



2022 Corporate Responsibility Report



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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“Our responsibility as an automotive retailer is to help educate the world on sustainable transportation.

Bryan DeBoer, President & CEO of Lithia & Driveway

A Message from Bryan

At Lithia & Driveway, we’re constantly exploring new roads to amplify sustainability throughout our operations, at home, and in partnership with our communities.

As we pursue our bold 2025 Plan to achieve \$50 billion in annual revenue and \$55 to \$60 in earnings per share, our core values keep us focused on living and driving positive change for a carbon-neutral future.

We know that our industry-leading position allows us to uniquely influence this change—especially as the automotive landscape shifts towards electrification and other potential sustainability mobility options.

Promoting Sustainable Vehicles

GreenCars—our one-stop online resource center for electric and hybrid vehicles—continues to gain traction among consumers with a 700+% jump in website traffic in 2022. As a company, we also sold more than 41,000 sustainable units.

When it comes to our retail stores, we doubled the number of electric-vehicle charging ports across our network, and we planted 100,000 long-leaf pine trees in Florida, in conjunction with our Trees for Test Drives Program.

Taking Care of Our Talented Teams

Nearly 22,000 associates personify our mission of *Growth Powered by People*—and their health and well-being is a top priority.

To support every associate, we offer a total rewards benefits package this is designed specifically to help each individual attain and experience a healthy work/life balance and financial security.

We also made our first-ever ranking on the Healthiest 100 Workplaces in America at #38 (as scored by Springbuk), and 10 stores were ranked among the Top 100 “Best Dealerships to Work for” by *Automotive News*. We celebrate and champion our diverse teams and their amazing ability to *Earn Customers for Life*.

Accelerating Social Sustainability

Connecting with our local communities is a pivotal pillar of our corporate responsibility approach to growing Lithia & Driveway in all corners of the world. I’m especially proud of our nearly 300 locations who partner with their communities to help others in countless ways.

In southern Oregon—where our Support Services and founding stores are located—we announced a \$12 million gift to Southern Oregon University via the Lithia & GreenCars Momentum Fund. The Momentum Fund provides scholarships for first-generation college students while assisting the university to study and develop a sustainable technology. With this philanthropic partnership, we *Take Personal Ownership* of a more socially sustainable future—giving the keys to our next generation of innovators.

The 2022 Corporate Responsibility Report outlines our road map to fostering a better, brighter future in the world of transportation, and beyond.

Responsible Together!



Bryan DeBoer
President & CEO

The Journey to Where We Are Today

Lithia & Driveway is the legacy of three generations of the DeBoer family.



In 1946

Walt DeBoer founded Lithia Motors with a sole Chrysler-Plymouth location in Ashland, Oregon. He named his new store after his hometown's famous mineral springs—Lithia Springs. Lithia water is a type of mineral water containing lithium salts.



In 1968

Walt's oldest son, Sidney (Sid), purchased the assets of the dealership and launched a new company, Lithia Motors, Inc., moving the dealership's location to Medford, Oregon. Sid worked hard expanding Lithia Motors in the following years. Eventually, he grew the business to include five stores and 19 franchises in southern Oregon.



In 1996

Looking for new growth opportunities beyond their home state, Sid and his business partner, Dick Heimann, transformed this collection of Oregon-based stores into a publicly traded company (NYSE symbol: LAD).



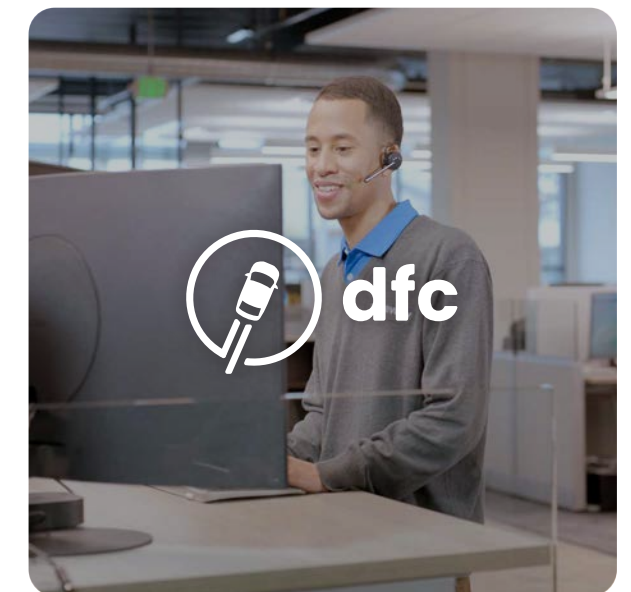
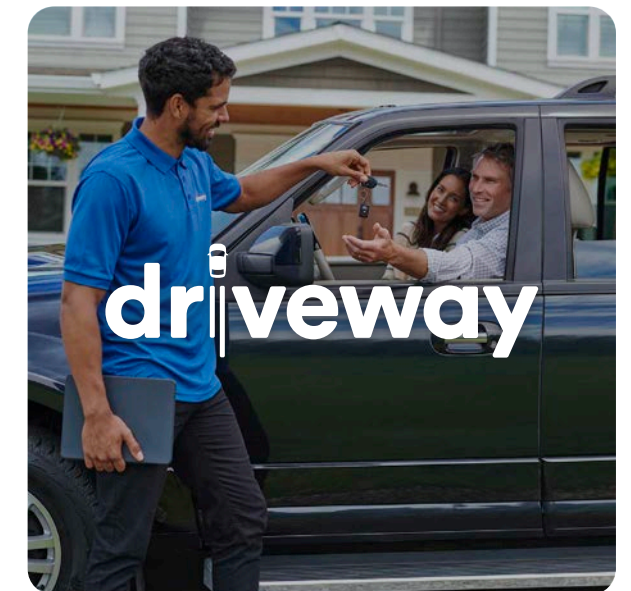
In 2012

Sid's son, Bryan, succeeded him as President & CEO and has continued the company's forward-thinking growth strategy, building on our mission *Growth Powered by People*. During Bryan's tenure, he has established an entrepreneurial, high-performance culture that has catapulted the company to the top of the automotive industry.

Today, we offer the broadest coast-to-coast automotive retail network in North America.

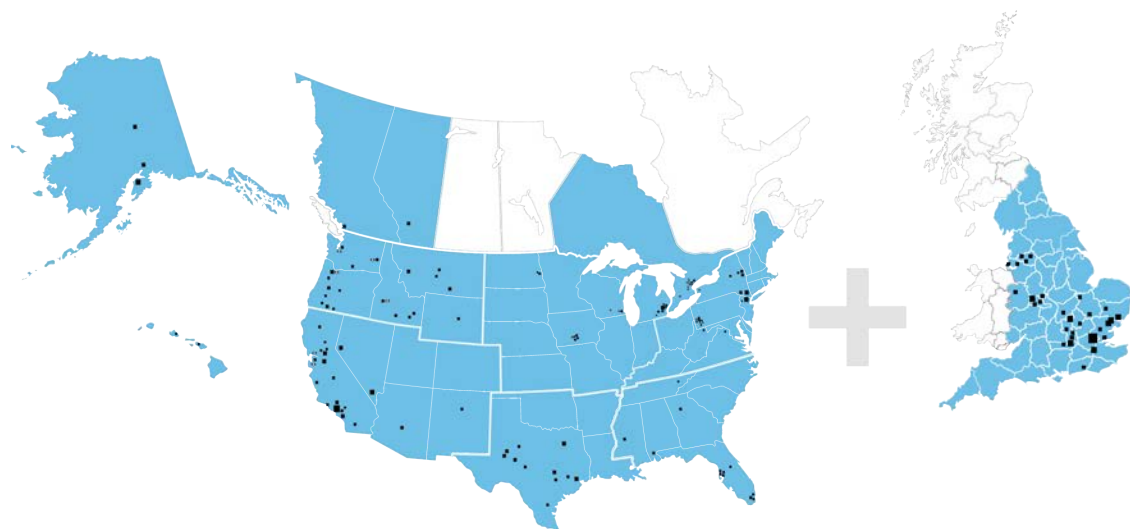
Lithia Motors, Inc.—doing business as Lithia & Driveway—is an industry leader with a vast retail network and an ambitious 2025 Plan to achieve \$50 billion in revenue.

With more than 300 locations throughout North America and the United Kingdom—and our digital national brands, Driveway, GreenCars, and Driveway Finance Corporation (DFC)—we're boosting customer optionality to meet and modernize personal transportation solutions wherever, whenever, and however consumers desire.



Our Mission: Growth Powered by People

We are a growth company focused on profitably consolidating the largest retail network globally.



332

RETAIL LOCATIONS*

50

VEHICLE BRANDS SOLD*

95%

REACH OF CONSUMERS WITHIN
235-MILE RADIUS ACROSS THE U.S.

3

COUNTRIES*

* As of March 2023.

2022 Achievements

Our store and ecommerce teams create memorable customer experiences that *Earn Customers for Life*.



#1 Largest Auto Retailer

IN NEW & USED VEHICLES (BY REVENUE)



\$28B IN ANNUAL REVENUE



#158 IN FORTUNE 500



32% 10-YEAR EPS CAGR*



21,500+ ASSOCIATES

*10 year CAGRs and TSR through December 31, 2022.

SECTION 02

Our Goals

Corporate Responsibility Approach 08

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Corporate Responsibility Approach

We focus on **10 Corporate Responsibility Goals** as we drive positive change through our talented teams and stores, and within our communities.

Environmental Goals



Goal 1
Public Education

Increase sustainability education and engage the public on the benefits of electric and hybrid vehicles via our GreenCars initiatives.



Goal 2
Electric Vehicle Charging Network

Expand electric vehicle (EV) charging stations to alleviate range anxiety.



Goal 3
Green Experiences

Grow sustainable business practices.



Goal 4
Bright Ideas

Develop employee knowledge, creativity, and participation surrounding sustainability efforts.



Goal 5
Energy Efficiency

Support facilities in applying for energy-efficient standards.



The **Lithia & Driveway Corporate Responsibility Council**, a cross-functional team with more than 30 members, oversees the merging of our Corporate Responsibility goals across all levels of the organization.

Social Goals



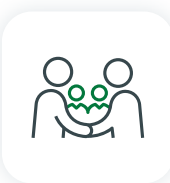
Goal 6
Employee Health & Well-Being

Provide avenues for employee health and well-being.



Goal 7
Training & Professional Development

Encourage internal promotions, expand training, and promote professional growth opportunities.



Goal 8
Diversity & Inclusion

Continue to reflect the diversity of our customers within our workforce.



Goal 9
Diverse Leadership

Increase the diversity of our leadership teams to better reflect a variety of experiences and perspectives.



Goal 10
Community Involvement

Increase nonprofit volunteerism and financial support.

Corporate Responsibility Goals

Align with Core Values






Earn Customers for Life

Create welcoming and trustworthy experiences for our customers.



Take Personal Ownership

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

-  **Public Education**
-  **EV Charging Network**
-  **Energy Efficiency**

We build trust and loyalty with customer optionality as we lead the way in educating consumers on sustainable driving with GreenCars **(Goal 1)** and investing in an extensive EV charging network **(Goal 2)** across our network. We take pride in our state-of-the-art facilities that feature energy-saving systems and products **(Goal 5)**.

Our success is rooted in *Growth Powered by People*. To execute excellence in a high-performance culture, we embrace a willingness to learn, to innovate, and to gain essential knowledge, while promoting diversity and inclusion **(Goal 8)** across all levels of the organization, including diverse leadership **(Goal 9)**.

Lithia & Driveway’s **10 Corporate Responsibility Goals** help fuel our **4 Core Values** to *Earn Customers for Life, Take Personal Ownership, Improve Constantly & Have Fun!*




Improve Constantly

Champion one another’s growth to achieve more together.






Have Fun!

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

-  **Training & Professional Development**
-  **Employee Health & Well-Being**

We move forward in our corporate responsibility approach by encouraging internal promotions, offering associates many training programs, and providing professional development opportunities **(Goal 7)** while also finding ways to promote and achieve a healthy work/life balance **(Goal 6)**.






-  **Bright Ideas**
-  **Community Involvement**
-  **Green Experiences**

We actively encourage our associates to share sustainable bright ideas **(Goal 4)** that improve operations and everyday lifestyles. We celebrate social partnerships that make a positive difference in our communities **(Goal 10)**, including store engagement with manufacturers’ green experience programs **(Goal 3)**.



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Environmental Goals

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GOAL 1

Public Education

Leading the Charge on Sustainable Vehicles Education

As the #1 new-car retailer in the United States, we're well positioned to make influential and positive changes in the ways consumers drive.

That's why we created GreenCars, the internet's one-stop resource on everything about buying, owning, and driving sustainable vehicles.

The evolution is here

As electric vehicles (EVs) and other sustainable vehicles become more mainstream, consumer education is key to building momentum for their continued growth and adoption.

GreenCars is committed to delivering content—and innovative programming—to attract and retain consumers craving a more sustainable drive.



Electrify Your Drive.



GreenCars Overhauls Its Learning Center

We believe a brighter future begins with cleaner transportation and we support that belief with a tailored educational center for consumers worldwide.

Elevating Consumer Knowledge

To help millions of consumers make informed, confident, sustainable choices, GreenCars overhauled its online Learning Center into four sections for easier research and quicker navigation.

↑ **744%**

Website Unique Visitors

2021	459,361
2022	3,876,908

GreenCars Learning Center: Find everything in one place



GreenCars 101

Providing the basics, best practices, and tips on sustainable driving



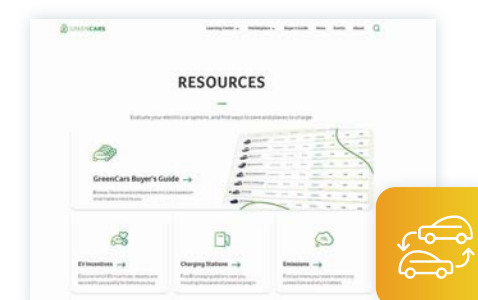
Latest News

Offering a constant newsfeed on the evolution for all consumers



Expert Insights

Sharing our first-hand, real-world knowledge with those ready to take the leap into sustainable mobility



Resources

Assisting online consumers with a Buyer's Guide, EV-charging stations locator, and research incentives



GreenCars’ Vision into the Future

GreenCars is advancing the zero-emission evolution by accelerating the adoption of sustainable vehicles through tailored education, passionate advocacy, and simple buying-experience.

100,000 Trees Planted with Trees for Test Drives Program



Arbor Day Foundation

More than 200 Lithia & Driveway stores across the United States and Canada partnered with GreenCars in 2022 to get consumers behind the wheel of a sustainable vehicle.

We planted **100,000** long-leaf pine trees in the Eglin Air Force Base, located in Florida, in partnership with the Arbor Day Foundation on behalf of the Trees for Test Drives Program. In addition, we offered a *Have Fun* competition among the stores to see who could plant the most trees.

#1 Trees for Test Drive Store: Hyundai of New Port Richey

The Hyundai team in New Port Richey, Florida, won a six-week in-store competition for the most EV and alternative-fuel test drives.



We were very proud to support the GreenCars Trees for Test Drives campaign. During the store contest period, our team introduced over 300 customers and their families to the benefits of going green, and we helped plant **305 long-leaf pine trees in Florida.**

Dave Frazier, General Manager, Hyundai of New Port Richey

GreenCars Sponsors Green Week 2022

A weeklong celebration during “Sustainability September” at Lithia & Driveway



Green Week Webinar Series

Senior leadership and other sustainability professionals offered strategies for embracing a greener lifestyle in three webinars. Each webinar raised awareness on how individuals could encourage and inspire sustainability at work and at home.



Driving the GreenCars Evolution

Carol Deacon, Senior VP of Driveway & GreenCars, introduced industry leaders who discussed the future of sustainable mobility.



Sustainability Practices in Everyday Life

Elaine Blatt, a sustainability professional, discussed how individuals could make everyday consumption more sustainable.



GreenCars & Stores: Roundtable Discussion

Lithia & Driveway leaders reviewed practical considerations as the market shifts towards electric implementation.



Grow Green Social Media Contest

During Green Week 2022, hundreds of employees shared their favorite green scene photos on social media, inspiring a sense of connection and celebration of sustainability in nature, neighborhoods, or homes. Random drawings landed winners with green prizes, such as indoor garden starter kits, stainless steel straws, and reusable utensil sets.

Photo by Chelsea, Communication Specialist, Lithia & Driveway



Employee Electric Vehicle Test Drive Event

Dozens of associates in Medford, Oregon, took advantage of a Green Week test drive event just for them—for some, getting their first chance to drive an EV. All were invited to test drive 10 different electric and hybrid vehicles—including a Ford F-150 Lightning XLT, Ford F-150 Lightning Pro, MINI Cooper S Electric, and Jeep Wrangler 4xe.

Promoting Electric Vehicles on NPR

As part of a National Public Radio (NPR) sponsorship, GreenCars and National Public Media (NPM) produced audio stories to empower consumers to start their electric vehicle journey.



Sam James (right), Quality Assurance Manager at Lithia & Driveway, takes his first EV test drive with Kevin Jennings, GreenCars Senior Brand Manager, recorded by the NPM crew.



GOAL 2

Electric Vehicle Charging Network

Making EV Charging a Priority

As a leader in sustainable mobility, Lithia & Driveway continues its robust investment in expanding and elevating a national charging station infrastructure.

In one year, we have more than doubled the count of our customer-facing charging ports across the United States to nearly 900. Importantly, we've also improved the level of charging available to our customers.

Level 1 charging—usable only for plug-in hybrids with the smallest batteries—are being replaced by faster Level 2 and super-fast Level 3 charging.



Building a Strong EV Charging Network

Our nationwide EV Charging Network reduces range anxiety while providing customer optionality in sustainable vehicle ownership.



220+
LAD Nationwide
Charging Locations

800+
Charging Ports

376
Back-of-House
Chargers

165
Level 1 Chargers

291
Level 2 Chargers

64
Level 3 Chargers



GOAL 3
Green Experiences

Greening Our Facilities

Sustainability is an important principle at all our stores, and we encourage each to participate in their respective manufacturer’s sustainable business programs.

Subaru Eco-Friendly Retailer Program

The Subaru Eco-Friendly Retailer Program is designed for retailers who want to make a positive impact on their communities and local environments.

We’re pleased to announce **6 Subaru stores** have achieved certification as Subaru Eco-Friendly Retailers by meeting specific manufacturer requirements in five key areas:

- Energy Efficiency
- Water Conservation
- Recycling
- Waste Management
- Community Involvement



- Lithia Reno Subaru
- Diablo Subaru of Walnut Creek
- Subaru of Spokane
- Subaru of Troy
- Subaru of Utica
- Wilde Subaru



Honda/Acura Green Dealer Program

Green Dealers take actions to measurably reduce energy and water use while enhancing environmentally responsible business operations. Best practices they have implemented as part of this program include proper building envelope insulation to minimize heat gain and loss; energy-efficient HVAC systems; energy-efficient interior and exterior lighting; designated recycling areas; and water-efficient systems.



We’re proud of all the Lithia & Driveway stores that take part in the Honda/Acura Green Dealer Program, which focuses on helping to reduce our environmental footprint.

Acura of Honolulu	DCH Montclair Acura	John Eagle Honda of Dallas
Acura of Johnston	DCH Paramus Honda	John Eagle Honda of Houston
Acura of Sherman Oaks	DCH Tustin Acura	John Eagle Houston Acura
Acura of Thornhill	Doral Acura	Largo Honda
Baierl Acura	Grapevine Honda	Lithia Honda
Baierl Honda	Hamilton Honda	Planet Honda
Bend Honda	Honda Cars of Katy	Ray Laks Honda
Curry Honda	Honda Cars of Rockwall	Rock Honda
DCH Academy Honda	Honda of Ames	Sisley Honda
DCH Honda of Mission Valley	Honda of Clear Lake	Suburban Honda
DCH Honda of Nanuet	Honda of Great Falls	Tampa Honda
DCH Honda of Oxnard	Honda of Salem	Wesley Chapel Honda
DCH Honda of Temecula	Howdy Honda	Wilde East Towne Honda
DCH Kay Honda	Island Honda	Wilde Honda

Green Dealers nationwide support Honda’s goal of becoming carbon neutral by 2050.



GOAL 4

Bright Ideas

Employees Are Inspiring Us—Nearly 21,500 Drive Our Path Forward

Lithia & Driveway’s Green Team voluntarily comes together to educate and inspire their fellow associates on sustainability efforts.

Green Team Environmental Outreach

The Green Team helps Lithia & Driveway operate within a more environmentally sustainable mindset. Our current efforts focus on Medford and Tigard, Oregon, locations with our sights set on growing beyond the state border in the future.

Volunteer Clean-Up Activities

Dozens of employees participated in the Bear Creek Stewardship Day in Medford. Green Team volunteers picked up trash or stripped invasive ivy from trees during the bi-annual event. Other clean-up events involved the Oregon Spring Clean-up Day in April and the PickItUp Portland! campaign in June.



Bright Ideas Sustainability Award

The Green Team launched the new Bright Ideas Sustainability Award to recognize employee creativity in sustainability efforts.

The Payroll Department Goes Paperless

As a compensation associate, Erin Oltman, worked within the traditional paper-based, payroll-processing system that tirelessly produces weekly, semi-monthly, and monthly paychecks for nearly all employees. Erin decided to *Take Personal Ownership* and use her sustainable values and a fresh perspective to drive a positive change.

Erin proposed using Adobe Acrobat Pro to convert the entire payroll process from paper to digital. Based on her previous work experience, Erin immediately saw how this technology could easily become a sustainable, systemic option for the Payroll Department. Leadership agreed, and her bright idea worked brilliantly!

Annual Savings

1.7M

Pieces of Paper Saved

\$115K

Employee Time Savings

\$141K

Total Savings



Lithia & Driveway 100% has proven to me they live by their core values, and they have won my loyalty for that. They want to change and do better for the environment.

Erin Oltman, Compensation Associate, Lithia & Driveway



GOAL 5

Energy Efficiency

Advocating Sustainability Design & Development

We take pride in working hand-in-hand with our manufacturer and community partners to develop more sustainable buildings and businesses.

Our Design, Construction & Facilities teams provide ongoing support and assistance in reducing our energy usage, waste, and carbon footprint throughout our hundreds of showrooms, service areas, grounds, and offices. We are excited about new construction projects where sustainability design is a top priority.

A Sustainability Design Spotlight

In Michigan, our Design Team and its partners have worked closely with the local community of Scio Township—situated outside of Ann Arbor—on an 18-acre parcel of land for three new luxury car dealerships.



Energy-Efficiency Goals

Buildings in the Michigan dealership complex are designed to a greater energy-efficiency standard than current code requirements. Its pilot program uses a battery system tied to the utility grid to draw electricity during off-peak hours to minimize energy costs while simultaneously delivering Level 3 fast-charging stations.

A Shared Electric Vehicle Park

This new complex in Michigan also includes a shared electric vehicle park with six charging stations made up of three Level 2 and three Level 3 chargers. This park will benefit both the dealerships' customers but also all those who travel the Jackson Road Corridor between Ann Arbor and Scio Township.

The electric vehicle chargers' electrical load is offset with a large solar canopy built into the park that will generate an estimated 98,267 kWh in the first year, while additional solar canopies throughout the park allow electric car drivers to access vehicle charging while enjoying some time outdoors shielded from the sun.

The site also offers an educational pathway that includes native plantings and geographical features that make the site carbon-neutral.





SECTION 04

Social Goals

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GOAL 6

Employee Health & Well-Being

Offering Total Rewards

To support *Growth Powered by People*, we invest in meaningful total rewards that support our talented teams financially and ensure a beneficial work/life balance.

Health Benefits & Beyond

Lithia & Driveway values the talent and energy of our nearly 21,500 associates who are the true engine behind our growth and success. To keep associates and their families healthy and happy for the long haul, our benefits help to ensure their overall health and wellness.

- Medical & Prescription Drugs
- Supplemental Health Plans
- Dental & Vision
- Flexible Spending Accounts
- Paid Time Off
- Bereavement Leave
- On-Site Health Clinics*



Total Rewards



*Two in Medford, OR; one in Mahwah, NJ; and one in Wexford, PA



#38

Top 100 Healthiest
Workplaces in America



\$1.2M

Employee Wellness
Bonuses



Total Rewards
WELL-BEING

Financial Security

To help our associates build a financially secure future, we provide the following benefits:

- An employer match on 401(k) Plan contributions
- A 15% discount on company stock through the Employee Stock Purchase Plan
- Short-term and long-term disability coverage
- Life and AD&D insurance



Financial Wellness Week

We host a companywide Financial Wellness Week each year to provide useful and valuable information to associates on retirement planning; preparing for home ownership; investment options through our 401(k) Plan; and more. Hundreds of attendees joined webinars from our financial partners, such as Merrill and Deschutes Investment Consulting.

Supporting Associates at Work, at Home, and Everywhere in Between

We go the distance to help associates attain both a mental and physical well-being.



Mental Health Well-Being

Mental Health Awareness

May marks Mental Health Awareness Month—and in 2022, the Benefits Team set a goal of increasing overall participation with more educational materials and resources for our associates.

More than **1,500** associates attended mental-health webinars for:

- Developing a growth mindset
- Caring for mental health
- Overcoming burnout with mental resiliency
- Breaking the silence on suicide

Employee Assistance Program (EAP)

All associates and their dependents have access to 24/7 in-the-moment support, short-term counseling, and more. The EAP can provide support with the demands of everyday life, including stress, relationships, legal and financial matters, education resources, dependent care, and caregiving services. All information or assistance is free of charge and completely confidential.

“The mental health series of webinars in 2022 had the highest attendance than any previous Benefits webinar. We received outstanding feedback from team members and look forward to adding even more events next year.”

Shannon Cloney, Senior Compensation Manager, Benefits, Lithia & Driveway

Physical Well-Being



Gym Discount Program

We offer all U.S. employees a discounted membership with Active&Fit Direct gyms. In addition, select locations enjoy on-site gym facilities.



National Bike to Work Day

Every year, we encourage our teams (including, at left, DCH Toyota of Oxnard in California) to participate in the national Bike-to-Work Day—creating a win-win by encouraging physical activity while showing solidarity in reducing carbon emissions.

Health Fairs

Associates enjoy our annual Health and Wellness Fairs in select locations, where we bring all health care, wellness, and community partners together in one place to help everyone get the most out of their benefits. We also inform attendees of volunteer opportunities in their area, providing them opportunities to give back to their hometowns.



Creating Excellent Workplaces

We strive to provide work environments where associates feel valued, respected, and empowered.



Ten Stores Ranked in the Top 100 “Best Dealerships to Work for”

To win this industry honor from *Automotive News*, stores had to excel in quality workplace categories and receive strong employee satisfaction scores from confidential surveys.

#8



DCH Millburn Audi

Maplewood, New Jersey

#30



DCH Honda of Temecula

Temecula, California

#31



DCH Kay Honda

Eatontown, New Jersey

#41



DCH Montclair Acura

Verona, New Jersey

#50



Audi Farmington Hills

Farmington Hills, Michigan

#62



Lithia CDJR of Corpus Christi

Corpus Christi, Texas

#77



DCH Audi Oxnard

Oxnard, California

#82



Suburban Mazda of Farmington Hills

Farmington Hills, Michigan

#83



Keyes Hyundai of Mission Hills

Los Angeles, California

#85



Porsche of Farmington Hills

Farmington Hills, Michigan



GOAL 7

Training & Professional Development

Igniting Leadership Competencies

We encourage everyone to *Take Personal Ownership* of their career advancement and development through our leadership programs.

Accelerate Top Talent Programs

Lithia & Driveway’s Accelerate Top Talent Programs are the fast lane to *Growth Powered by People* by providing deliberate development of high-potential associates and managers at various levels to support succession planning, enhance internal promotions, and facilitate leadership development.

“The Accelerate Programs develop leaders from within and help them to excel in our high-performance, entrepreneurial culture.”

Nicole Erlan, Senior Program Manager, Lithia & Driveway



Professional Leadership Program

New in 2022, the Professional Leadership Program is designed to provide high-potential leaders with the opportunity to showcase director competencies, including executive presence, strategic decision making, and change leadership.

To date, **10** out of the first **20** Professional Leadership Program participants from 2022 have earned director promotions.



Store Leadership Program

The Store Leadership Program assists leaders from our vast retail network to develop general manager (GM) competencies, such as entrepreneurship, consumer optionality, critical thinking, and team development.

60% of our Store Leadership Program participants in 2022 have been promoted—to date, 6 are now GMs and 6 have landed Area GM promotions.



Operational Leadership Program

The one-month Operational Leadership Program provides high-potential operational leaders an opportunity to showcase group vice president competencies, including executive presence, change agency, and critical thinking.



Motivating Career Advancement & Training

In the spirit to *Improve Constantly*, we offer associates several opportunities to learn, refine, or explore new routes for professional growth.

The DART Professional Development Program

The DART Program is designed to offer early-career individuals, with a variety of backgrounds, a full-time employment opportunity in a broad range of subjects that can lead to a position in more than 30 Lithia & Driveway departments.

More than **50** DART participants since the program's launch in 2021—and still growing.



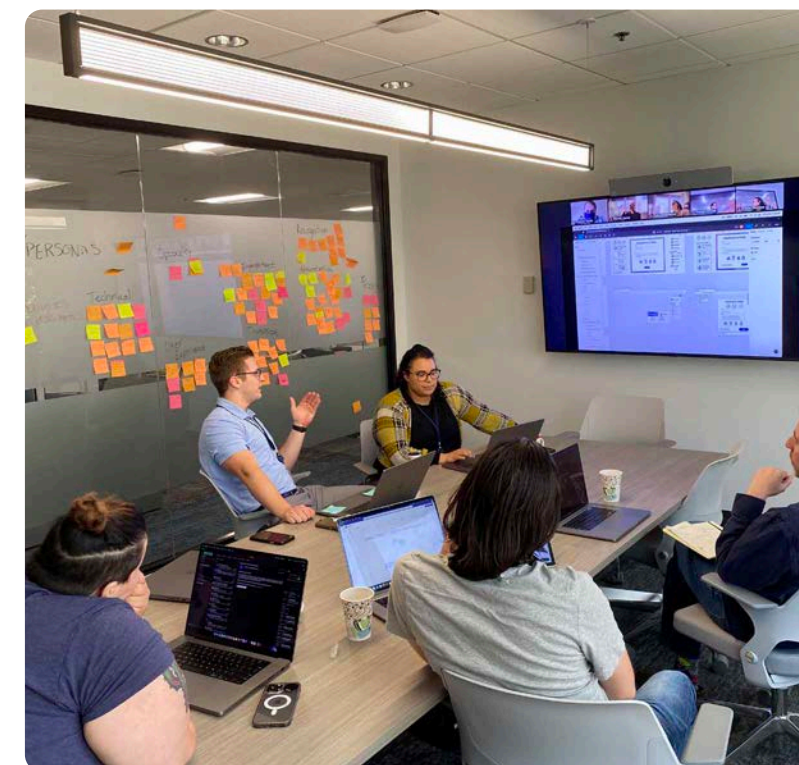
“The DART Program gave me great opportunities to work with different teams and projects of all sizes and scopes. It provided a good platform for career growth, where talent and hard work are utilized and appreciated. If one has the hunger to learn new things and grab opportunities for growth, the DART Program is the best.”

Shashi Bala, Data Engineer & DART Graduate, Lithia & Driveway

Summer Internships

The Lithia & Driveway Summer Internship Program allows college students the chance to explore future career paths and learn from experts and mentors in a variety of operational disciplines. For eight weeks, interns work side by side with their mentors gaining real-world business experience. It's a positive partnership as we continue the circle of learning together.

More than **35** college students completed the eight-week paid internship program in 2022, enjoying a summer filled with learning, networking, and supporting *Growth Powered by People*.



Our mission *Growth Powered by People* keeps us focused on a more socially sustainable future.

Accelerating Talent Development for All

Learning is key to moving ahead, and our Talent Development resources propel our associates to grow their skills and explore new paths.



The Learning Center

The Learning Center hosts a variety of training resources and courses designed to expand skill sets, accelerate potential, and grow careers. Our Learning Center resources are free and available to all employees.

LinkedIn Learning

LinkedIn Learning is a professionally curated video library with courses in leadership, professional development, creative media, and information technology. Its courses are designed for in-depth and just-in-time instruction at various skill levels. All Lithia & Driveway employees are eligible to request a FREE LinkedIn Learning account.

In 2022, associates accessed and completed over **5,000** LinkedIn Learning courses, totaling more than 6,000 training hours.



Sharing Knowledge to Spark Professional Growth

Senior leaders educate and motivate when they communicate their insights and ideas with others.

Leader Talks Program

Leader Talks is a high-impact learning series for managers and above. During the virtual live webinar meetings, senior leaders spend one hour sharing valuable progress updates, strategic focuses, and key opportunities to improve and grow within the organization. Every Leader Talk is recorded and made available to all associates via the company’s Learning Center.

Leader Talks is the most scalable live training and has the highest leadership engagement and attendance of all Talent Development training sessions.

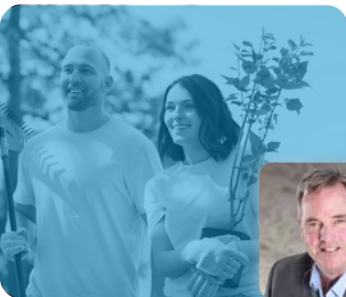


Leader Talks by Senior Leadership in 2022



Lithia & Driveway Strategy

Bryan DeBoer, President & CEO
Bryan shared an overview of the 2025 Plan and valuable insights on the key strategies of Lithia & Driveway.



Corporate Responsibility

David Stork, Chief Administrative Officer
David elaborated on our corporate responsibility goals and how they impact the company and investors.



Driveway Finance Corporation

Chuck Lietz, Senior Vice President of Finance
Chuck discussed Driveway Finance Corporation, its core elements and strategies, and how all associates can support its growth.



Technology & Information

George Hines, Chief Innovation & Technology Officer
George shared insights on how technology is used at Lithia & Driveway to boost innovation and how leaders can drive innovation at the local team level.



Operations Focus Areas

Chris Holzshu, Chief Operating Officer
Chris reviewed the 2022 Operations annual operating plan and provided insights on executing *Growth Powered by People*.



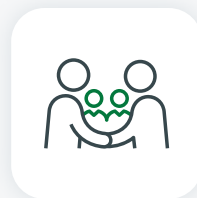
Inclusive Culture

Tina Miller, Chief Financial Officer
Mike Cavanaugh, Regional Vice President
Adam Britzius, Regional Vice President
Shawn Kukic, Regional Vice President
Tina shared key elements for building an inclusive culture and engaging employees through a panel discussion with senior leaders.



Operations Strategy

Bryan Osterhout, Regional President
Scott Hillier, Regional President
Tom Naso, Regional President
Danny Negra, Senior Director, Performance Management
Senior leaders discussed updates on annual operating plans, performance management resources, and leadership expectations.



GOAL 8

Diversity & Inclusion

Championing Inclusive Leadership

Lithia & Driveway's Women LEAD (Learn Explore Achieve Develop) began in 2015 as an avenue for women to connect and grow.

Lithia & Driveway Women LEAD 2022

The goal of Lithia & Driveway Women LEAD is to provide positive and powerful learning experiences that align with our company's mission of *Growth Powered by People*—where women take the lead in helping others, develop industry networks, and enhance skills for personal and professional pursuits.



Total Rewards
DEVELOPMENT



When Purpose Meets Potential

The theme for 2022 was When Purpose Meets Potential—a concept passionately embodied within Lithia & Driveway's core values and high-performance culture. Virtual sessions were made available to all employees to provide inspiration on career advancement and hear directly from our company's leaders on how they navigated their career journeys.

In 2022, we offered a **100%** virtual expansion to all employees resulting in more than **400** Women LEAD unique participants for live sessions.



Women of Influence 2022: Tina Miller of Lithia & Driveway

The *Portland Business Journal* recognized our very own Chief Financial Officer, Tina Miller, as one of its Women of Influence of 2022.

The magazine showcased Tina's front seat position in propelling the company's 2025 Plan to achieve \$50 billion in annual revenue. Miller described the strategy as "making sure we can respond to consumers wherever, whenever, and however they want to shop."

Lithia & Driveway will continue to invest in initiatives that foster a sense of belonging for all employees.

Promoting a Purposeful Culture of Belonging

Lithia & Driveway nurtures a deliberate and purposeful culture of belonging, as is reflected in the company's diversity, equity, and inclusion (DEI) statement.

Lithia & Driveway DEI Statement

At Lithia & Driveway, diversity, equity, and inclusion are core to our mission of *Growth Powered by People*.

We understand that a culture of belonging—across all levels—fuels innovative solutions, promotes team collaboration, invites personal development, and accelerates community engagement.



DEI Milestones in 2022

We gained ground in our drive to build a more diverse and inclusive work environment with new initiatives to review our human resources systems, processes, and communications with a more DEI-focused lens.

Culture Council

To jumpstart this effort, we established a Culture Council consisting of Executive Champions and a Culture Taskforce. The Executive Champions provided strategic oversight and guidance on culture and DEI focuses, while the Culture Taskforce executed short-term goals set by the Executive Council, assessed results, and made recommendations. Based on the council’s work:

- We updated the company’s career website with new organizational culture details—including employee testimonials—to showcase the diversity at Lithia & Driveway.
- We created a DEI Guide for our recruiters and hiring managers to ensure best practices during the hiring process.
- We acquired Glassdoor and Indeed-sponsored pages to source candidates from more diverse backgrounds.

All-Company Employee Engagement Survey

We also established our baseline of employee engagement through a companywide Engagement Survey by a third-party vendor. HR managers communicated specific survey results to leaders and supported their creation of action plans to move the DEI needle forward.

Nearly 40% of company employees responded to the survey, and of those respondents, 48% said they were “engaged” or “enthusiastically engaged.”

As a result of the engagement survey, we also received several Top Workplaces Awards:



Growing Workforce Diversity

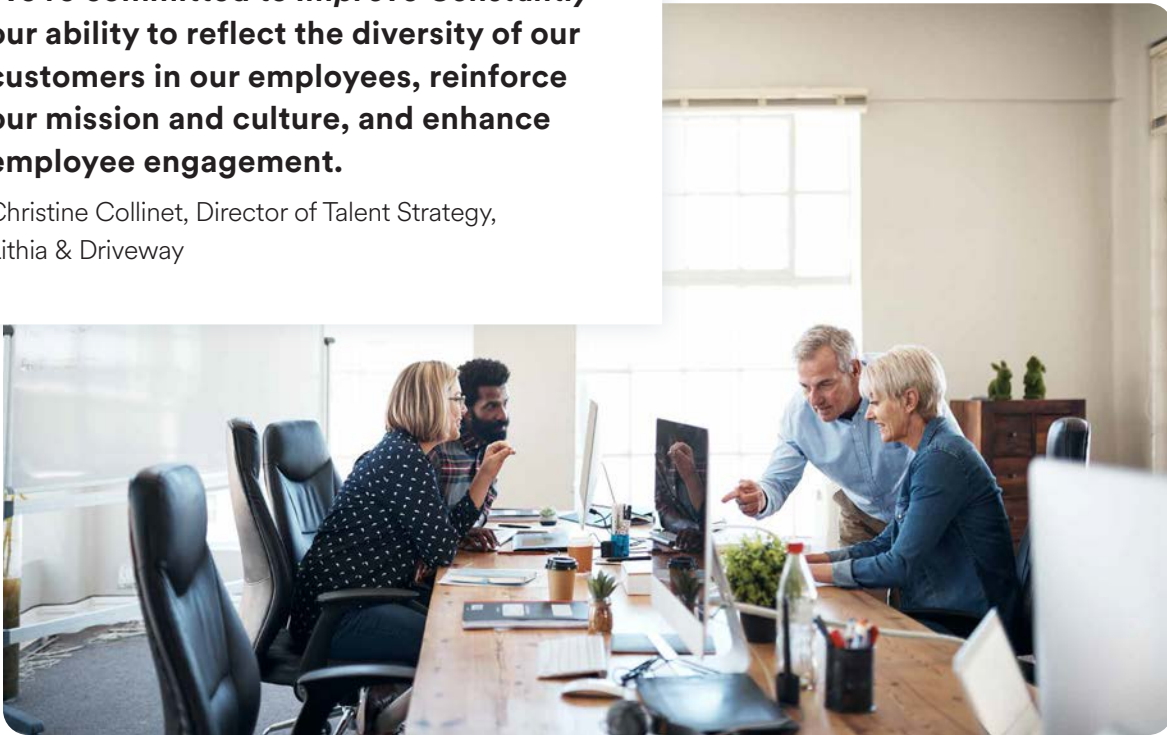
We want our workplaces to reflect the diversity of the communities where we do business; thus, our ongoing goal is to become more diverse and inclusive to empower everyone.

2022 Workforce Diversity at Lithia & Driveway

	Management Diversity		Non-Management Employee Diversity	
Total # of Employees	3,236		20,872	
Asian	155	4.79%	1,020	4.89%
Black or African American	123	3.80%	1,356	6.50%
Hispanic or Latino	443	13.69%	5,221	25.01%
White	2,106	65.08%	10,377	49.72%
Other	409	12.64%	2,898	13.88%

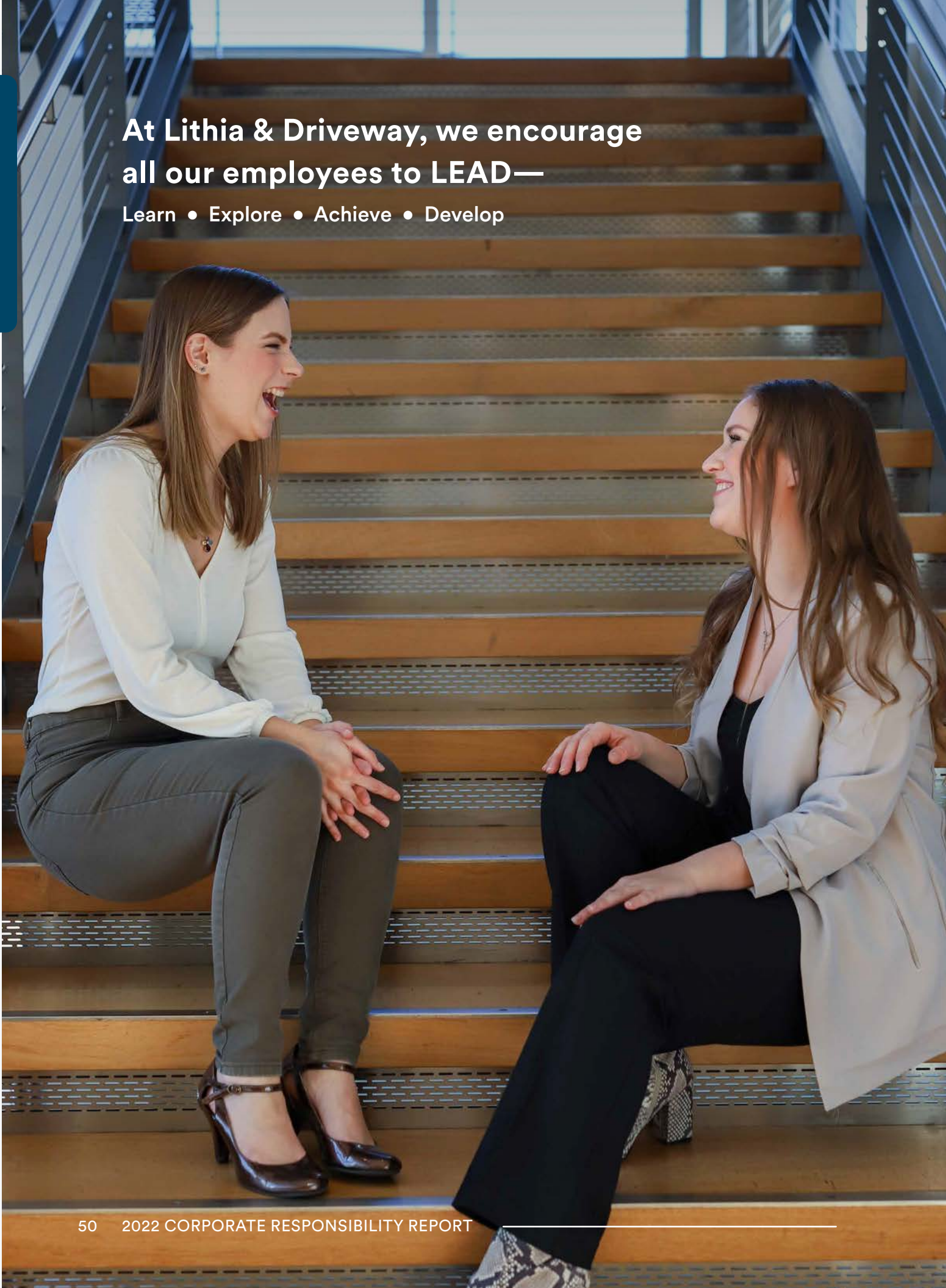
“We’re committed to *Improve Constantly* our ability to reflect the diversity of our customers in our employees, reinforce our mission and culture, and enhance employee engagement.”

Christine Collinet, Director of Talent Strategy,
Lithia & Driveway



At Lithia & Driveway, we encourage all our employees to LEAD—

Learn • Explore • Achieve • Develop



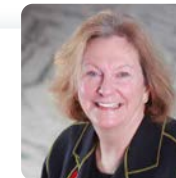
Paving the Way for Women

Lithia & Driveway's female senior leadership is helping to open doors for others who are looking to grow their skills, reach their potential, and broaden their professional horizons.

Female Board of Directors

Our associates and stakeholders look to our Board of Directors and management to set the tone and promote a culture of diversity, inclusion, and transparency. We're pleased to announce that two of our seven board members are female and contribute to the strong leadership that is catapulting the company to becoming the largest automotive retailer globally.

Susan O. Cain



Board of Director Member
Chairperson of Audit Committee
Compensation Committee Member

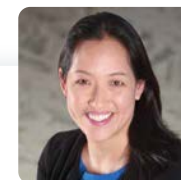
Shauna F. McIntyre



Board of Director Member
Compensation Committee Member
Audit Committee Member

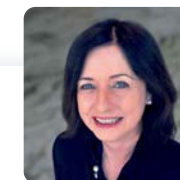
Female Senior Leadership

In a traditionally male-dominated industry, we strive to *Improve Constantly* in elevating women into senior leadership positions to keep our culture inclusive and to benefit from their experiences and perspectives on moving the company forward.



Tina Miller

Chief Financial
Officer



Marguerite Celeste

Senior Vice President,
Marketing



Carol Deacon

Senior Vice President,
Driveway and GreenCars



GOAL 9

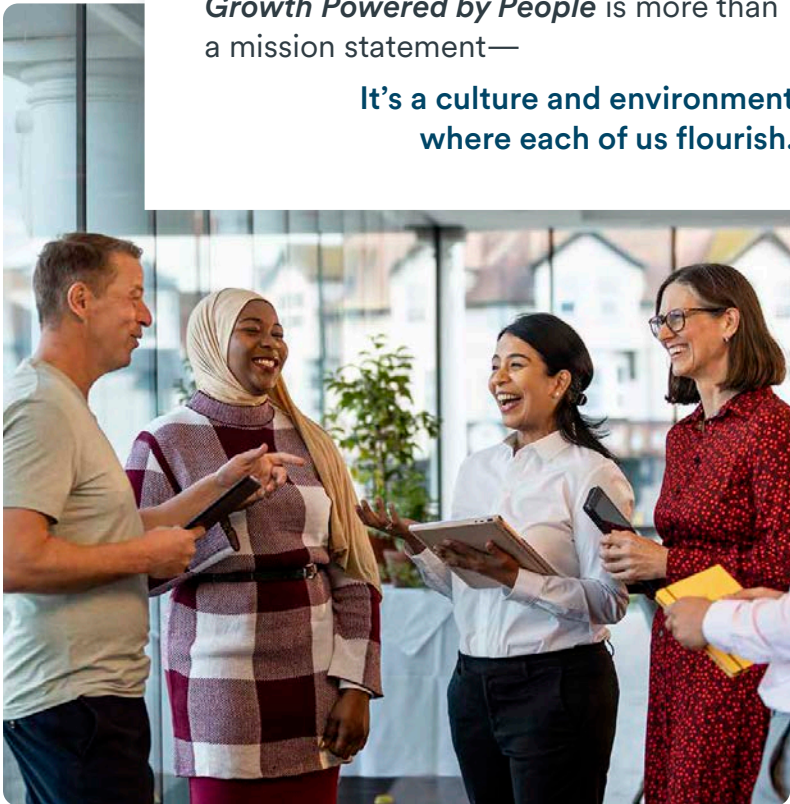
Diverse Leadership

Board Diversity

Focus on diversity and inclusion should come from the top. The composition of our Board of Directors reflects the value we place in a diversity of perspectives.

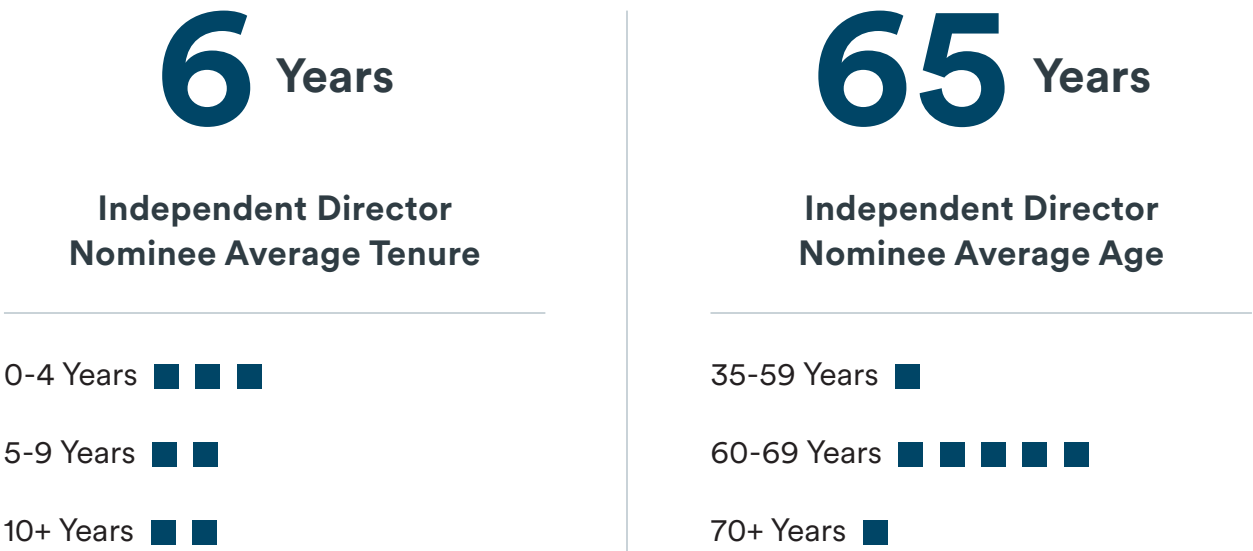
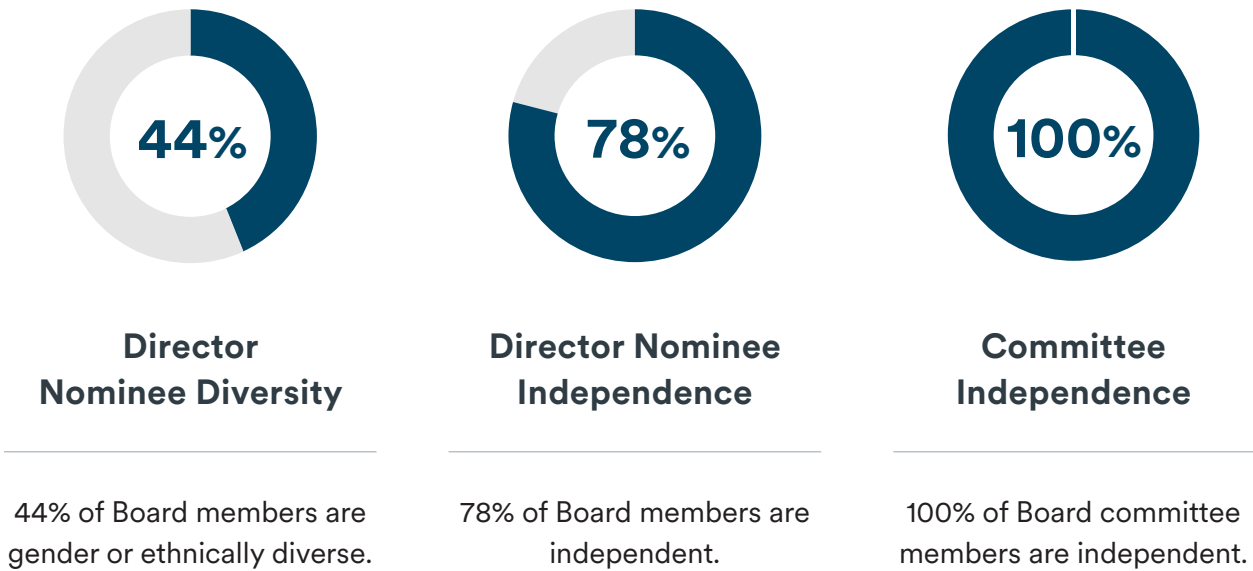
Our objective is to strike a balance between the institutional knowledge that comes with long-term service and the fresh perspective provided by new members. In addition, we aim to be transparent about our board’s diversity statistics.

Growth Powered by People is more than a mission statement—
It’s a culture and environment where each of us flourish.



Board Composition

Our independent directors bring a variety of diversity and tenure—effectively balancing the inputs and viewpoints represented on our board.





GOAL 10

Community Involvement

Connecting with Our Communities

The best way to build community relationships is standing shoulder to shoulder helping our neighbors.

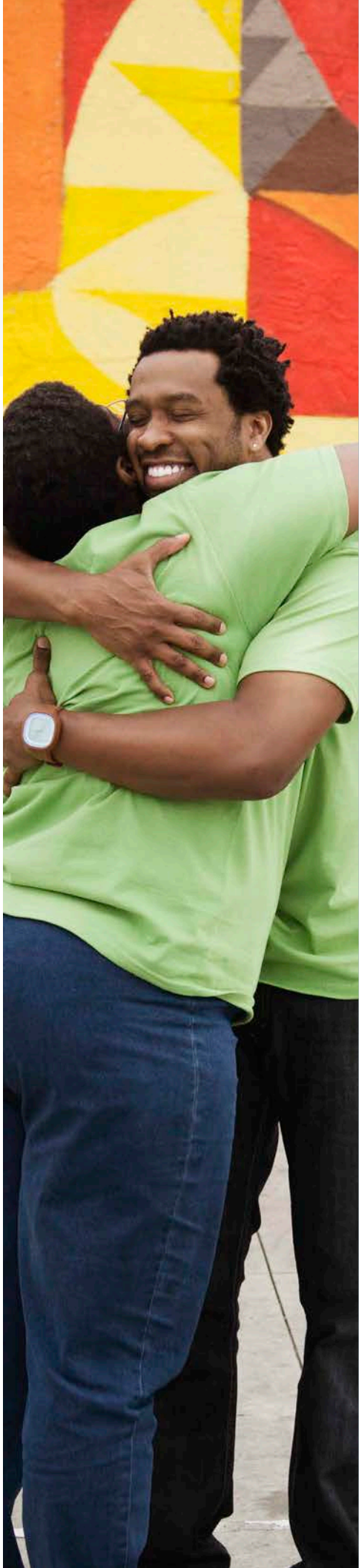
A Philanthropic Partnership with Southern Oregon University

In September 2022, Bryan DeBoer, Lithia & Driveway's President & CEO, announced an historic commitment to Southern Oregon University in Ashland, Oregon, his alma mater and the region's educational hub.

Lithia & Driveway's commitment of \$12 million—the largest-ever single gift to the university—will create the Lithia & GreenCars Momentum Fund.



SO Southern OREGON
U UNIVERSITY

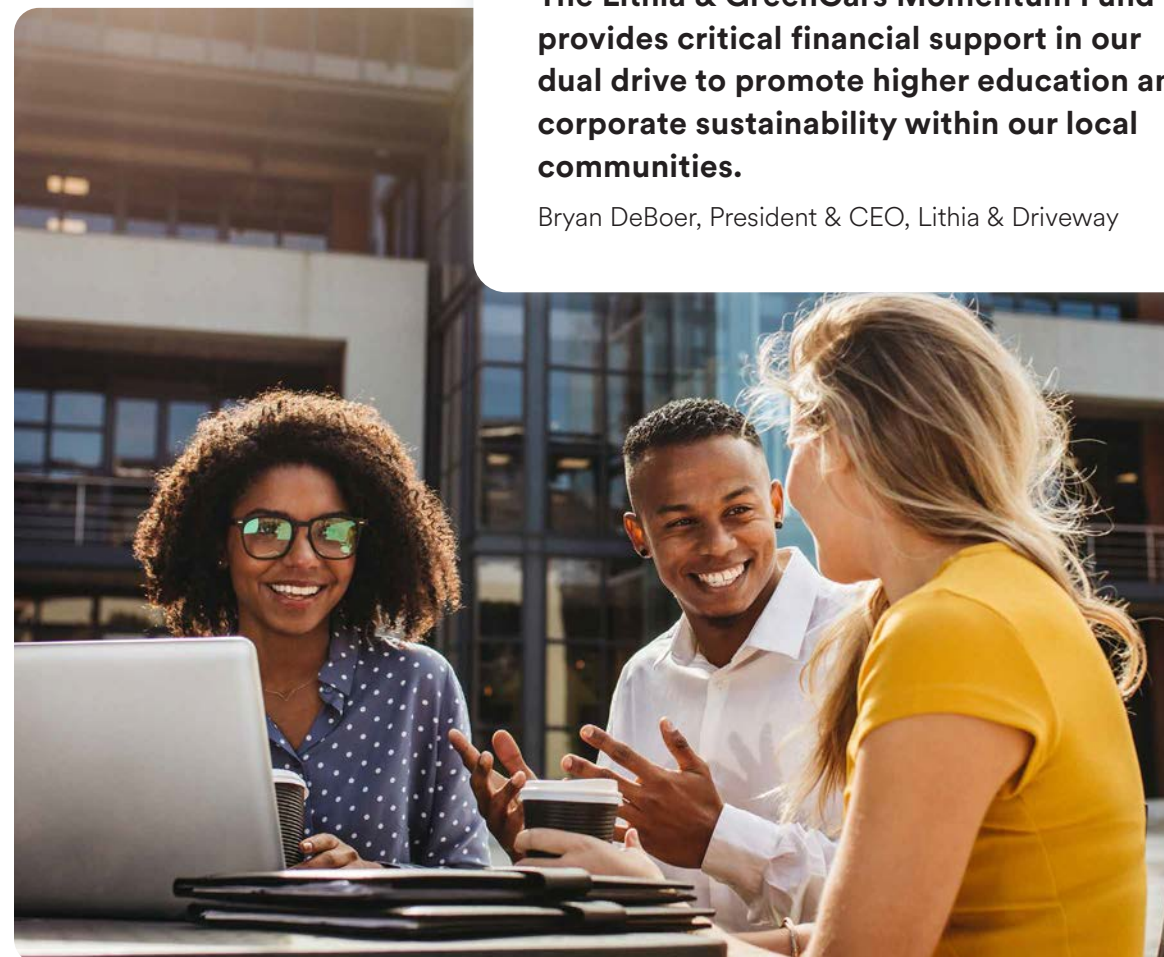


The Lithia & GreenCars Momentum Fund

The Lithia & GreenCars Momentum Fund will invest in people and programs to move forward a shared vision of sustainability and diversity. It is also a catalyst to invite other companies and individuals to participate in making a significant difference in social and environmental change.

The fund includes three major components:

- **The Lithia & GreenCars Scholarship Program**—To recruit and retain first-generation and/or minoritized populations traditionally underrepresented in higher education.
- **The Institute for Applied Sustainability**—To identify and implement initiatives that move SOU toward a sustainable campus—including the creation of a national sustainability conference and a national sustainability demonstration site.
- **The President's Fund**—To develop new ways of solving complex problems and support innovation and entrepreneurship.



The Lithia & GreenCars Momentum Fund provides critical financial support in our dual drive to promote higher education and corporate sustainability within our local communities.

Bryan DeBoer, President & CEO, Lithia & Driveway

Strengthening Our Communities

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



The Lithia 4Kids Legacy

Founder and Chairman of the Board, Sid DeBoer, established Lithia 4Kids in 2008 to make giving back a priority. Since its inception, Lithia 4Kids has donated millions of dollars to local youth organizations and nonprofits.

Executive Giving

Lithia & Driveway leaders are encouraged to take an active role in giving back, including inspiring their teams to participate and volunteer in local nonprofit events and efforts. Senior leaders also help to direct where Lithia 4Kids funds are allocated throughout the local communities.



Lithia 4Kids Community Partners

Through Lithia 4Kids, we enrich the lives of thousands of local youths by improving childhood wellness, contributing to children-centric nonprofits, developing neighborhood programs, and sponsoring community events.



Create Safe Spaces to Learn and Play

- Kids Unlimited
- Boys & Girls Club of the Rogue Valley
- Rogue Valley Family YMCA & Ashland YMCA
- SMART Reading
- SOU Youth Program & Athletics
- Special Olympics
- Ashland Schools Foundation



Help Build Resilient Communities

- SOLVE Oregon
- Access
- Court-Appointed Special Advocate (CASA)
- Youth 71Five Ministries
- Rogue Community Health
- Resolve
- Hearts & Vines Foundation



Provide Enriching Experiences

- Oregon Shakespeare Festival
- Women's Leadership Conference at SOU
- ScienceWorks
- Mt. Ashland Foundation
- City of Medford Parks & Recreation
- The Crater Foundation

Store Partnerships with Local Nonprofits

Lithia & Driveway boasts nearly 300 stores across North America most of which partner with local nonprofits to serve the needs of public health, youth, education, families, seniors, veterans, athletics, and public safety.

We'd like to share just a sampling of the amazing community outreach that our stores perform.



Giving Powered by People

Our stores' commitment to giving back runs deep, and many have long-term, ongoing partnerships with nonprofits that matter the most to them and their area.



2022 STORE-COMMUNITY SPOTLIGHT

Subaru of Moon Township

Pennsylvania

- The store staff helped pets find forever homes at adoption events, sponsored a Halloween pet trick-or-treat event, and gave funds to Animal Friends.
- They also donated cash and school supplies to Richard J Hyde Elementary School for the Subaru Loves Learning campaign.
- Store team members donated blankets to patients at the Moon UPMC Cancer Center, giving them something warm and soft to use during treatments or at home.
- The store came together in a huge way to raise funds for their hometown charity—Make-A-Wish Greater Pennsylvania and West Virginia—during the Subaru Share the Love campaign. A donation of \$31,438 helped to fulfill the wishes of seven wish children from the area.
- Team members joined with Meals on Wheels nonprofit to feed residents in Moon, Coraopolis, Neville Island, and Crescent townships.
- For the “Stuff the Subaru” event, team members gathered toys for area children in need for several months.

“We’re proud of how our store teams *Have Fun* connecting with their communities. Our giving is truly powered by people.

Anna Brewer, Human Resources Business Partner
Manager, Lithia & Driveway

2022 STORE-COMMUNITY SPOTLIGHT

Honda, Chevrolet, CDJR, and Nissan

Bend, Oregon

All four Bend stores partnered with The Giving Plate to donate three truckful of toys and gifts for 1,000 at-risk children at The Jingle Christmas event. Children were given “elf bucks” to shop for their parents and loved ones.



2022 STORE-COMMUNITY SPOTLIGHT

Wesley Chapel Toyota, Wesley Chapel Honda, Tampa Honda, and Lexus of Wesley Chapel

Florida

Our four stores in Wesley Chapel and Tampa go full throttle year-round in their community when it comes to volunteering, fundraising, and helping others. Below are three highlight stories of impressive community partnerships, in addition to the many photos on the next page from other community partnerships in the area.



- Pooled their resources to sponsor the children who live with Metropolitan Ministries for Christmas. Roughly 200 children were able to submit their holiday wish lists. Then on Christmas morning, team members delivered the gifts.
- Signed a pledge agreement with Moffitt Cancer to donate to them on an annual basis; in 2022, they presented the organization with \$70,000.
- Donated \$40,000 to the University of South Florida MUMA College of Business.

“Our Community Partnership Division takes a ‘hands-on’ approach, not only with monetary contributions, but by emphasizing public service and promoting volunteerism with our employees—generating manpower to the many charities we work with.

Eric Johnson, Director of Corporate & Community Relations, Wesley Chapel Toyota



2022 STORE-COMMUNITY SPOTLIGHT

Subaru of South Hills
Pennsylvania



The store supported Pittsburgh Brookline's Backpack Program to help feed hungry students who may not have access to food over the weekend.



Customers helped store associates stuff a vehicle on the showroom floor full of toys to donate to local children.



Store team members volunteered at South Hills Pet Rescue, assisting at adoption events and donating money via their Subaru Loves Pets pillar.

2022 STORE-COMMUNITY SPOTLIGHT

Suburban Ford
Romero, Sterling Heights, Troy, Ferndale, Waterford—Michigan



Joining forces, these Suburban Ford stores teamed with Neighbors United for their annual #WalkForTheRed140 event that assists firefighters who have contracted cancer. Suburban Marketing Manager, Dane Tocco, joined Joseph Warne in full firefighter gear to walk more than 30 miles to Suburban Ford of Waterford for their first day. Joe walked a total of 140 miles for the firefighters and their families who have been affected by cancer, which is the leading cause of death in firefighters.

2022 STORE-COMMUNITY SPOTLIGHT

Suburban Subaru
Michigan



For the Subaru Loves Pets campaign, Suburban Subaru partnered with Almost Home No Kill Animal to host their third annual pet adoption event. Through their combined efforts, the store's team filled the showroom with people interested in giving dogs a forever home. Sixteen dogs were adopted and went home with their new families.



The store partnered with Gleaner's Community Food Bank of Southeast Michigan, where team members packed 466 boxes of food amounting to 16,000 pounds for the Drive Away Hunger campaign. The team also agreed to donate \$100 for every Subaru sold between October and December.

2022 STORE-COMMUNITY SPOTLIGHT

Lithia Grand Forks CDJR
North Dakota



During the busy holiday season, Lithia Grand Forks CDJR supported the HC Community Care Center & Food Pantry by accepting nonperishable food items from customers and team members in their showroom to help feed underserved individuals and families in the Grand Forks area.

SECTION 05

Reporting & Transparency

Global Reporting Initiative (GRI) Report 69

Sustainability Accounting Standards
Board (SASB) Report 69

The Lithia & Driveway Home Office is headquartered in the beautiful Rogue Valley in Medford, Oregon.

We are privileged and humbled to live and work in a state rich in natural resources, diverse wildlife, and epic vistas. This recognition inspires us to prioritize sustainability within our industry as we steer towards a more carbon-neutral way of travel and transportation.



Reporting & Transparency

We strive to provide transparency throughout our organization to *Improve Constantly* as we journey the roads ahead.

Please visit our [Reporting Documents](#) page for our latest reporting documents:

- Sustainability Accounting Standards Board (SASB)
- Global Reporting Initiative (GRI)



“These frameworks provide information sought by sustainability-focused investors and express our intent to fortify our corporate responsibility practices as part of our 2025 Plan.”

David Stork, Chief Administrative Officer,
Lithia & Driveway

We're going the extra **green** mile
to *Earn Customers for Life.*

