



LAMAR ADVERTISING COMPANY

# Environmental, Social, and Governance Report

# ESG

*an enduring commitment*

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PUBLISHED APRIL 2023



# A Message from the CEO

Giving back to the communities where we do business, caring on a personal level for our clients and partners, and fostering an environment of equality and inclusion for our employees – these have always been hallmarks of our culture at Lamar Advertising.

Since our last report in 2020, we have deepened our commitment to equality and diversity, to protection of the environment and to ensuring that Lamar is a welcoming place of employment for individuals of all backgrounds.

On the social front, we are firm believers that education and training can uncover unconscious biases, root out the causes of inequality and help individuals from different backgrounds relate better to one another. To that end, since our last update, we have elevated our efforts, led by our HR team, to provide all employees content and training around diversity in the workplace, as well as resources designed to help our employees enhance their relationships with coworkers, clients and our community partners.

We have broadened our recruiting outreach, finding new partners and enhancing internal incentives, in an effort to increase diversity in our employment ranks across all positions and levels. Our internal women's leadership network has helped to increase representation of women in management positions across the company. And we are participating in industry efforts to advance a culture of inclusion throughout the Out of Home industry.

On the environmental front, Lamar continues to take a leadership role in pioneering new technologies and advancing sustainable approaches across our industry. We are expanding our use of polyethylene substrates and energy-efficient LED lighting, projects that have dramatically curtailed our energy needs. Our introduction of GPS-based routing systems is saving us hundreds of thousands of gallons of fuel each year, helping both the environment and our bottom line.

Our work on these fronts is never done, but I'm proud of our progress and commit to you that we will keep pushing for improvement.



**Sean Reilly**

President and Chief Executive Officer, Lamar Advertising Company

**We built Lamar on two moral foundations.  
One, treat others like you would want to be treated.  
Two, leave it better than you found it.  
Both are in our DNA.**

I invite you to watch these short video clips to get a feel for our company in action:



**ABOUT LAMAR**



**OUR HISTORY**



**INVESTORS**



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# What We Stand For

## Committed to Safety

Our largest audience is the driving public, and we understand that people see out of home ads sometimes driving at high speeds. **Safety is our top priority.** We are firmly committed to the safety of the general public. In addition to following external laws and regulations, we adhere to the OAAA Code of Industry Principles. We also create and maintain safe working environments for all of our employees, whether they're working in an office or installing billboards on the interstate.

## Serving Our Customers

We are dedicated to **building strong relationships**, providing **excellent customer service** and **delivering value to our customers.** We are always looking for innovative new ways to support our customers and to become a more valuable media partner.

## Delivering Shareholder Value with Principles

As a publicly traded company since 1996, we are committed to delivering **attractive returns** to our shareholders. We also seek to preserve the same family values upon which we have built the business since 1902.

## Community Support

**Our goal is to leave every place where we are privileged to operate better than we found it.**

We operate in hundreds of communities across the United States and Canada. We are responsible corporate citizens in the communities we serve. We support nonprofit organizations by donating advertising space for public service announcements. We also utilize our extensive digital display network to broadcast Amber, FBI, FEMA, Crime Stoppers and other emergency alerts on a local, state or national level.

## Honesty & Integrity

**We live by the Golden Rule,** and we operate with honesty and integrity in every aspect of our business. We are open with our employees, transparent with our customers and loyal to our communities.

## Always Improving

**We strive to be the best.** And more importantly, we are always focused on how we get better.



**“An integral part of being a model corporate citizen is communicating openly and accurately with all of our stakeholders. We are committed to maintaining our reputation for financial integrity.”**

Jay Johnson, Chief Financial Officer



## Business Ethics

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Lamar's Code of Conduct and Business Ethics sets forth legal and ethical standards of conduct for directors, officers and employees.

Our audit committee reviews the code of conduct annually for any necessary updates or additions.

Among other features, the Code of Conduct and Business Ethics allows employees to anonymously and confidentially report any suspected or actual violations of laws or company policies by web or telephone on a 24/7 basis.



[View our \*\*CODE OF CONDUCT\*\* and \*\*BUSINESS ETHICS\*\*](#)

## II. ENVIRONMENTAL



Lamar is committed to sustainable business practices that streamline costs, limit energy use and minimize the impact of our operations on the environment.

### Polyethylene Substrates

**Lamar pioneered the development and use of polyethylene (PE) substrates for billboard printing, triggering a wholesale industry-wide shift away from the use of paper for billboard posters and a significant reduction in the use of PVC for bulletin copy.**

Unlike PVC, PE is completely recyclable and is easy to re-melt and turn into other products. The introduction of PE has also eliminated the use of posting glue, stopped the flow of poster paper into landfills, reduced our use of chlorine for PVC printing of billboards by 65%, and reduced the emission of Volatile Organic Compounds since PE can be printed with UV-curable thermoset inks. PE also requires less energy to pack and ship as the result of its lighter weight.

**The efficiencies unlocked by PE have driven the consolidation of the grand-format printing industry, delivering savings to Lamar and the broader industry.**

### Vinyl Recycling

**Lamar has coupled the transition to PE use and the vastly reduced use of PVC into a program with Rareform to capture 100% of Lamar's used printing substrates for recycling.**

Rareform repurposes the PVC into a variety of consumer goods distributed worldwide (surfboard bags, duffel bags, backpacks, wallets, etc.), and grinds and extrudes the PE back into pellets which can then be re-melted and turned into any suitable product made from PE. The cycle of PE recyclability is endless, and has extreme value to the world at large, which is even now confronting the issue of microplastics and their ubiquity in the environment.

Lamar is committed to achieving 100% return of all PE used for billboards, and capturing, reprocessing, and turning these materials into new products. This extended lifecycle reduces the use of virgin plastic, the need for new plastic production and its petrochemical feedstocks, and the volume of waste plastic returned to the environment.



## II. ENVIRONMENTAL

# Solar Electric

**With more than 4,800 installed solar panels, Lamar has the largest solar installed base in the industry.**

These solar panels, installed as part of a Department of Energy initiative, power more than 4,800 LED lights on our billboards in Louisiana and Florida and deliver more than 0.75 million kilowatt hours of electricity back to the grid annually. Lamar's installation is the largest distributed solar energy network in the world, with over 0.75 megawatts of installed capacity delivering energy efficiently and directly into the grid. Energy is generated during peak usage times during the day, and then consumed from the grid at night, during off-peak hours. By using the solar panels and highly efficient LED lighting, we have virtually eliminated the net use of conventional energy on solar-equipped structures. These installations also provide a highly visible demonstration to the public of the practicality of solar electric energy generation.

# Digital Wireless Lighting Control

**Lamar led the industry in the deployment of wireless digital controls on our illuminated structures nationally.**

These controls, currently installed on well over 50,000 Lamar structures, automatically turn lighting on and off at the appropriate times during the day, adjust for daylight savings time, and integrate with our charting system so that unsold space is not illuminated. These digital controllers reduce Lamar's energy use by 23% compared to structures using less sophisticated lighting controls.



*As of October 2022*

## II. ENVIRONMENTAL

# LED Lighting

### Lamar pioneered the development of solid-state lighting in the industry.

In 2009 we were the first to deploy LED lighting as part of solar electric programs in Florida and Louisiana, and capitalized on this experience to develop an LED lighting product specifically for billboards.

Since 2013 we have installed more than 94,000 LED lights, reducing the energy usage on each billboard with the lights by 72%. This translates to 52 million kilowatt hours of electricity saved per year.

At the same time, these new lights have reduced our maintenance and replacement needs and provide superior illumination of our customers' messages.

*As of October 2022*



**“When it comes to sustainability and our industry, we put the 'E' in ESG.”**

Greg Gauthier  
VP of Sustainability



## Forestland Protection

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Lamar has donated to the Nature Conservancy of Louisiana towards permanently preserving forestland in the Atchafalaya River Basin.

## Fleet

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Beginning in 2013, we equipped the 1,200 vehicles in our fleet with real-time GPS systems that report position, idle time, routing, driving history, harsh or unsafe driving, and speeding.

This program saves hundreds of thousands of gallons of fuel annually and has increased the productivity of our operations staff. In addition, by using vehicles more efficiently we have extended their lives and limited our acquisition of additional vehicles, reducing our carbon footprint.

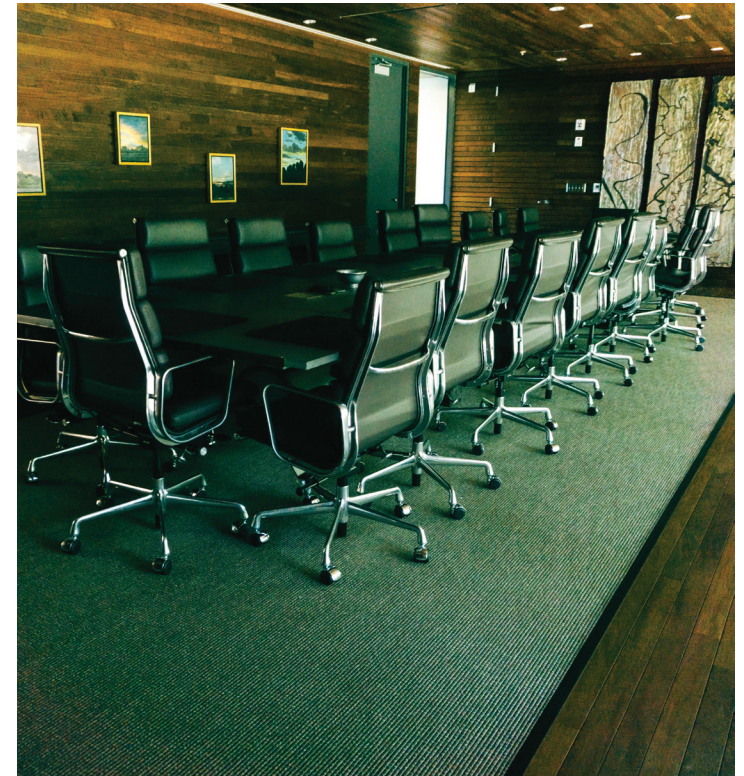
# Board Diversity & Experience

**Lamar recognizes that our organization grows stronger when we are able to draw on the insights of leaders with different skills and life experiences, particularly as the audiences we help our customers reach become more diverse.**

We are committed to maintaining a board that both exercises effective oversight of and serves as a valuable resource to our capable management team.

All Lamar directors are elected annually. The average tenure of non-employee directors is currently 14 years. The average tenure of independent directors is 12 years. Six of Lamar’s nine directors are independent. All three of Lamar’s standing committees (Audit, Compensation, Nominating and Governance) are composed entirely of independent directors.

The charters of the Board’s three standing committees, which are reviewed annually, establish a framework for the governance of the Board. All committee charters are available on our website. Our annual Proxy Statement includes information about the membership and responsibilities of these committees.



**Independent Director  
AVERAGE TENURE**

**12.1 years**

**All Directors  
AVERAGE TENURE**

**16.7 years**

**11%**

**RACIAL/ETHNIC  
MINORITY**

**33%**

**WOMEN**



**View our ANNUAL PROXY STATEMENT.**

*As of December 2022*

# Corporate Governance

## Board Membership

At least a majority of members of the Board of Directors must qualify as independent directors in accordance with the applicable rules of The Nasdaq Stock Market, Inc. (the "Independence Rules"). The Nominating and Governance Committee of the Board is responsible for periodically reviewing with the Board the skills and characteristics of individual Board members as well as the composition of the Board as a whole. This review will include assessment of members' qualifications as "independent" under the Independence Rules, as well as consideration of individual skills, experience and perspective.

## Selection of New Directors

The Board is ultimately responsible for presenting Director nominees for election by the stockholders. The Board may delegate to the Nominating and Governance Committee responsibility for identifying, evaluating and nominating candidates for director positions. The Board should neither be too small to maintain the needed expertise and independence nor too large to be efficiently functional. The Board will periodically review the appropriate size and mix of the Board in light of its current composition and its future objectives.

## Chair of the Board

Lamar's board chair is Kevin P. Reilly Jr., who served as Lamar's Chief Executive Officer from 1989-2011 and as Lamar's President from 1989-2020.

## Non-Independent Directors

The board currently includes three non-independent directors: chairman Kevin Reilly Jr., Anna Reilly Cullinan and Wendell Reilly. Kevin Reilly is a former CEO of Lamar who now serves as Lamar's Executive Chairman. Each of the non-independent directors is a managing partner of Lamar's controlling stockholder, the Reilly Family LLC. Further information on the directors can be found in Lamar's proxy statement.

## Director Compensation

The Board is responsible for establishing director compensation. The Board believes that directors should be fairly compensated for undertaking the responsibilities associated with serving as a director. At the same time, director compensation should be consistent with market practices generally. The Board delegates to the Compensation Committee responsibility for periodically assessing market practices for director compensation. In addition, the Nominating and Governance Committee evaluates director compensation in the context of evaluating director recruitment and retention.



**View our  
BOARD OF  
DIRECTORS  
bios.**

**Lamar is proud to have  
been named one of  
America's "100 Most  
Trustworthy Companies"  
by Forbes.**

## Copy Acceptance & Responsible Advertising

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Lamar's 363,000 displays allow advertisers to deliver impactful messages to their target audiences across the United States and Canada. Lamar recognizes the power of the out of home medium and acknowledges responsibility to ensure those messages are not untruthful, deceptive or offensive. Lamar carefully reviews potentially problematic copy for compliance with the company's Copy Acceptance Policy before accepting it for posting. If a local general manager receives copy that they believe is inconsistent with the policy, they forward it to the Copy Acceptance Committee at our corporate office, which includes representatives of Lamar's legal, marketing, public relations, and executive functions. This committee then provides guidance to the local general manager on whether to accept the copy as submitted or on changes the prospective advertiser needs to make so the copy is acceptable.



[View our COPY ACCEPTANCE POLICY](#)



## Privacy & Data Security

Lamar appreciates the trust that customers, landowners, and public partners place in the company.

**Lamar's goal is to meet and, where possible, exceed legal and industry standards for how information is shared and handled.**

Many Lamar customers now use audience data to validate the effectiveness of their advertising. Lamar does not collect this data and ensures that the third-party partners included in such campaigns have rigorous privacy policies themselves.

For more information, please visit and review [Lamar's Privacy Policy](#).



[View our PRIVACY POLICY](#)

# Compensation

**Lamar employs three Compensation Analysts to obtain and analyze salary market data. We adjust compensation when necessary to ensure that Lamar’s compensation for all employees remains competitive.**

**Lamar’s Compensation Committee reviews and sets executive compensation annually. The primary objective of the company’s executive compensation program is to retain and reward executive officers who contribute to Lamar’s long-term success.**



## Benefits

In addition to compensation, Lamar offers a competitive, comprehensive benefits package for all full-time employees including: a company wellness program, no-cost life and disability insurance, the opportunity to buy company stock at a discounted price, scholarship opportunities for children of Lamar employees, and premium relocation packages for managerial promotions.

### NO COST EMPLOYEE ASSISTANCE PROGRAMS

The **Lamar Employee Assistance Program (LEAP)** provides financial assistance to company employees following unplanned events such as home fires, hurricanes and accidents. The program is funded by Lamar employees through payroll deduction or cash donations and is overseen by a committee of Lamar employees. The separate company-funded **Employee Assistance Program (EAP)** provides short-term counseling services to our employees and family, as well as services such as online will preparation and beneficiary financial counseling.



## Wellness

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**Lamar's Wellness program gives employees the tools needed to get active, stay healthy and live better every day.**

Through our partnership with Virgin Pulse, we offer employees access to their industry-leading Wellness platform featuring online programs focused on employees' personal needs and interests, including mental and emotional health, movement, sleep, and nutrition.

Participation is rewarded with Medical Plan Incentives and "PulseCash" points that can be redeemed for gift cards or wellness gear.



## Health & Safety

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Providing a safe and comfortable work environment is a top priority at Lamar. The company strives to offer a secure, healthy atmosphere for employees, customers, and visitors.

Employees can report any workplace concern anonymously and without fear of reprisal through *Lamar Safe Workplace by Convercent*. This anonymous and confidential reporting system enables all employees to report workplace concerns while protecting their identity, if desired.

**Lamar employees and managers at all levels work tirelessly to foster a culture based on mutual respect and concern for one another.**

All operations, sales, leasing, and administrative employees participate in regular safety training based on the risk in their respective areas.



# Health & Safety

## Empowering

We empower all employees -- regardless of job title -- to stop work for any safety concern. From stopping a job in the field, guiding conversations in safety meetings, originating safety and repair work orders, or anonymously reporting on **Lamar Safe Workplace by Convercent**, Lamar wants and expects employees to be an active part of the safety process.

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## Training

Lamar offers many different safety-related trainings and certifications to help employees grow in skills and experience. The company uses the National Commission for the Certification of Crane Operators for Crane, Rigging, and Signaling Certifications.

Lamar also offers First Aid/CPR and blood-borne pathogen training to all employees regardless of job title.

Before setting foot on a billboard structure, employees must complete an extensive Qualified Climber training course. The course consists of two weeks of classroom work, two weeks of ride-along with an experienced crew, two weeks of closely monitored climbing, and a culminating assessment.

In addition to regularly scheduled safety meetings, all Lamar field employees receive the 10-hour OSHA training shortly after coming onboard. Experienced foremen and managers take the 30-hour OSHA class.

Lamar believes that a well-educated and trained employee is a safe employee.

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## Observing

Our Operations Managers conduct unannounced observations on every field employee on a monthly basis. As of December 2022, we have approximately 1,150 field employees.

Additionally, Lamar's General Managers, Area Field Managers and Safety Department representatives conduct unannounced observations, increasing overall oversight of crews' safety practices. This culture of accountability through observation allows us to capture near misses, positive safety behavior and hazard resolutions in real time.

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## Progressing Industry Standards

Lamar team members participate in many different industry and safety committees such as the Out of Home Advertising Association of America's Safety Standards and Technology Committee, ANSI A10 Consensus Standards, and the OSHA Alliance Roundtable.

In 2006, Lamar entered into an Alliance with Federal OSHA to help communicate about hazards in the industry. Lamar has educated compliance officers at field offices, had speakers present to Associations and helps to promote agency initiatives. For several years, Lamar field offices and employees have participated in the Annual Falls Stand Down and the Struck By Alliance Stand Down.

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# Career Development

**As Lamar’s business continues to grow, so does the company’s strong commitment to developing and retaining our employees.**

Lamar employs a Professional Development Management Consultant in Human Resources to manage the execution of large-scale, company-wide leadership and professional development programs that align closely with long-term company goals and objectives. Lamar recognizes that leaders throughout the company inspire the leaders of tomorrow and, therefore, continues to invest in leadership development.

Lamar also employs a Learning System Specialist who, through collaboration with various levels of management, implements programs to understand and meet learning needs.

Lamar’s company-wide professional development platform, *Lamar Learning Academy*, offers employees a wide range of training opportunities, including technical training and certification, soft-skill training, safety and compliance training and more.

## Compliance Training

Lamar believes in protecting its employees, customers, and shareholders from harassment, invasions of privacy and other mistreatment. As part of this commitment, we partner with a compliance training vendor to provide relevant training for all new hires and promoted supervisors. Additionally, ongoing training is conducted with existing employees and management teams to uphold this commitment.

**COMPLIANCE TRAINING INCLUDES:** Preventing Workplace & Sexual Harassment // Cyber Security Americans with Disability (ADA) // Family Medical Leave Act (FMLA) // Fair Labor Standards Act (FLSA)

## Sales Training

Lamar hosts both in-person and virtual training for account executives. We also provide weekly sales training videos to over 950 account executives across the country.



**“We retain talent by doing what is right for our employees and our industry.”**

Tammy Duncan,  
EVP of Human Resources

# Diversity & Inclusion

**Lamar considers our commitment to fostering a diverse and inclusive workforce a recruiting and retention strategy, rather than just an Affirmative Action legal obligation. We go beyond doing what's required and do what's right.**

3,500 Employees // 36% Female // 17% Minority (non-white)

## Diversity Recruiting

Since May 2019, Lamar Advertising has partnered with Circa (formerly Local Job Network) to improve diversity recruiting efforts. Through this partnership, Lamar connects to a vast network of 20,000+ diversity organizations nationwide. Additionally, Lamar has the ability to automate all job postings with the Unemployment and Veteran Affairs offices to ensure they're posted accurately and in a timely manner.

The Circa partnership has since expanded to include programmatic job posting with DiversityJobs. Through this partnership, job opportunities at Lamar are now featured on 200+ diversity focused job boards such as WeHireWomen, AsianHires, ALLGBTJobs and more.

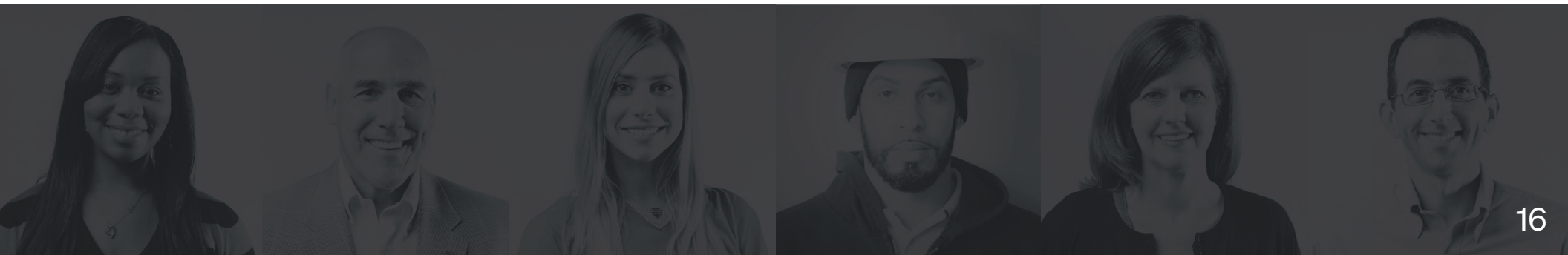
Lamar also maintains partnerships with HIVE Recruiting and Military Hire to improve diversity recruiting efforts among minority college students and alumni and veterans and their spouses, respectively.

## Women's Leadership Network

Lamar's Women's Leadership Network provides the company's female leaders with the tools, confidence, and supportive community to grow their careers and develop into senior level managers.

As part of this program, participants are given membership to the American Business Women's Association (ABWA) - an organization that brings together business women of diverse occupations to provide opportunities to grow personally and professionally through leadership, education, networking support, and national recognition.

As of December 2022



# Diversity & Inclusion

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## Lamar Includes

Lamar launched an internal Diversity & Inclusion (D&I) program known as Lamar Includes. The program includes an internal website to keep employees informed of D&I happenings at Lamar along with resources to help employees grow in this regard. We also generate and distribute a monthly newsletter called *Lamar Unites* that fosters employee engagement and inclusion across the company.

In addition to designating a Recruiting Strategy and DEI Manager to oversee our Diversity & Inclusion efforts, Lamar also participates in industry-wide diversity initiatives. We are members of OOH UNITED, an initiative formed by the OAAA and Geopath to advance a culture of inclusion throughout the Out of Home industry.

We have also built community outreach incentives into our General Manager compensation plans to ensure our local recruiting supplements our national diversity efforts. We are committed to ultimately attracting a more diverse applicant pool while fostering meaningful community connections.

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## Diversity Training

Lamar requires all employees to take two D&I courses: Diversity in the Workplace and Recognizing and Overcoming Unconscious Bias in the Workplace. We also require all supervisors to take an additional course called Interrupting Unconscious Bias.

Beyond the training that all employees receive, we provide senior leaders throughout the company with more in-depth training as part of their leadership training, including a course called *Unconscious Bias: Understanding Bias to Unleash Potential*.

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## Public Messaging

Lamar is proud to use our national digital billboard network to spread messages of Diversity and Inclusion in the communities we serve. Representative campaigns include:

### BLACK HISTORY MONTH CAMPAIGN

Lamar has recognized the contributions of the African American community by celebrating accomplishments of individuals who were the “first” in their respective fields on our digital billboards.

### PRIDE MONTH CAMPAIGN

Our “Love is Love” campaign displayed and conveyed messages of acceptance, respect and love for the LGBTQIA+ community across our digital billboard network throughout the month of June.



## XI. COMMUNITY SERVICE

# Community Service

**Lamar has a long history of public service within the hundreds of U.S. and Canadian communities in which we operate. We donate millions of dollars per year in space on our inventory for public service campaigns and worthwhile causes that benefit local communities.**

Lamar helps law enforcement and nonprofit organizations communicate important information to the public using the company's digital network to broadcast real-time emergency alerts to the public in crisis situations. Our digital billboards feature an Emergency Alert System (EAS), allowing the FBI, Federal Emergency Management Agency (FEMA) and other organizations to distribute alerts nationally and locally.

Lamar coordinates with the FBI to display wanted ads for fugitives, missing persons, and serial criminals. To date, more than 50 fugitives on the FBI Most Wanted list have been captured with the help of billboard publicity.

Lamar helps local relief agencies, including FEMA, by utilizing our digital network to disseminate important messages and information in the aftermath of hurricanes, tropical storms, tornados or severe floods.

For over 10 years, Lamar has worked with the Center for Missing and Exploited Children, preempting advertising on all digital billboards and posting Amber Alert messages within minutes. Since December 2022, Amber Alerts have played on our digital billboards more than 1.3 million times.

In addition to donating advertising space and creative services, Lamar local offices in the U.S. and Canada volunteer time to give back to nonprofit organizations in their communities.

## Local Partnerships Include:

**American Diabetes Association // American Heart Association // Boy & Girl Scouts  
Boys & Girls Clubs // City Year // Habitat for Humanity // Humane Society // Rotary Club  
Salvation Army // Special Olympics // Toys for Tots // United Way  
Volunteers of America // YMCA**



**Billboard space was donated across Texas as part of a collaborative effort to put an end to human trafficking.**



**Read the FULL STORY**

## COVID-19 Response

**As the COVID-19 crisis took hold across the country, Lamar utilized our national Out of Home network to keep communities informed, support local businesses and express gratitude to frontline workers.**

### **Lamar engaged in the following activities as part of our pandemic response:**

Displayed PSAs from public health officials and agencies, including social distancing guidelines and stay-at-home reminders.

Allocated space on digital billboards for use by non-profit and leadership organizations, including the Ad Council and the OAAA, to share messages of encouragement and support.

Shared messages of appreciation and gratitude to all those on the front lines, from healthcare professionals and first responders to grocery store employees and delivery truck drivers.

Supplied billboard vinyl to Louisiana State University for conversion into personal protective equipment (PPE) for use by medical professionals at healthcare facilities across the state of Louisiana. The program created over 1,000 pieces of PPE per day.



**Read the FULL STORY**



## **ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT**

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Please contact us for any questions,  
feedback, or additional information.

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