

2019 SUSTAINABILITY REPORT



REV'S ROAD TO SUSTAINABILITY

REV Group has grown quickly over the past 13 years, to a publicly traded company with 20 manufacturing locations and 30 specialty vehicle brands, serving the commercial, emergency, and recreation markets. Our "Vehicles for Life" are more than just products; they represent our commitment to connect and protect our employees, business partners, communities, investors, and the environment. Not only do our core values dictate that we conduct our business ethically and with integrity, but also in a manner that provides a safe workplace for every employee and reduces the impact of our footprint on the environment. This entails a never-ending pursuit to become an industry leader and champion of sustainability and safety.

We have started our journey with a strategic approach to determine the key environmental, social, and governance issues that impact our business and the decisions of our stakeholders. We will be using this information to formalize our sustainability monitoring and reporting framework and identify initiatives and opportunities that create long-term value.

We are very excited to be publishing our first sustainability report that provides an understanding of who REV Group is as a company and the progress we have already made. We know there is a lot more to do and we are committed to continuous improvement and communicating our headway as our journey progresses.

Tim Sullivan

REV Group, Inc., President and CEO

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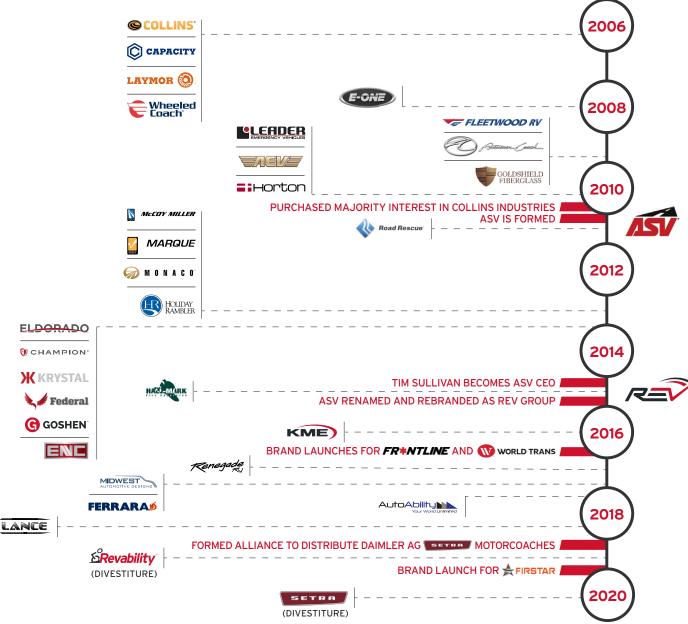




A DECADE OF EXPANSION

Headquartered in Milwaukee,
Wisconsin, REV Group, Inc. is a
leading designer, manufacturer,
and distributor of specialty
vehicles and related aftermarket
parts and services. We provide
customized vehicle solutions for
applications including essential
needs (ambulances, fire apparatus,
school buses, and municipal transit
buses), industrial and commercial
(terminal trucks, cut-away buses,
and sweepers), and consumer leisure
(RVs and luxury buses).

In the past 13 years, we have successfully completed 16 acquisitions. We believe we have the ability to grow and enhance the earnings profile of acquired businesses by expanding access to sales distribution channels, consolidating acquired businesses into our existing operations, and streamlining the integration of newly acquired businesses to drive profitable growth.



A QUICK LOOK

Team Members



Operating Income



Spend on Research and Development







Manufacturing

Facilities









8,040

20

\$15.9M

\$2.4B

\$4.8M

\$505M (as of October 31, 2019)



A DIVERSE PORTFOLIO

Our brand portfolio consists of 30 well-established principal vehicle brands, including many of the most recognizable names within our served markets. Several of our brands pioneered their specialty vehicle product categories and date back more than 50 years.

One of the Industry's Broadest Product Portfolio of Specialty Vehicles

FIRE AND EMERGENCY



Pumper/Tanker



Aerial Fire Truck With Ladder



Aircraft Rescue Fire Fighter



Ambulance Type I



Ambulance Type II



Ambulance Type III

COMMERCIAL



Type A School Bus



Transit Bus



Shuttle Bus



Terminal Truck



Sweeper

RECREATION



Class A Diesel Class A Gasoline



Class B



Class C



Super C



Truck Camper



Travel Trailer

OUR LOCAL COMMUNITIES

REV Group is comprised of 29 specialty vehicle brands, providing approximately 8,040 jobs in 19 manufacturing and 12 support facilities across the U.S. and one manufacturing facility in Sorocaba, Brazil.

CORPORATE

Milwaukee, WI **REV** Corporate Headquarters

REV PARTS DISTRIBUTION CENTERS

- Jefferson, NC
- Decatur, IN
- Dallas, TX
- Sparks, NV

COMMERCIAL

- Imlay City, MI Champion Bus, Goshen, Federal Coach, Krystal
- Longview, TX Capacity, Laymor
- Salina, KS ElDorado National
- Hutchinson, KS Collins Bus
- Riverside, CA

AMBULANCE

- Jefferson, NC American Emergency Vehicles, Firstar
- Orlando, FL Wheeled Coach, Road Rescue, Marque, McCoy-Miller, Frontline
- Grove City, OH Horton Emergency Vehicles
- South El Monte, CA Leader Emergency Vehicles

RECREATION Elkhart, IN Midwest Automotive

- Bristol, IN Renegade RV
- Decatur, IN Fleetwood RV, American Coach, Monaco Coach, Holiday Rambler
- Decatur, IN Goldshield Fiberglass
- Lancaster, CA Lance Camper

FIRE

- Hamburg, NY E-ONE
- Nesquehoning, PA
- Roanoke, VA
- Ocala, FL E-ONE
- Holden, LA Ferrara Fire Apparatus

REPAIR AND TECHNICAL CENTERS EMERGENCY (FIRE AND AMBULANCE)

Little Ferry, NJ

Tallahassee, FL



Ocala, FL

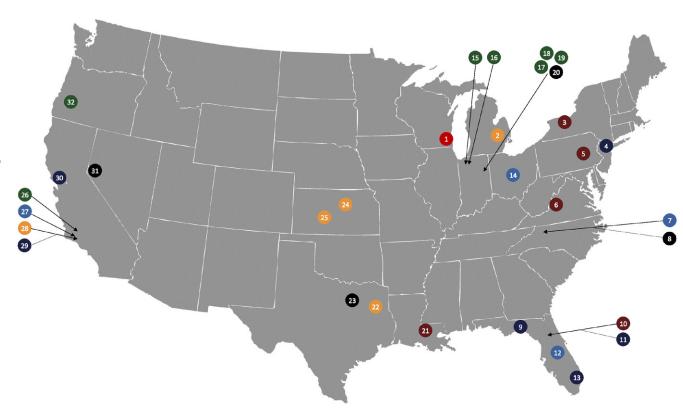
Riverside, CA



RECREATION









OUR VALUES

Our core values guide our actions and decisions, including our commitment to sustainability. Engrained in every process, service, and product we provide, each of our values correspond to why and how REV Sustainability is an essential part of our business.



Safety Always

Whether it's process refinements, staffing efficiencies, or quality checks, we ensure employee safety works in parallel with our sustainability initiatives. Safety has always been a top priority for REV Group, and the road to sustainability is no exception to our value of Safety Always.



Passion is the Fuel

Passion is the Fuel means the desire to be better than we were the day before, to manufacture the most sustainable products on the market, and to support the communities who rely on our vehicles. It's also why we'll work tirelessly to make REV Sustainability a success.



Do the Right Thing First

We believe an organization-wide commitment to environmental, social, and economic responsibility is essential for long-term change, which makes our REV Sustainability roadmap a natural extension of our tenant to Do the Right Thing First.



Never Settle

No matter how high the bar, whether it's RVs, emergency units, after-market support, or any of our other services, we continue to raise it even higher. When it comes to protection, connection, service, support, or sustainability, we choose to Never Settle.



Embrace Change

Aptly embodying our road to sustainability, Embrace Change is the fundamental idea that drives all of us at REV Group to continue innovating the way we do business, from how our brands apply sustainable manufacturing to how they embrace technology to help protect the planet.



MATERIALITY ASSESSMENT

As with all aspects of our business, we have taken a strategic approach to our sustainability journey. We started by conducting a Materiality Assessment following the principles found in the Global Reporting Initiative (GRI) Standard to identify and prioritize issues considered to directly or indirectly influence our environmental, social, and governance (ESG) impacts or the decisions of stakeholders.

An internal team identified and prioritized approximately 35 ESG topics based on their significance of impact. We then evaluated these issues on their relative importance to our stakeholders by surveying a sample of our employees, including those employees who routinely interact with

dealers, customers, suppliers, business partners, etc., to understand the voice of the external stakeholder.

The results of the assessment were plotted on a matrix to identify the priority of each topic. With this information, we will place focus on several of the top priority issues such as energy, environmental compliance, occupational health and safety, and employment to identify initiatives and opportunities that create long-term value. We will routinely review and update the materiality assessment to ensure we continue to focus on those topics of importance to our business and stakeholders.

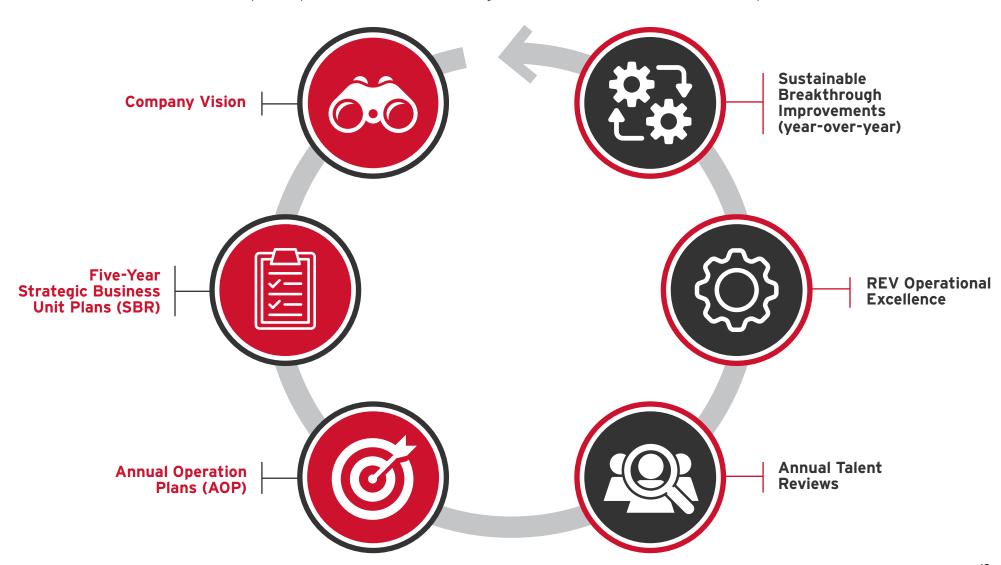
ESG Topics Evaluated

ENVIRONMENTAL	SOC	GOVERNANCE	
Energy Environmental Compliance Emissions Effluents and Waste Supplier Environmental Assessments Biodiversity Water	Anti-Competitive Behavior Supplier Social Assessments Non-Discrimination Occupational Health and Safety Socio-Economic Compliance Customer Health and Safety Local Communities Anti-Corruption Labor/Management Relations Security Practices	Customer Privacy Product Quality/Standardization of Business Processes Brand Identity/Management Training and Education Forced or Compulsory Labor Child Labor Human Rights Assessments Public Policy Rights of Indigenous Peoples	Economic Performance Marketing and Labeling Materials Employment Innovation Procurement Practices Diversity and Equal Opportunity Market Presence Indirect Economic Impacts



REV PRODUCTION SYSTEM

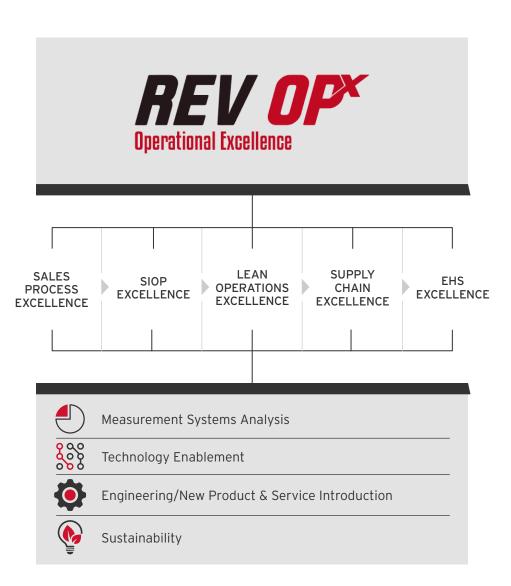
In fiscal year 2019, we launched the REV Production System (RPS), a new business model for our company that incorporates key drivers such as strategic business reviews, talent and performance management, and detailed annual operating plans. The RPS will allow us to better align the five-year strategies of each of our business units and product portfolios under one overarching vision and establish value-add core business processes and tools.



REV OPERATIONAL EXCELLENCE

One of the RPS key drivers is our new REV Operational Excellence (REV OP^x) framework, which currently consists of five interconnected pillars, or centers of excellence: Sales Process Excellence; Sales Inventory and Operations Planning (SIOP) Excellence; Lean Operations Excellence; Supply Chain Excellence; and Environmental, Health, and Safety (EHS) Excellence. This framework will promote a consistent approach and common language to achieving operational excellence across each of our business units. As we continue to mature, additional pillars may be added to the REV OP^x framework to embed a culture of process excellence across all critical functions and throughout the entire organization.

The REV OP^x pillars are supported by several key foundational areas, including sustainability. This structure will promote the integration of strategies surrounding environmental stewardship, social progress, and economic growth. We believe this holistic approach will emphasize long-term value creation over short-term performance and ensure a sustainable future for our organization, employees, business partners, investors, and communities in which we operate.



PRODUCT INNOVATION

We are continually enhancing and customizing our product offerings to meet our customers' needs for more sustainable products. We are meeting this demand by launching new innovations that use alternative fuels along with vehicle management systems to reduce the overall environmental impact while also saving on vehicle operating costs. Here are a few key examples:



Axess-FC Hybrid Fuel Cell Bus

ElDorado National California (ENC), an industry leader in designing and manufacturing zero-emission buses, now offers a more sustainable choice in the bus industry, the Axess-FC. The Axess-FC was the first hybrid fuel cell bus to complete the rigorous testing that simulates 500,000 miles of service over 12 years at the Altoona Bus Research and Testing Center. The Axess-FC is also the only hybrid fuel cell bus that is certified for 3-point seat belts.

The Axess-FC is a 1:1 replacement for conventional buses. Fueled by hydrogen, the only emission coming from the tailpipe is water. It can refuel in 10 to 15 minutes and has a range of over 250 miles. This means there is no need to increase fleet size or adapt routes, and the quick refueling allows fuel-cell buses to flow along with conventionally-fueled buses.

ENC has been working with hybrid technology for over 25 years and delivered its first hybrid fuel cell bus back in 2014. Axess-FC buses are in cities from coast to coast and to date have logged over 1 million transit service miles. ENC is pioneering innovative world-class transportation which evolves with and enhances the quality of life of its users and the communities in which they live and travel; a perfect example of REV Group's commitment to sustainability in action.

GREENHOUSE GAS EMISSION ESTIMATES

EMISSION REDUCTION

Metric Tons per Year (Per Vehicle)

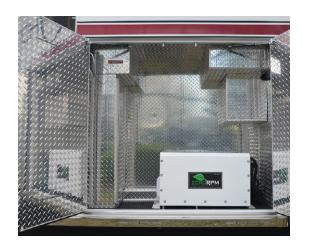


EQUIVALENCY

Number of Passenger Vehicles Eliminated from the Road



PRODUCT INNOVATION



Battery-Powered Idle Mitigation

First responders are never off duty, and neither are their emergency vehicles. As a result, emergency vehicle fleets are often idling for a significant amount of the day to keep vital equipment protected. Vehicle idling puts extra wear and tear on a vehicle, increases operating costs from wasteful fuel consumption, and impacts the environment through greenhouse gas emissions. To address these issues, we have partnered with ZeroRPM to offer a battery-powered idle mitigation system option for our emergency vehicles.

When idle mitigation is activated, ZeroRPM continues to provide power to operate as if the engine is running, allowing use of radios, emergency lights, interior lights, oxygen and medical air, fresh air ventilation, chassis, windows, etc.

GREENHOUSE GAS EMISSION ESTIMATES

EMISSION REDUCTION

Metric Tons per Year (Per Vehicle)



EQUIVALENCY

Number of Passenger Vehicles Eliminated from the Road





Zero-Emissions Terminal Trucks

Yard trucks are the single largest source of emissions in all classifications of cargo handling equipment but are difficult to convert to zero-emissions due to their unique duty cycle and operating environment.

We're proud that starting spring 2021, two REV Group zero-emissions yard trucks will begin service at the Port of Los Angeles thanks to a results-focused team of partners and a pilot project that leverages our existing fleet relationships and vehicle platforms. The project will demonstrate to terminal operators that hybrid fuel-cell/electric yard trucks are a safe, reliable, and operationally preferable solution for meeting the port's clean air action plan.

PROJECTED GREENHOUSE GAS EMISSION ESTIMATES

EMISSION REDUCTION

Metric Tons per Year (Per Vehicle)



EQUIVALENCY

Number of Passenger Vehicles Eliminated from the Road





EMPLOYEES



REV Behaviors

In 2019, we introduced a holistic set of REV Behaviors that will guide our employees and managers in how they interact and work with each other. These behaviors have been integrated into all aspects of our business, including performance management, recruitment, training, and employee development.

EMPLOYEE					
Take Action to Get Work Well Things Done with Others	Own the Work Focus on the Communicate Committed to Personal Effectively Improvement				
SUPERVISOR/MANAGER					
Build a Winning Team and a Good Work Experience	Direct Work and Communicate with Respect Ensures Accountability				
SENIOR LEADERSHIP					
Drive the Vision	Manage Complexity Think Strategically Attract Top Talent and Applies Business Insights				

EMPLOYEES



Health and Well-Being

Our employees play a tremendous part in our company's ultimate success. We realize that keeping our employees engaged, productive, and committed to reaching shared goals and objectives means understanding that they are more than just employees. We strive to provide them with the benefits and policies they need to be financially, emotionally, and physically secure. We offer a competitive package of benefits and create an environment of shared responsibility for health.

In addition to traditional insurance benefits, we invite employees and families to participate in their own health management, through programs such as health assessments, weight management programs, diabetes management programs, and wellness challenges and events through our REVitalize committee.



Training and Education

We support the continuous development of all employees. Employees are encouraged to pursue educational and training opportunities that enhance their skills, knowledge, and abilities in their current job and that prepare them for other career opportunities throughout the company.

In November 2019, we launched an online learning management system with initial course offerings covering the topics of Environmental, Health, and Safety; Leadership; Technology; Business Skills; and Compliance.





GOVERNANCE AND ETHICS



Speak Up

We are committed to the highest possible standards of ethical, moral, and legal business conduct. Employees are made aware that their supervisors, the human resources department, the legal department, as well as our Compliance Hotline are all avenues for employees to confidentially and/or anonymously raise concerns, in good faith, with the reassurance that they will be protected from retaliation, harassment, or victimization. Individuals may report concerns as to any questionable accounting or auditing matters, violations of REV Group's Code of Conduct, or any other serious concerns that could have an adverse impact on the business or our stakeholders, and all reports will be investigated. All new hires are trained on our Code of Conduct and refresher training is conducted on a routine basis.

Reports regarding financial statements or other disclosures, accounting irregularities, auditing matters, violation of the securities laws, or other laws and violations of the Code of Conduct are disclosed to, and monitored by, the Audit Committee and/or the Nominating and Governance Committee of the Board of Directors.



Anti-Corruption and Anti-Bribery

We are committed to conducting our business free from any corruption, bribery, anti-competitive behavior, and improper influencing actions when dealing with government officials or any other person in a position to influence official action. Our <u>Code of Conduct</u> and various Company policies lay out what is expected of employees in numerous areas, such as <u>anti-corruption</u>, <u>insider</u> <u>trading</u>, conflicts of interest, and prohibiting company contributions of money or services to political parties.

We conduct periodic employee training, to ensure employee adherence to the Code and policies, and provide the Audit Committee, the Nominating and Corporate Governance Committee, and the Board of Directors with annual reports on our efforts, including any disciplinary and other remedial actions taken in the event violations are found.



A Respectful Workplace

We strive to be a company where the best people want to work, where people are hired and advanced on their merits, and where opportunities to develop are widely available. We are fully committed to equal employment opportunity to ensure we are in compliance with both the letter and spirit of fair employment laws relating to but not limited to race, sex, color, religion, national origin, age, disability, protected veteran's status, pregnancy, genetic information, sexual orientation, gender identity, or any other basis prohibited by law.

We also undertake affirmative action to assure equal opportunity for minorities and women, for persons with disabilities, and for protected veterans.

SUPPLY CHAIN MANAGEMENT



Supplier Code of Ethics

We require all our suppliers to adhere to our <u>Supplier Code of Ethics</u>, which covers issues such as labor, human rights, workplace safety, and environmental compliance. Suppliers must operate in full compliance with all applicable laws, rules, and regulations at all times and conduct business in an honest and ethical manner.



Conflict Minerals

We are committed to ensuring that our products do not incorporate conflict minerals sourced from entities which directly or indirectly finance conflict in the Democratic Republic of Congo or adjoining countries. Our Conflict Minerals Policy requires suppliers perform sufficient due diligence into their supply chain to determine whether products sold or provided to us contain tin, tantalum, tungsten, or gold, and, if so, whether and to what extent those metals are sourced from conflict-free smelters. Suppliers must report the results of their due diligence to ensure we comply with all our legal obligations and policy goals.





EHS EXCELLENCE ROADMAP

Environmental, Health, and Safety (EHS) Excellence is one of the five foundational pillars of REV Group's new Operational Excellence (OP^x) framework. To better align with this new framework, we have revamped our existing safety program into the EHS Excellence Roadmap, which defines the principles, team structures, and tools needed to build a culture where everyone strives for EHS Excellence.



VISION: EHS Excellence is our relentless pursuit to protect our stakeholders and the environment.

The team structure within EHS Excellence is designed to engage each level of the organization in creating the culture, designing the systems, and driving EHS improvement to support a safe and environmentally responsible workplace for every employee within the REV Group organization.

The overall EHS strategy is overseen by an Executive EHS Committee that consists of the Chief Operating Officer, Chief Financial Officer, Chief Human Resources Officer, Division Presidents, and Vice President of Enterprise Risk Management. This committee sets the tone for the EHS culture and demonstrates that EHS is valued the same as quality, delivery, and cost. Through the committee's leadership behaviors and expectations, it provides overall strategic support, resources, and capital to continuously improve EHS throughout the business.

EHS Philosophy

- All incidents are preventable, therefore unacceptable.
- Every employee is responsible and accountable for EHS performance.

- Our business units have the obligation to design our facilities, processes, and products to protect our employees and the environment.
- Employees should report, eliminate, and safeguard against all acts and conditions detrimental to their health, safety, or the environment.
- Protecting our employees and reducing our environmental footprint creates a sustainable future for our business.

Safety Metrics	2018	2019
TRIR PERFORMANCE*: 2018 Industry Average - 5.4	3.2	3.1
LOST WORKDAY CASE RATE:	0.6	0.5
FATALITY RATE:	0	0

Safety Goals

We strive to become an industry leader in safety performance by providing a safe workplace and culture focused on the protection and well-being of our employees and others visiting or working in our facilities. As a result, in 2020, we will place more emphasis on leading performance metrics, such as on-time completion of action items related to incident investigations and assessments and training, while also setting three-year TRIR improvement goals.

^{*} TRIR performance is based on U.S. facilities only. TRIR Calculation = Number of Recordable Injuries per calendar year x200,000 / Total Hours Worked (the 200,000 figure is an OSHA constant that represents the number of hours 100 employees working 40 hours per week, 50 weeks per year would work). The industry average is based on NAICS 33612, Heavy Duty Truck Manufacturing

ACCELERATING TOWARD A BRIGHTER FUTURE

ENVIRONMENTAL FOOTPRINT

Environmental metrics, including energy and water consumption and air emissions, are tracked on a monthly basis to understand the organization's current environmental footprint. The majority of our carbon emissions are related to heating and ventilating our facilities as our production processes are not energy intensive.

Several of our locations have already implemented improvement projects. For example:

- Our recreational vehicle manufacturing facility in Decatur, Indiana, received approval to burn clean wood from raw material scrap and dunnage in an on-site boiler. In 2019, the facility burned over 3,000 tons of wood, which was used to heat the facility in colder months.
- Three of our business units, KME in Nesquehoning, Pennsylvania, E-ONE in Ocala, Florida, and Lance Camper in Lancaster, California use solar power to operate all or portions of their facilities. In fact, Lance Camper recently moved into a brand new, 66,000 square foot, solar-powered facility with 30 skylights for natural lighting and automatically adjusting LED light panels to manage energy consumption.

We are continually looking for ways to reduce our environmental footprint. As a result, we have teamed with a strategic energy partner to assist us in identifying new opportunities and initiatives that will help us reduce resource consumption and the overall impact from our operations.

METRIC	2019 DATA ¹		
ENERGY ²			
Fuel Consumption (Non-Renewable)	335,861 mmBTU		
Fuel Consumption (Renewable)	54,269 mmBTU		
Electricity	194,272 mmBTU		
Total Energy Consumption	584,402 mmBTU		
Total Energy Consumption, Normalized (per FY19 Sales)	243.5 BTU/USD		
EMISSIONS ³			
Scope 1 Greenhouse Gas (GHG) Emissions	23,415 metric tons CO ₂ e		
Scope 2 GHG Emissions	25,936 metric tons CO ₂ e		
Total Scope 1 and Scope 2 GHG Emissions	49,351 metric tons CO ₂ e		
Total Scope 1 and Scope 2 GHG Emissions, Normalized (per FY19 Sales)	20.6 metric tons CO ₂ e/Million USD		
Volatile Organic Compounds (VOCs)	538.5 tons		
Nitrogen Oxides (NO _x)	30.61 tons		
Sulfur Oxides (SO _x)	0.79 tons		
WATER			
Water Consumption	29.7 Million Gallons		
Water Consumption, Normalized (per FY19 Sales)	12.4 Million Gallons per Billion USD		

¹²⁰¹⁹ Data includes U.S. manufacturing facilities only for Fiscal Year 2019 (November 2018 - October 2019)

² Scope 1 energy and emissions data does not include mobile sources such as forklifts or emissions from gasoline or diesel products.

³ GHG emissions calculated using emission factors from EPA eGRID2016, February 2018; electricity emission factors based on U.S. Average of Total Output

ENVIRONMENTAL FOOTPRINT

Product Highlight

Two of REV Group's business units are the first of their product types to receive the <u>Certified Green</u> rating by TRA Certification. American Emergency Vehicle (AEV) ambulance plant in Jefferson, North Carolina, earned a Gold rating and Lance Camper facility in Lancaster California, is the first truck camper manufacturer to earn certification. Lance travel trailers and truck campers both earned the Emerald rating with optioned solar units receiving Emerald off-grid status. The facilities were evaluated by the following criteria:

RESOURCE EFFICIENCY: The facilities recycle numerous production materials and have processes in place to reduce waste and maximize material usage.

ENERGY EFFICIENCY: Units are well-insulated and are equipped with LED lighting to improve energy efficiency. As an optional feature, AEV ambulances can be ordered with ZeroRPM Idle Mitigation System that can reduce fuel consumption and greenhouse gas emissions and provide savings in vehicle operating costs. Lance products have ENERGY STAR rated roofs and ductless air conditioning. They are also pre-wired for solar panels both on the roof side so owners can park in the shade and move a portable solar panel to a sunlit area.

WATER EFFICIENCY: Lance units are water efficient by containing a low-flow toilet, lavatory faucet, and shower head. They also use either tankless water heaters or an energy efficient combination furnace and water heater.

INDOOR AIR QUALITY: Both AEV and Lance units are designed to include low VOC interior components such as sealants, composite walls, carpet, and hard surfaces/flooring to improve indoor air quality.

We will continue to drive innovation to meet customer demands for safe, reliable, and sustainable products that connect and protect our communities while reducing environmental impacts.





COMMUNITY INVOLVEMENT

From coast to coast, we are committed to supporting and improving the communities in which our employees live and work, as well as the cities, towns, and neighborhoods where our vehicles operate.



Our corporate office in Milwaukee, Wisconsin, partners with United Way of Greater Milwaukee & Waukesha County each year, and in 2019, employees raised over \$44,000 to help make a positive impact in our hometown.



KME, our fire truck facility in Nesquehoning, Pennsylvania, hosted the U.S. Marine Corps Reserve Toys for Tots annual drive. All toys donated were delivered in a holiday-themed fire truck to Salem Bible Fellowship Churchin Lehighton, Pennsylvania.



Fleetwood RV in Decatur, Indiana, donated funds to build a sports complex at Hanna Nuttman Park, in which the community gathered to break ground in July 2019.



REV Recreation Group in Decatur, Indiana, created a custom RV for the Milwaukee Fire Department, the first-of-its-kind mobile fire education unit. The Milwaukee Fire Department will use the mobile Survive Alive House to engage children through an educational program that will teach young people about the dangers of fire and fire safety. The mobile Survive Alive House will be an integral part of this program and will be taken to schools and appear at various events throughout the Milwaukee area.



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