

Lithia Motors, Inc.

Code of Business Conduct and Ethics

The Board of Directors believes that the long-term financial success of Lithia Motors, Inc. and its subsidiaries (collectively the “**Company**”) is dependent on the fundamental principles of integrity, honesty, loyalty and fairness.

The Code of Business Conduct and Ethics (the “**Code**”) outlines the broad principles of legal and ethical business conduct embraced by the Company and is intended to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest;
- Promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the “SEC”) and in other public communications made by the Company;
- Promote compliance with applicable governmental laws, rules and regulations;
- Promote the protection of Company assets, including corporate opportunities and Confidential Information;
- Promote fair dealing practices;
- Deter wrongdoing; and
- Ensure accountability for adherence to the Code.

No written code can possibly anticipate and address all potential situations one may face in the course of business. This Code therefore should be used as a guideline rather than as a checklist when performing your job or acting on behalf of the Company. When the law or this Code is not specific on a particular issue, the Company expects each employee to use common sense and good judgment in effecting the spirit of the law and this Code.

Who is Covered by This Code

All directors, officers and employees of the Company are covered by this Code. The Company also expects consultants, business partners, vendors, and anyone who works on the Company’s behalf to share the Company’s commitment to the principles articulated in this Code when providing goods and services to, or working with, the Company or acting on our behalf.

Compliance with Laws, Rules and Regulations

Obeying the law, in letter and in spirit, is the underpinning of the Company’s ethical standards. You are expected to respect and obey all federal, state, and local laws, rules, and regulations to which you and the business operations of the Company are subject, including, but not limited to, all rules and regulations promulgated by federal, state, and local governmental and regulatory agencies and all self-regulatory organizations to which the Company is subject. You are not expected to know every detail of these laws, rules and regulations; however, you should be familiar enough with those laws, rules and regulations relating to your responsibilities and job performance to determine when to seek advice or counsel from the appropriate Company personnel. The Company encourages you to consult with your supervisors and management before taking any action which you feel may be inconsistent with this Code.

Conflicts of Interest

You are expected to make and participate in business decisions and actions in the ordinary course of your service with the Company based on the best interests of the Company and not on personal interests or relationships. You are expected to apply sound judgment to avoid conflicts of interest or apparent conflicts of interest.

A conflict of interest occurs when an individual's private interest (or the interest of a member of his or her family) interferes, or even appears to interfere, with the interests of the Company as a whole. A conflict of interest can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an employee, officer or director (or a member of his or her family) receives improper personal benefits (e.g., bribes or other inducements) as a result of his or her position in the Company. These could include direct payments or gifts, payments or other compensation for favorable purchasing, employment or other decisions, outside employment or interests in a competitor, vendor or customer or the like.

Conflicts of interest are prohibited as a matter of Company policy, except under specific circumstances approved by the Board of Directors or a designated board committee in advance. You are expected to disclose to the Company situations that may involve actual or apparent conflicts of interest; and you should recuse yourself from participating in any decision in which you may have a conflict of interest. Waivers of a conflict of interest may only be made in accordance with this Code. Waivers are described in further detail below.

Because a conflict of interest may not be clear, you are encouraged to seek advice and counsel from senior management or the Company's Chief Legal Officer or General Counsel if you suspect you may have a conflict of interest.

Conflicts of Interest Exceptions

Exceptions to this prohibition are (1) occasional meals, event tickets, and non-cash gifts with a value of \$500 or less; and (2) approved incentive awards, trips, and event admissions tickets from automotive manufacturers, or other approved meals, events tickets, or other noncash gifts from vendors or customers with a value of over \$500, provided that none are intended to reward recipients for actions not in the best interest of the Company.

Approval of exceptions:

- Regional Vice Presidents, Senior Vice Presidents, or higher may approve any manufacturer incentive awards and/or any vendor or customer non-cash gift (including meals) to any employee, up to and including the General Manager;
- Senior Vice Presidents or higher may approve any manufacturer incentive awards to any non-dealership employee, including all Support Services employees; and
- Notwithstanding the foregoing, only the CEO or CFO may approve exceptions for Senior Vice Presidents or higher, and only the CFO may approve exceptions for the CEO up to \$10,000, and only the Board of Directors may approve amounts higher than \$10,000 for the CEO.

Conflicts of interest and Related Party Transactions

are in a position to approve a transaction or any payment or benefit between the Company and your immediate family or any entity in which you or your family may have a material interest as officer, director, owner, or beneficiary (collectively, a “related party”). A conflict of interest also may arise when a related party receives an improper personal benefit from a third party as a result of his or her position in the Company (e.g., payments, gifts, or bribes to the person or the related party).

Transactions between the Company and a related party, however, do not automatically create a conflict of interest. Indeed, the Company encourages its employees and their friends and family to purchase vehicles from and have their vehicles serviced and repaired at the Company’s dealerships, and to use other services offered by the Company. Except for specific “employee” pricing, the terms of related party transactions are to be no better than those made available to other customers. Negotiated prices on vehicles without a fixed price require the approval of the store’s General Manager (or a more senior executive in the Company).

Other non-vehicle transactions between a related party and the Company must be at a price or on terms no more favorable than those given to or available from unaffiliated third parties and require the approval from the store’s General Manager (or a more senior executive in the Company).

For any related party transaction involving a senior executive officer or board member or related party of either (e.g., the child, parent, spouse or sibling) that exceeds \$120,000 and in which the related person has a direct or indirect material interest, the transaction requires the specific approval of the Company’s Audit Committee or another appropriate independent committee of the Board; provided that any such transaction that results in annual payments in excess of \$1 million must be approved by the Audit Committee (or if compensation related, by the Compensation Committee). If members of the Audit Committee are involved in a related party transaction such that a quorum of disinterested members does not exist to review and approve the transaction, the Board’s independent, disinterested directors or a special committee comprised of independent, disinterested directors appointed by disinterested directors will review and determine whether to approve the transaction. In addition, any lifetime compensation contract with a Named Executive Officer, as defined in SEC rules, must be submitted to shareholders for approval.

Misappropriation of Corporate Opportunities

You owe a duty to the Company to advance the interests of the Company when the opportunities arise. You are prohibited from taking for yourself personally (or for the benefit of friends, family members, or related parties) opportunities that are discovered through the use of Company assets, property, information or position. You may not use Company assets, property, information or position for personal gain (including gain of friends, family members, or related parties). In addition, you may not compete with the Company.

Protection and Use of Company Assets

You should endeavor to protect the assets of the Company and ensure their efficient use. You are personally responsible and accountable for the proper use of Company property and funds over which you have control. You are also personally responsible and accountable for the proper use of Company-provided services, including any Company-provided communication devices and/or related services. Further, you are personally responsible and accountable for the proper use of property and funds of others (including customer property and funds) that have been entrusted to your custody or care. All Company assets, including proprietary information, should be used only for legitimate Company business purposes and not for personal use or gain, although incidental personal use of certain assets may be permitted.

Theft, misuse, carelessness and waste of Company assets directly impact the Company's profitability. Any suspected incident of fraudulent use or theft of Company assets should be reported immediately, as described below.

Insider Trading

You may not purchase or sell any Company securities when you are aware of material non-public information regarding the Company, nor may you purchase or sell another company's securities when you are aware of material non-public information regarding that company gained through your position with the Company. Information is "material" if a reasonable investor would consider it important in deciding whether to buy or sell a company's securities. Examples of material information may include: mergers and acquisitions, other significant transactions, financial performance, changes in executive management, and cybersecurity incidents. Information is "non-public" if it has not been broadly communicated to the investing public. It is against Company policies and illegal for you to use material non-public information regarding the Company or any other company to:

- Obtain profit for yourself; or
- Directly or indirectly "tip" others who might make an investment decision on the basis of that information.

Your responsibilities, including restrictions on trading in the Company's securities, are described in more detail in the Company's Corporate Policy Regarding Confidential Information and Insider Trading.

Competition and Fair Dealing

The Company believes in promoting competitive advantage through superior performance and service, rather than through unethical or illegal business practices. You are expected to endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No person representing the Company should take unfair advantage of another through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practices.

Confidentiality

You are charged with the duty to maintain in confidence all Confidential Information entrusted to you by the Company, its vendors and customers, except when disclosure of Confidential Information is expressly authorized or required by law or regulation, or approved by the appropriate Company personnel. Confidential Information includes all non-public information (regardless of its source) that may be useful to competitors, or damaging to the Company, its vendors and customers if disclosed. The duty to maintain information in confidence continues after employment with the Company ends.

Record Retention

Each Company department or division and its respective employees are responsible for the maintenance of their department or division's records in accordance with the record retention policies of the Company. A record is any information, regardless of the physical or electronic format, that has been created or obtained in the transacting of the Company's business. The alteration, destruction or falsification of Company documents with the intent to obstruct a pending or anticipated regulatory or governmental proceeding or investigation or a discovery request in connection with any private litigation, is strictly prohibited and may constitute a crime punishable by fine and/or imprisonment. Additionally, document falsification or destruction in other contexts can result in a violation of the securities laws or the obstruction of justice. Each person is expected to be familiar with the applicable policy and procedures and to follow and abide by the terms of this policy and its related procedures.

Disclosure Controls and Policies

The public's perception of the Company is dependent upon accurate, full and complete disclosure of important Company information used in the financial marketplace. Company financial and non-financial disclosures and filings required by securities regulations must be transparent, accurate and timely. Providing timely, reliable, truthful and accurate information is a complex process that requires the commitment and cooperation of numerous departments, disciplines and related Company personnel.

The Company's disclosure process is intended to record, process, summarize and report material information in a timely manner. The Company's books, records, accounts and financial statements must be maintained in reasonable detail to appropriately reflect the Company's transactions and operations and must conform to all applicable legal requirements and the Company's system of internal controls.

The Company's periodic reports and other documents filed with the SEC, including all financial statements and other financial information, must comply with applicable federal securities laws and SEC rules.

You have a responsibility to be accurate, complete and honest in what you report and record in all Company documents, including accounting records, timecards, expense reports, invoices, payroll records, safety records and business records. If you contribute in any way to the preparation or verification of the Company's financial statements and other financial information, you must ensure that the Company's books, records and accounts are accurately maintained. You must cooperate fully with the Company's Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and Director of Internal Audit, as well as the Company's independent public accountants and counsel.

If you are involved in the Company's disclosure process, you must:

- Be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; and
- Take all necessary steps to ensure that all filings with the SEC and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

Investor Relations, Media and Public Inquiries

Dissemination of accurate and consistent information about the Company is important to the overall commitment of the Company to be forthright and honest in its disclosures to the public. The Company has designated specific Company personnel to address public inquiries received from the media, investors, analysts and the general public. The Investor Relations Department is responsible for public communications with stockholders, analysts, potential investors and other interested members of the financial community. All such inquiries should be directed to the attention of the Investor Relations Department. Unless your job duties expressly include responding to outside inquiries, all other inquiries should be referred to the designated Company spokesperson.

Privacy

Keeping personal information secure is critical to the Company, our employees and our reputation. You are expected to follow the laws that require the Company to protect information that can identify an individual or relates to identifiable information, also known as personal information. Please know that certain personal information can be sensitive and require an extra level of protection and a higher duty of care based on applicable law.

If you work with personal information as a part of your job, use it only for legitimate business reasons and guard this information well by following Company policies regarding the access, transfer and use of this information.

Personal information includes information about anyone such as: street and email addresses, telephone numbers, employee ID numbers, IP addresses, credit card information, financial information, medical information, names of family members, name and government identification number, and a combination of certain information such as consumer habits and demographics. If you are not sure what is permissible, ask your supervisor.

Participation in the Political Process

The Company encourages its employees to actively participate in the political process. However, you may not engage in any political activities during Company time or use Company resources in furtherance of any political activity, without the approval of senior management. When expressing an individual political viewpoint or making a political contribution, you must make it very clear that you do not represent the Company, you are not acting on behalf of the Company, and you should not identify your relationship with the Company unless expressly directed and authorized by senior management to do so.

Prohibited Substances

The Company has adopted an employment policy intended to provide a “drug free” work environment. You are expected to understand and comply with the Company’s prohibited substances policy.

Workforce and Human Rights

The diverse environments in which the Company operates require that the statements regarding our basic working conditions and labor standards be general in nature. However, in any and every working environment our approach to human rights, and the standard set for our Company and vendors, is guided by internationally recognized principles as articulated in the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, in accordance with the U.N. Guiding Principles on Business and Human Rights. It is also our expectation that our vendors and suppliers will do the same and operate in compliance with all applicable labor laws in their local operating jurisdictions. The Company has not and never will knowingly conduct business with individuals, agencies, or companies that operate against or below these Workforce and Human Rights standards.

Responsibility for oversight and execution of our human rights and labor standards falls under the Senior Vice President, Chief Administrative Officer, directly reporting to the CEO.

Child Labor

The Company will not use Child Labor. In no event will the Company employ a person below the age of 18, unless the individual is an approved participant in an educational or apprenticeship program that would be clearly beneficial to the participant and is approved by Lithia Support Services.

Forced Labor

The Company forbids all work or service which is not voluntary, obtained under the menace of any penalty or demanded as a means of repayment of a debt. We will not tolerate physically abusive disciplinary practices. No individual is requested to pay a fee upon commencing employment with the Company. The request of documents aimed at confirming the employee’s identity complies with all provisions of state and federal law. The Company does not use or support human trafficking under any situation in its workforce.

Freedom of Association and Collective Bargaining

The Company abides by all state and federal laws related to freedom of association and collective bargaining.

Compensation

The Company will promote our employees' financial and material wellbeing by providing compensation and benefits that are competitive and follow applicable state and federal laws.

Health and Safety

It is a priority at all Company worksites that we provide and maintain a safe and healthy workplace for our employees. At a minimum, the Company assures full compliance with legal provisions concerning health and occupational safety in the workplace, with the goal of preventing any possible accidents and injury to health due to or associated with work activities. We will facilitate reporting of unsafe workplace conditions or acts without fear of reprisal. Additional information on our stores' Safety Committees can be found in our Lithia Occupational Health and Safety Standards Policy.

Work Hours

The Company will maintain compliance with applicable laws regulating work hours, overtime, leave and minimum rest periods. We do not promote systematic use of extensive overtime and any overtime hours will be appropriately compensated according to individual terms of employment and applicable regulation.

Workplace Safety

The Company is committed to providing a safe work environment for everyone, including employees, customers and visitors. You are required to practice safe work habits and follow all applicable safety, security and health rules and practices. Do your part by identifying, reporting and escalating safety issues that you learn of or suspect so that we can strengthen our approach to workplace safety.

Workplace Violence

The Company takes seriously the safety and security of our team members, which is why we will not tolerate any threats or incidents of violence or intimidation in the workplace. Any threats, incidents of violence, or intimidation of any nature whatsoever (including indirect threats or acts of intimidation) directed against a team member or other party by another team member will result in immediate termination. Incidents may also be referred to local authorities for criminal prosecution where appropriate.

The possession of any weapons or other potentially dangerous materials, including but not limited to, firearms, knives, ammunition, fireworks or other explosives, is prohibited anywhere on Company property, unless allowed by state or local laws. Team members who are suspected to be in violation of this policy may be subject to searches which may include their privately-owned vehicle. If the team member refuses to allow the search, appropriate corrective action, up to and including termination, may be taken as a result of the team member's refusal to cooperate.

The Company will promptly investigate all complaints, handling each in a confidential and professional manner. Upon conclusion of the investigation, the Company will determine the appropriate resolution to a complaint.

Employee Relations

The Company is committed to maintaining a work environment free from discrimination. A key element of the success of the Company is the collaborative effort of its directors, officers and employees and their ability to recognize and embrace the diversity of the Company workforce. In order for the Company to gain the full benefits of a diverse workforce, you must respect the rights and dignity of your co-workers and you must be trustworthy and dedicated to high standards of job performance. The same respect of co-workers should be granted toward the employees of the Company's customers, vendors and competitors. Moreover, the Company has adopted a Harassment and Discrimination Policy which prohibits unlawful practices and acts. Each employee is required to read and acknowledge in writing their understanding of the Harassment and Discrimination Policy. The policy states that "disparate [unequal] and unfair treatment of any employee or individual because of his or her race, color, religion, creed, pregnancy, age, marital status, sex, national origin or ancestry, sexual orientation, gender identity or expression, physical or mental disability, medical condition, genetic information, veteran status, or any other consideration protected by federal, state or local law is prohibited. No employee is exempt from this key policy or is permitted to engage in conduct that violates this policy. Violation of this policy may result in disciplinary action, up to and including termination."

Environmental Policy

The Company recognizes that sustainable and responsible economic development is crucial to the future success of our Company and society. We also encourage our suppliers and vendors to examine the environmental impact of their business with the below commitments and expect them to operate in compliance with all applicable environmental laws and regulations.

Through cooperation and creativity from employees at all levels, we commit to:

- Understand the environmental impacts of our facilities through measurement of our Greenhouse Gas (GHG) Emissions;
- Develop short-term and long-term strategies to reduce our environmental impact;
- Encourage solution sharing and best practices between our locations;
- Educate the public about the benefits of eco-friendly vehicles;
- Expand our electric vehicle charging network; and
- Support facilities in applying energy efficient building and equipment standards.

Financial and Accounting Officers and Managers

The Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and other financial and accounting managers under their supervision have a special responsibility for promoting integrity throughout the Company, particularly involving the financial reporting process. These persons are vested with the responsibility and authority to protect, balance and preserve the interests of all stakeholders of the Company and to promote a culture throughout the Company that ensures fair, accurate and timely disclosure of the Company's financial results and condition. To fulfill these heightened responsibilities, in addition to complying with the general provisions of this Code, each of the foregoing persons is expected to:

- Provide accurate, complete, objective, relevant information to ensure full, fair, accurate, timely and understandable disclosure of all material information to the public or regulatory agencies;
- Act responsibly, in good faith, and with due care, competence and diligence, without misrepresenting material facts or subordinating one's independent judgment;
- Encourage professional integrity throughout the finance organization of the Company by promoting responsible behavior and providing mechanisms for employees of the finance organization to openly consult with, confide in and inform senior management within the finance organization of deviations in practice from policies and procedures that dictate honest and ethical behavior; and
- Establish and promote a Company financial policy that ensures business transactions are properly authorized and accurately recorded in the Company's books and records in accordance with generally accepted accounting principles.

Reporting and Enforcement

You are expected to be aware of situations or actions that could result in violations of federal, state or local law or the standards of conduct addressed in this Code. If you believe that your conduct or the conduct of a co-worker has or may violate the law or this Code, you have an obligation to report the matter to the Company.

Questions

If you are in doubt about the best course of action in a particular situation or if you have questions about this Code, you are encouraged to consult with your supervisor. If your supervisor is unable to help you or you are uncomfortable discussing your concern with him, you may contact the Chief Financial Officer or General Counsel or use the other reporting options described below.

Reporting

Actions prohibited by this Code involving directors or executive officers should be reported to the Nominating and Governance Committee. Actions prohibited by this Code involving any other person should be reported to the reporting person's supervisor, the Chief Financial Officer, or the General Counsel. Additionally, the Company has established a procedure by which concerns about this Code or potential violations of this Code may be raised anonymously. Concerns or potential violations submitted through this confidential process will be presented to the Audit Committee of the Company's Board of Directors on a periodic basis. Employees who wish to make a confidential, anonymous report about this Code or potential violations of this Code can do so at:

www.lithiaemployeefeedback.com

or by calling (800) 224-8168

You will not face reprisals for "whistleblowing" or reporting in good faith any actions that you feel may violate the law or the Code. It is the Company's policy not to allow retaliation for reports of misconduct by others made in good faith. Individuals who file reports or provide evidence that they know to be false or without reasonable belief in the truth and accuracy of such information may be subject to disciplinary action, including termination of their employment. You are expected to cooperate in internal investigations of misconduct.

Complaints relating to Company financial and accounting matters should be directed to the attention of the Audit Committee and addressed to the Director of Internal Audit (at Internal_Audit@lithia.com or by mail to the address below),

who reports directly to the Audit Committee. Our Director of Internal Audit will forward the communication to the Audit Committee Chair.

Another option is to contact a member of the Audit Committee directly by mail to:

Audit Committee
c/o Lithia Motors, Inc.
150 N. Bartlett Street
Medford, Oregon 97501

Enforcement

The Company must ensure prompt and consistent action against violations of this Code. If, after investigating a report of an alleged prohibited action by a director or executive officer, the Nominating and Governance Committee determines that a violation of this Code has occurred, the Nominating and Governance Committee will report the determination to the Board of Directors. If, after investigating a report of an alleged prohibited action by any other person, the relevant supervisor or Chief Financial Officer determines that a violation of this Code has occurred, the relevant supervisor or Chief Financial Officer will report that determination to the General Counsel.

Upon receipt of a determination that there has been a violation of this Code, the Board of Directors or the General Counsel will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.

Waivers

The Board of Directors (in the case of a violation by a director or executive officer), the Chief Financial Officer (in the case of a violation by any other person), or the Chief Administrative Officer may, in their discretion, waive any violation of this Code.

Any waiver for a director or an executive officer must be disclosed as required by SEC and NYSE rules.

Approved: July 30, 2025