation options to the Board's Nominating and Governance or Audit Committees.</p> <p>We enforce a strict non-retaliation policy, assuring employees that reporting ethical concerns in good faith will not result in retaliation, fostering a workplace built on integrity and accountability.</p>
GRI	2-28	Describe the organization's membership with industry or advocacy organizations.	<p>Our operational leaders participate in their respective state Dealer Associations as well as the National Automobile Dealers Association (NADA) to ensure we remain aligned with evolving automotive standards and consumer expectations.</p> <p>Through these memberships, we gain access to essential industry news, legislative updates, and compliance resources, helping us navigate regulatory requirements effectively. These organizations also provide dealer-focused products and services, allowing us to enhance operational efficiency and customer offerings. Additionally, our participation fosters valuable connections with strategic partners, supporting innovation and growth within our dealership network.</p> <p>By maintaining strong relationships with industry associations, we reinforce our commitment to staying at the forefront of the automotive retail sector while continuing to deliver high-quality service and solutions to our customers.</p>

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Employee Health and Safety</b>			
GRI	403-1	A statement of whether an occupational health and safety management system has been implemented including a description of the scope of workers, activities, and workplaces covered by the system.	<p>a. We Take Personal Ownership in maintaining a workplace that adheres to all applicable safety and health laws. Our comprehensive and effective environmental health and safety program is designed to eliminate unsafe conditions and minimize the impact of hazardous situations, ensuring the well-being of our employees, customers, and property.</p> <p>b. Lithia &amp; Driveway has dedicated teams in place to proactively prevent workplace injuries and effectively manage reported incidents. In states where OSHA requirements are more stringent than federal regulations, Lithia &amp; Driveway voluntarily complies with the higher standards, even when not legally required. Additionally, approximately one-third of our stores partner with third-party vendors, such as KPA, to conduct quarterly on-site inspections. These reviews ensure compliance with safety protocols, proper documentation of safety meetings, maintenance of up-to-date OSHA 300 logs, completion of hazardous waste training, and adherence to other critical safety requirements.</p> <p>c. Lithia &amp; Driveway’s safety policies and procedures are built upon the company’s best historical practices and are continuously evaluated and refined. We update our policies as needed to ensure compliance with evolving regulations and best practices.</p> <p>d. Lithia &amp; Driveway engages professional safety consultants on a weekly basis, leveraging their expertise to continuously enhance our occupational health and safety programs. These ongoing collaborations ensure we remain proactive in maintaining a safe and compliant work environment.</p>
GRI	403-2	A statement of the occupational health services that contribute to the identification and elimination of hazards and minimization of risks along with how quality of these services is ensured, and workers access is facilitated.	<p>a. Lithia &amp; Driveway is committed to identifying and mitigating workplace hazards while minimizing risks through proactive engagement in occupational health initiatives. We prioritize employee well-being by streamlining the claims process to ensure efficient and effective resolution.</p> <p>b. Each month, the Home Office Safety Department proactively distributes a Safety Newsletter to all location management teams. This newsletter features timely safety topics relevant to the season, recommendations for safety improvements, and insights into the most frequently reported OSHA violations within our industry.</p> <p>c. For stores utilizing KPA, a third-party safety and compliance vendor, quarterly on-site visits are conducted to assess compliance, and leadership is apprised of OSHA regulation changes. Following each visit, actionable items are provided for the store to address, ensuring continuous improvement in safety and regulatory adherence.</p>

# Sustainability Frameworks

Framework	Section	Description	Response	
			2024	2023
<b>Employee Health and Safety (North America)</b>				
GRI	403-9	Total work-related injuries requiring missed time, further review, or additional administrative action.	283	305
GRI	403-9	High consequence <sup>1</sup> work-related injuries	23	55
GRI	403-9	On-the-job fatalities <sup>2</sup>	2	0
GRI	403-5	A description of worker training on occupational health and safety.	<p>a. Lithia &amp; Driveway’s policies are clearly outlined in the company handbook and supplemented by standalone policies and programs, all of which are readily accessible on the intranet.</p> <p>b. Occupational Health and Safety training courses are provided online through our intranet via a collection of videos. Our vendors also provide on-site training for topics such as ‘Respiratory Protection’ to ‘Hazardous Material Training’.</p>	

1. For the purposes of this disclosure, high-consequence injuries are determined based on multiple factors, including claim duration, medical resources utilized, and long-term effects on the employee.

2. Includes all on-site fatalities, not necessarily work-related.

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Cybersecurity</b>			
SASB	CG-MR-230a.1	Description of approach to identifying and addressing data risks.	<p>We are aware of the worldwide proliferation of internet-based attacks and their potential impact on cybersecurity and data protection. We have observed that internet-based attacks have increased across many geographical regions which are commonly associated with cybercrime. Our end-to-end control processes constantly evaluate vectors for attack origination. In order to harden and secure all of our systems that store or transmit electronic information, we have implemented multi-layered preventive controls across our perimeters, technology infrastructure and end-point computing. Additionally, we have implemented advanced threat technologies, such as web and cloud application firewalls, which use aggregated intelligence to proactively detect and block an overwhelming majority of attacks. From 2019 to present, Lithia Motors has successively expanded its footprint of information security solutions to address cyber security risks and monitor internet-based attack vectors.</p> <p>We identify vulnerabilities in our information systems through proactive scanning of system assets for known vulnerabilities published by the National Institute of Standards and Technology (NIST). Our outsourced managed security source operates 24/7, identifying vulnerabilities. Additionally, we proactively manage vulnerabilities from major software publishers through a global patching program. We continue to monitor and enhance our internal processes and intend to conduct a self-audit.</p> <p>In order to prevent unauthorized access to our information systems, we have a system of controls in place to manage user access under auditing from a third party and as part of management’s Sarbanes-Oxley (SOX) controls. Our employees sign an acceptable use policy and are trained on how to identify information security risks in the workplace and in their personal lives.</p> <p>Our information security policy is aligned with the National Institute of Standards and Technology (NIST) and the Center for Internet Security (CIS) as it relates to procedures, processes, training and awareness and critical technology controls.</p>
SASB	CG-MR-230a.2	<p>(1) Number of data breaches</p> <p>(2) Percentage that are personal data breaches</p> <p>(3) Number of customers affected</p>	<p>(1) zero</p> <p>(2) zero</p> <p>(3) zero</p>

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Employees</b>			
GRI SASB	2-7 CR-MR- 330a.1	Percentage of gender and diversity group representation for management, non-management, and all other employees and methodology.	<p>At Lithia and Driveway, we are committed to fostering a diverse and inclusive workplace that reflects the communities we serve. We believe that a workforce with varied backgrounds, perspectives, and experiences drives innovation and enhances our organizational culture. As part of our ongoing commitment to transparency, we provide an annual disclosure of our workforce demographics across key diversity dimensions, including gender, ethnicity, and geographic representation.</p> <p>This report presents our employee diversity data for North America and the United Kingdom by percentage. The figures are categorized by gender, management level and self-identified ethnicity, based on voluntary employee disclosures. We recognize that demographic reporting varies by region due to legal and cultural differences, and we continue to refine our approach to align with evolving best practices in workforce diversity reporting.</p>

Framework	Section	Description	Response	
North America   Male Management			2024	2023
North America	Male Management	White (NHOL)	63.62%	63.23%
		American Indian	0.33%	0.39%
		Asian	4.23%	4.52%
		Black or African American	4.36%	4.39%
		Hispanic or Latino	15.95%	15.74%
		Other	11.52%	17.09%
		<b>Total % of Management</b>	<b>77.33%</b>	<b>76.22%</b>

# Sustainability Frameworks

Framework	Section	Description	Response	
			2024	2023
North America   Female Management			2024	2023
North America	Female Management	White (NHOL)	63.44%	62.94%
		American Indian	0.67%	0.93%
		Asian	4.56%	4.87%
		Black or African American	3.89%	4.87%
		Hispanic or Latino	14.78%	13.15%
		Other	12.67%	13.25%
		<b>Total % of Management</b>	<b>22.65%</b>	<b>23.75%</b>

Framework	Section	Description	Response	
			2024	2023
North America   Male Non Management			2024	2023
North America	Male Non Management	White (NHOL)	48.21%	47.17%
		American Indian	0.77%	0.85%
		Asian	5.53%	5.29%
		Black or African American	7.23%	7.85%
		Hispanic or Latino	25.53%	25.78%
		Other	12.73%	13.05%
		<b>Total % of Management</b>	<b>78.42%</b>	<b>77.63%</b>

# Sustainability Frameworks

Framework	Section	Description	Response	
			2024	2023
<b>North America   Female Non Management</b>			<b>2024</b>	<b>2023</b>
North America	Female Non Management	White (NHOL)	51.74%	50.34%
		American Indian	0.68%	0.74%
		Asian	3.78%	3.67%
		Black or African American	5.88%	6.68%
		Hispanic or Latino	24.47%	24.85%
		Other	13.46%	13.72%
		<b>Total % of Management</b>	<b>21.03%</b>	<b>21.92%</b>

Framework	Section	Description	Response	
			2024	2023
<b>United Kingdom   Management &amp; Non Management</b>			<b>2024</b>	<b>2023</b>
United Kingdom	Management	Male	77.33%	77.98%
		Female	22.67%	22.02%
	Non Management	Male	74.05%	73.38%
		Female	25.95%	26.62%

Framework	Section	Description	Response	
			2024	2023
<b>Employees (North America)</b>			<b>2024</b>	<b>2023</b>
SASB	CG-MR-310a.2	Voluntary turnover rate	35.8%	36.2%
SASB	CG-MR-310a.2	Involuntary turnover rate	14.2%	11.5%

# Sustainability Frameworks

Framework	Section	Description	Response	
<b>Energy (North America)</b>			<b>2024</b>	<b>2023</b>
GRI	302-1	Consumption from non-renewable sources by usage. (MWh)	495,344	431,166
GRI	302-1	Consumption from renewable sources by usage. (MWh)	1,025	
GRI	302-1	Consumption from non-renewable sources by percentage	99.79%	
GRI	302-1	Consumption from renewable sources by percentage	0.21%	
GRI	302-3	Energy intensity ratio for the organization (MWh per site)	1,081	1,418

Framework	Section	Description	Response
<b>Emissions (North America)</b>			
GRI	305	Description of gases included in GHG calculations, sources for emissions factors, and methodology.	Lithia Motors calculates its greenhouse gas emissions using a consistent set of gases across all reporting scopes, specifically carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), and nitrous oxide (N <sub>2</sub> O). For Scope 1 direct emissions, the company uses emission factors published in June 2023 by the California Registry Default Emission Factors. Scope 2 emissions are calculated using the USEPA eGRID2022 data set, which was released in January 2023, while Scope 3 emissions rely on global warming potential values from the IPCC 5th Assessment Report. Across all categories, Lithia follows the methodology outlined in the World Resources Institute's GHG Protocol, ensuring standardized, credible reporting practices.

# Sustainability Frameworks

Framework	Section	Description	Response	
<b>Emissions (North America)</b>			<b>2024</b>	<b>2023</b>
GRI	305-1	Scope 1 GHG emissions (MTCO2e)	43,354	42,222
GRI	305-2	Scope 2 GHG emissions - Location Based (MTCO2e)	91,283	74,022
GRI	305-2	Scope 2 GHG emissions - Market Based (MTCO2e)	97,102	73,963
<b>GRI</b>	<b>305-3</b>	<b>Scope 3 GHG emissions (MTCO2e)</b>	<b>58,841,779</b>	<b>58,705,391</b>
GRI	305-3	Category 1	8,559,464	7,670,462
GRI	305-3	Category 2	110,231	58,875
GRI	305-3	Category 3	27,452	25,518
GRI	305-3	Category 4	286,626	486,074
GRI	305-3	Category 5	49,839	34,007
GRI	305-3	Category 6	1,829	2,761
GRI	305-3	Category 7	22,840	39,884
GRI	305-3	Category 11	49,379,858	50,459,045
GRI	305-3	Category 12	403,639	378,890
GRI	305-4	GHG Emissions intensity ratio for the organization (Scope 1 and 2)	306	338

# Sustainability Frameworks

Framework	Section	Description	Response
<b>Waste (North America)</b>			<b>2024</b>
GRI	303	<b>Water Withdrawal Total (kGal)</b>	<b>465,803</b>
		Discharge	406,059
		Consumption	59,743
Framework	Section	Description	Response
<b>Water (North America)</b>			<b>2024</b>
GRI	306	<b>Waste Total (mt)</b>	<b>103,322</b>
		MSW	82,734
		Recycling	20,588
		<b>Recycling Diversion Rate</b>	<b>16.9%</b>

### **Forward-Looking Statement**

Certain statements in this report constitute forward-looking statements within the meaning of the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements, including statements related to Lithia Motors’ (dba Lithia & Driveway’s) climate and other sustainability-related strategies, plans, developments, targets, goals, and expectations. Lithia Motors cautions that forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Factors that may cause these results to differ include, among others, economic conditions, technological innovations, access to capital, natural disasters and adverse weather conditions, and legislative and regulatory changes, as well as the additional factors that are discussed in Lithia Motors’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov). Any forward-looking statement made by us in this report is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by law, we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

# Driving a Sustainable Future



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