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Starting Your Sustainability Journey: A Roadmap Kartik Mekala, Director of Sustainability, LIPPERT Sandy Rynalski, Vice President of ESG, THOR Industries SUSTAINABILITY ROADMAP

ASSESS Assess your organization's impacts

UNDERSTAND Understand where you are and set targets DISTRIBUTE Distribute responsibility, accountability and budget

3

INCORPORATE Incorporate sustainability into your company's decision-making processes

4

MEASURE Measure and track your progress

5

1. Assess Your Organization's Impacts

- Where is your company creating or reducing value for society and for the environment?
 - <u>Stakeholder concerns</u>: Managers, investors, customers, etc.
 - What are their concerns when it comes to the environment and society?
 - Consider surveying your internal and external stakeholders to gain a better understanding
 - <u>Relevant issues</u>: waste, emissions, employee health and safety, human rights, etc.
 - What type of business processes are in place and what type of products do you make?

2. Understand Where You Are And Set Targets

- Once you understand your stakeholders' concerns, set targets for the areas that are most important
 - Environmental
 - Reduce electric usage track kilowatt hours monthly
 - Increase recycling efforts track waste to landfill monthly
 - Social
 - Improve worker safety track lost time and incidence rates
 - Support worker development track the number of training hours completed
 - Support your local community set a budget for donations or volunteer hours

3. Distribute Responsibility

- Ensure the correct people are responsible and accountable for the right goals
 - HR Department should be responsible for reaching diversity and gender targets, volunteer activities, and donations
 - Operations should be responsible for reducing energy usage and waste and improving worker safety

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Collect data to hold your team accountable

4. Integrate Sustainability Into Decision-Making Processes

- Innovative products could be part of a first-mover advantage
 - But are innovative products more energy-intensive to produce?
- Energy efficient activities could reduce utility costs
- Sustainability discussions should be considered in management meetings
 - Is the sustainability measure cost-effective?
 - Does the measure support company goals?
 - Do new suppliers meet appropriate certifications and support the goals?

5. Measure and Track Progress

- You can't improve what you can't measure
- Determine how frequently to track your progress
 - Tracking more frequently allows for quicker action
 - Tracking progress can help quantify the positive effects of sustainable actions

- Consider adding sustainable goals to employee performance metrics
 - What gets measured gets done

Actions to Start Your Sustainability Journey or Expand Your Efforts

Get Started – No or Low-Cost Actions

	Sample Topic	Sample Target	Measurement Tool	Sustainable Activities
Environmental	Reduce Greenhouse Gas (GHG) emissions/ more efficient energy usage	 Reduce electricity usage (kilowatt hours) Reduce natural gas usage 	Track monthly utility bills	 Turn off lights Install light sensors Check and fix air leaks Contact your utility provider for free programs and incentives
Social	Improve labor practices	 Reduce injury rates and lost time Increase worker training and development 	 Track lost time and incidence rates Track number of training hours per worker 	 Provide PPE to all employees Keep work areas clean Invest in training classes Establish a safety committee
Social	Good corporate citizenship	Volunteer xx hours to the community	Track the number of worker volunteer hours	 Pick up litter in local parks Plant trees Pack food for a local soup kitchen

Already Started? Expand Your Efforts

Initiative	Impact	Solution Examples	Thought Provoking Ideas
Energy Efficiency	Reduces emissions, lowers energy costs	LED lighting, energy-efficient machinery, renewables, air leaks, HVAC upgrades, heat capture and reutilization	Implement smart grids, energy storage
Waste Reduction	Minimizes landfill waste, conserves resources	Recycling, waste reduction, zero waste to landfill	Closed-loop supply chain, supplier collaboration
Water Conservation	Reduces water usage, minimizes water pollution	Water-efficient fixtures, water recycling, rainwater harvesting	Innovative filtration technologies, community collaboration
Sustainable Materials	Reduces environmental footprint, supports responsible sourcing	Recycled materials, sustainable sourcing, circular economy	Develop biomaterials, cradle- to-cradle approach

Already Started? Expand Your Efforts

Initiative	Impact	Solution Examples	Thought Provoking Ideas
Eco-Friendly Transportation	Reduces emissions, lowers transportation costs	Electric/hybrid fleets, carpooling, logistics optimization	Autonomous delivery, sustainable transportation
Employee Engagement	Fosters a culture of sustainability, promotes innovation	Training, recognition, green teams	Incentivize carbon reduction, values integration
Carbon Neutrality	Offsetting emissions to achieve net-zero footprint	Reforestation, carbon offsets, carbon capture	Partner with carbon reduction organizations

Already Started? Expand Your Efforts

Initiative	Impact	Solution Examples	Thought Provoking Ideas
Supplier Sustainability	Extends sustainability throughout the supply chain	Assessments, collaboration, sustainable sourcing	Supplier scorecards, disclosure encouragement
Circular Economy Practices	Promotes resource efficiency, reduces waste	Take-back programs, product design, remanufacturing	Blockchain tracking, reverse logistics systems
Community Engagement	Builds positive relationships, addresses local concerns	Educational events, support projects, collaboration	Partnerships with community organizations

Where Can I Learn More?

- Join the Sustainability Committee
 - Regular discussions on sustainability topics like those covered today
 - Open to sustainability experts and those looking to learn more about sustainability
- Sustainability Spot
 - Articles, resources, and tips that will be shared regularly in the RV Industry Association News & Insights newsletter



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Questions?