



# Employee Handbook

Canada Edition

THE MISSION

## Growth Powered by People.

Driven by our employees and preferred by our customers, Lithia & Driveway is the leading automotive retailer in each of our markets.

OUR VALUES

### The fuel behind Lithia & Driveway



#### Earn Customers for Life

Create welcoming and trustworthy experiences for our customers.



#### Improve Constantly

Champion one another's growth to achieve more together.



#### Take Personal Ownership

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



#### Have Fun!

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

Leading the modernization of personal transportation solutions **wherever, whenever, and however** consumers desire.

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“The true engine of our success is powered by the stores and support services, where our talented teams create memorable experiences that *Earn Customers for Life*.

Bryan DeBoer, President & CEO of Lithia & Driveway

## A Message from Bryan DeBoer

Dear Lithia & Driveway Associates,

Our success is firmly rooted in family, hard work, and high performance, and centers on your expertise and professional drive. We know talented associates like you, across all levels of the organization, fuel our journey to expand, excel, and *Earn Customers for Life*.

Each of you located throughout our hundreds of stores, Driveway, DFC, GreenCars, and the Home Office energize our vision to meet consumers *wherever, whenever, and however* they desire.

When we launched our ambitious plan to achieve \$50 billion (USD) in annual revenue by 2025, we focused on several key strategic areas, including rapid network development and dynamic consumer optionality. Ultimately, what will determine our immediate and future success is our mission *Growth Powered by People*.

To support you, we *Improve Constantly* to create a workplace where you can grow your passions, skills, and creativity. At the same time, we strive to provide you with total rewards to support you in work and life.

We want you to feel at home with Lithia & Driveway. As such, I encourage you to review the Employee Handbook, which is designed with you in mind—providing a transparent, comprehensive overview of Lithia & Driveway, our general expectations, and most importantly, employee policies and procedures.

Lastly, I hope you “Get to Know Us Better” by exploring Section 9 of the handbook. There, you can discover the various avenues of growth and opportunities we offer as an automotive industry leader.

You’re a part of this exciting journey—enjoy the drive!



A stylized, handwritten signature in black ink, consisting of several overlapping, sweeping lines that form the name 'Bryan DeBoer'.

Bryan DeBoer  
President & Chief Executive Officer



## SECTION 01

# Who We Are

Lithia & Driveway is an international automotive retailer offering a wide selection of vehicles across global manufacturers.

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# Our Journey

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



## In 1946

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



## In 1968

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



## In 1996

Looking for new growth opportunities, Sid and his business partner, Dick Heimann, transformed this collection of Oregon-based stores into a publicly traded company (New York Stock Exchange symbol: LAD).



## In 2012

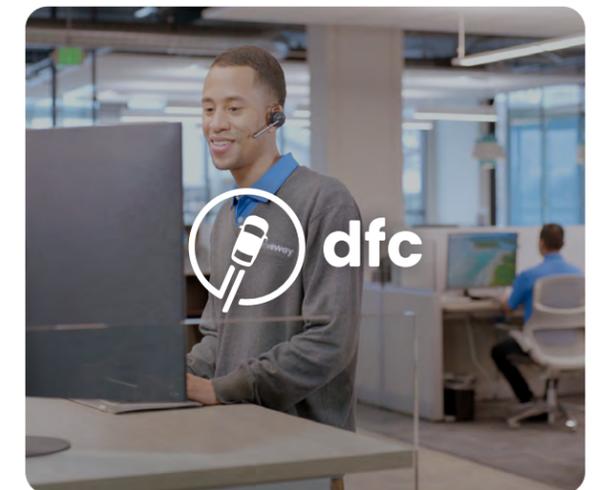
Sid's son, Bryan, succeeded him as President & CEO and has continued the company's forward-thinking growth strategy, building on our mission *Growth Powered by People*. During Bryan's tenure, he has established an entrepreneurial, high-performance culture that has catapulted the company to the top of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

# Who We Are Today

We're consolidating the largest automotive retail network globally.

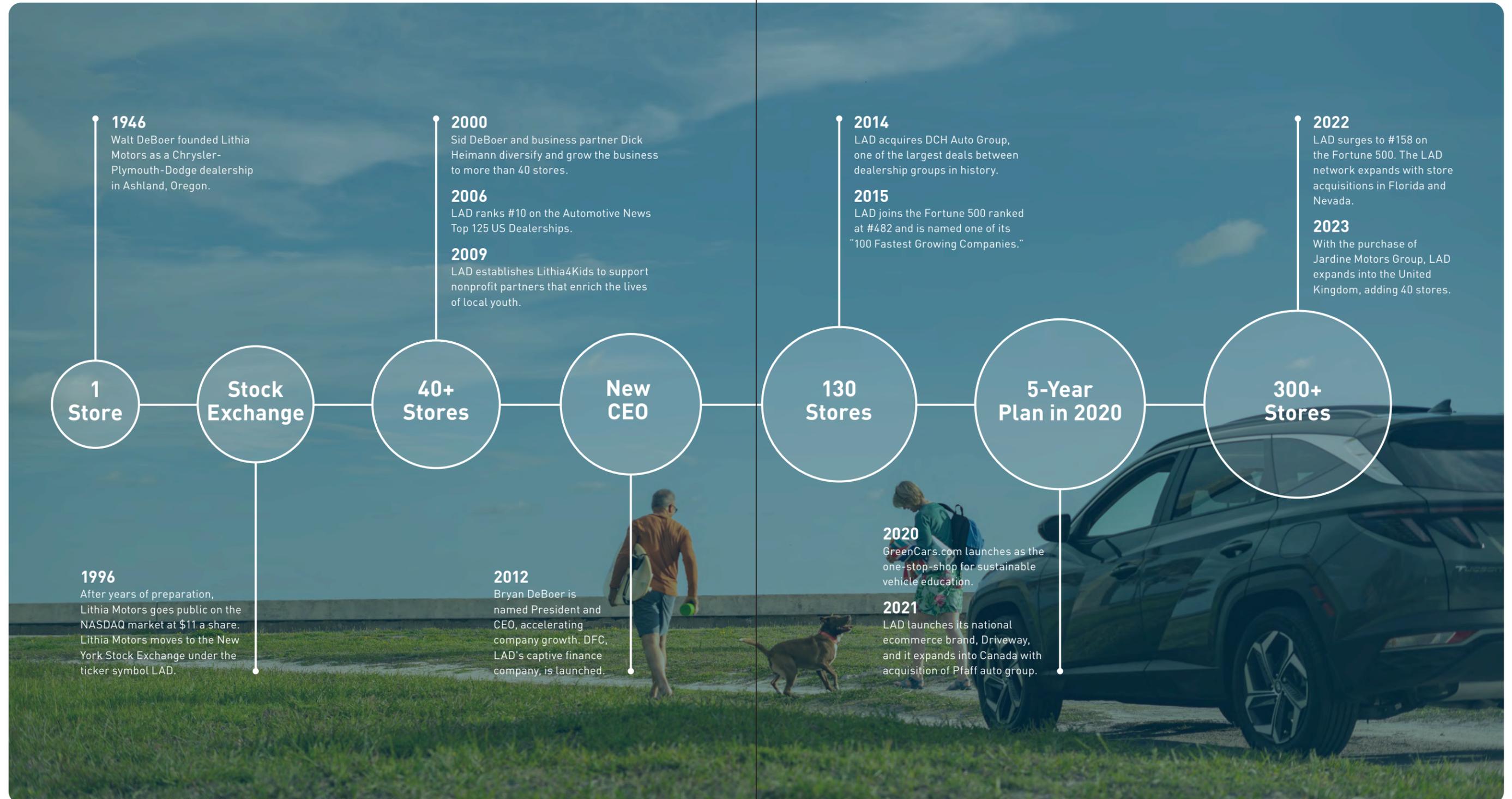
Lithia Motors, Inc.—doing business as Lithia & Driveway—is an industry leader with a vast retail network and an ambitious 2025 Plan to achieve \$50 billion (USD) in revenue.

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



# Company Timeline

Follow us from where we started to where we're going.



SECTION 02

# Employment Overview

Thank you for being a key player in our mission of *Growth Powered by People.*

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# Where to Turn

## HUMAN RESOURCES DEPARTMENT

[canadahr@lithia.com](mailto:canadahr@lithia.com)

Learn about key employee policies and processes.

## EMPLOYEE RELATIONS DEPARTMENT

[employeerelations@lithia.com](mailto:employeerelations@lithia.com)

For general assistance with employee-related issues.

## WORKDAY

[spark.lithiadriveway.com/ca](https://spark.lithiadriveway.com/ca)

Workday is our online, Human Resources management resource (available on Spark or its app).

## SPARK

[spark.lithiadriveway.com/ca](https://spark.lithiadriveway.com/ca)

Your in-house, online gateway to Lithia & Driveway's resources and tools.

## DOCXPLORER ON SPARK

[spark.lithiadriveway.com/ca](https://spark.lithiadriveway.com/ca)

Located on Spark, "DocXplorer" is our document hub for all things Lithia & Driveway.

## PAYROLL DEPARTMENT

For questions on your paycheques, please contact [canadapayroll@lithia.com](mailto:canadapayroll@lithia.com).

# Introduction

## Navigating Your Lithia & Driveway Journey

Hello! We're so pleased you're a part of Lithia & Driveway.

Your unique talents, passion, and energy are the heart of *Growth Powered by People* and fuel our 2025 Plan to achieve \$50 billion (USD) in annual revenue. We're a growth company that thrives on innovation, creativity, and high performance.

To make sure you feel confident, informed, and engaged in your employment journey, please review this Employee Handbook. It outlines policies and procedures related to your job and day-to-day duties.

In this section, we discuss some of the general employment-related details you may be interested in knowing as you begin your career at Lithia & Driveway.

## Handbook Disclaimers

Let's start with some important details regarding the handbook's scope and terminology.

Please keep the following formal aspects of the Employee Handbook in mind as you read its contents:

- This handbook is in effect for all employees.
- Whenever reference is made herein to the "Company," "employer," or "dealership," it refers strictly to the sole store by which you're directly employed and not to any other Lithia & Driveway entity.

If you are a union employee, please refer to your collective-bargaining agreement.

## Discrimination & Harassment

All employees are responsible for maintaining a workplace free of discrimination and harassment.

To review the full text of the Lithia & Driveway Anti-Discrimination, Harassment & Corporate Governance Policy, please see Section 8.

## Diversity & Inclusion

*Growth Powered by People* is more than a mission statement; it's a culture and environment where each of us can flourish.

We strive to create a welcoming environment where you feel empowered, respected, and connected.

### **Lithia & Driveway's DEI Statement:**

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

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

## Equal Employment Opportunity

Lithia & Driveway is an equal opportunity employer and makes employment decisions on the basis of merit. In accordance with applicable law, we prohibit discrimination based on 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, or any other consideration protected by federal, provincial, or local law.

## Provincial Compliance

As one of the top automotive retailers globally, we have hundreds of locations across North America and Europe. The provinces and locales in which we conduct our business have enacted a multitude of laws that govern our workplace and your employment. We consider these laws in the development of our policies. Even so, if our policy is inconsistent with any law or other applicable provincial requirement or collective bargaining agreement, the law and provincial requirement will govern.

To find provincial-specific applicable laws and policies, such as for leaves of absence, go to the DocXplorer tile on Spark and simply search for your province by name.

## Personal Appearance & Conduct Expectations

Every day, we depend on you to be a strong representation of our core values and commitment to customer service excellence. How you dress, your actions, and your appearance can make the difference between creating a positive customer-service impression or losing company goodwill. Thus, part of your Company role is to make our customers—as well as vendors and community members—feel comfortable and welcome, thus inspiring their confidence and engagement.

To do this, we encourage maintaining a high standard of hygiene and professionalism in

your appearance and behaviour. Please help us achieve customer service excellence by keeping these guidelines in mind:

- Show the pride you have in yourself, your job, and your Company.
- Be professional, considerate, respectful, and pleasant to customers, coworkers, vendors, and suppliers.
- Disrespectful, or vulgar language or behaviour is unacceptable and could lead to discipline up to, and including, termination of employment.

For more information on these personal conduct expectations, please go to the Business Attire & Appearance Policy and the Anti-Discrimination, Harassment & Corporate Governance Policy in Section 8.

## Employee Performance

One of the most powerful tools to *Earn Customers for Life* is how we serve and interact with the public. Clearly, how we perform impacts customers' views and impressions of you and your store or department.

For this reason, your personal performance in these areas is a vital aspect of your job.

As a measurement of our commitment to customer satisfaction and store profitability, several elements of your performance are considered in the observation of your work. They include, but are not limited to, the following:

- Attitude toward customers, suppliers, other employees, and supervisors
- Interactions conducted in a professional and respectful manner, with a positive attitude and enthusiasm
- Quantity and quality of output or production
- Dependability in following instructions and completing assignments
- Cooperation in the team effort of completing a job, including a willingness to put the team's interests ahead of your own, and the



- Company's interests ahead of your department or store's interests
- Presence and punctuality
- Any expectations related to your individual job duties that are not covered above

In addition to the daily tasks that are part of your normal job assignments, you may be asked to help with other work. If asked to participate, your assistance will be expected.

From time to time, you may also be given additional responsibilities, which we hope only increases your performance and strengthens your career development. We thrive in a high-performance culture, and we look for future leadership in those who demonstrate the drive to *Take Personal Ownership* and pull ahead of everyday expectations.

## Work Schedule

Your supervisor will provide your specific work schedule, including rest periods and meal breaks. Work schedules are set and adjusted based on customer and business needs.

## Attendance

Because you're important to our business, we need you on-site at your scheduled time. We count on our employees to be reliable and predictable so we can best serve our customers. Please make every effort to be at work on time.

Poor attendance and excessive tardiness negatively affect coworkers' morale and customer service. If this becomes a pattern, please note that it can result in disciplinary action up to, and including, termination of employment. Please

note that different locations and/or departments may have varied or more specific attendance policies. To access your location's specific policy, please contact your direct supervisor or email [canadahr@lithia.com](mailto:canadahr@lithia.com).

## Missed Work, Late Arrival, or Early Departure

If you're going to be late or absent from work for any reason, personally notify your manager before the start of your scheduled shift as far in advance as possible so that proper arrangements can be made to cover your duties during your absence.

Of course, some situations arise in which prior notice of late arrival or missed work cannot be given. In those circumstances, you're expected to notify your manager as soon as possible. Reach



out to your manager personally to discuss the circumstances of your absence and your planned return to work. Lastly, if you have a need to leave work early, personally contact your manager to obtain permission.

## No Call-No Show & Voluntary Resignation

If you're a "no call-no show," your employment may be terminated. Also, if you don't call in or fail to report to work for three consecutive days, we will consider this a voluntary resignation.

## Leaves of Absence

In compliance with applicable employment standards legislation, Lithia & Driveway recognizes the importance of work-life balance and understands that there may be occasions when employees need to take unpaid leaves of absence. We are committed to supporting our employees in such situations by providing access to unpaid leaves in accordance with the relevant legal requirements. Please contact your supervisor and work with the leave administrator to obtain sufficient information to determine if any leave laws are applicable.

For information about your obligations when absence is due to a health condition, family care, or other unusual or extraordinary causes, see the Leaves of Absence details outlined in Section 4.

If you're unable to work for more than three consecutive days, we may require a note from your health care provider, or verification as allowed by law, for you to return to work.

## Attendance & Compensation

Punctuality and attendance may impact compensation. Please refer to your employment agreement or pay plan, if applicable, for details.

## Layoffs

We strive to maintain a stable and supportive employment environment, prioritizing our employees' well-being. Nevertheless, economic or business circumstances may necessitate

placing an employee on temporary layoff, which will be conducted in accordance with the applicable employment standards legislation. We understand that job security is essential, and we will make every effort to communicate clearly and provide support during temporary layoffs, working diligently to find the best possible solutions for everyone.

## Severe Weather

No matter where we live and work, severe weather conditions can disrupt business operations, interfere with work schedules, and endanger employees' well-being. If extreme weather conditions require closing the Company facility, your supervisor will notify you. If weather conditions delay or prevent you from reporting to work, you should notify your supervisor as soon as possible.

Full-time employees will receive weather pay if the Company facility is closed due to certain events—such as weather, hazardous conditions, or a natural disaster—for more than two consecutive business days. Employees will receive a maximum of five days paid per year, beginning after the two consecutive business days that the Company facility is closed.

Hourly employees will receive their hourly rate and flat-rate employees will receive their vacation time off temp rate per their individual employment agreement. Salaried and commissioned employees do not receive additional compensation or deduction for severe weather closures.

## Time Records on Workday

Workday is an online, human resources (HR)-management dashboard that Lithia & Driveway uses to streamline all employee-related activities. You can access Workday on our intranet, Spark, or you can download its app onto your mobile device.

Many employees use Workday to keep track of time worked. You are to personally clock yourself

in and out, as you come and go, for all hours worked and meal breaks using the "My Time" icon on Workday.

By doing so, you help to accurately calculate pay and provide a permanent record to comply with provincial laws. Please report any errors in your timecard to your supervisor immediately, before adjusting your timecard. You and your supervisor shall approve all overrides to timecards.

## Rest Periods & Meal Breaks

Individual provinces may have specific guidelines on rest periods and meal breaks. We adhere to each province's guidelines. Please check with your supervisor for specifics related to your workplace.

## Meal Breaks

Lithia & Driveway is committed to ensuring that employees take a meal period from their work activities, while ensuring continuous business operations.

Employees who work greater than five hours are provided with a 30-minute eating period free from work. If you are an hourly employee, this 30-minute, unpaid lunch deduction will occur automatically within Workday, unless it is waived and approved by your manager.

## Break Time for Nursing Mothers

The Company will provide break time and space for nursing mothers to express milk for their nursing child if such an accommodation is requested. We will also provide space for nursing customers, if needed.

## Paydays & Pay Cycles

Employees are paid according to their employment agreements.

The work week begins at 12:00am Sunday and ends at 11:59pm on the following Saturday. Please note that the workday begins at 12:00am and ends at 11:59pm.

The work week for all pay cycles is Sunday through Saturday, and our pay cycle is semi-monthly. If you have questions, please refer to your employment agreement/pay plan or inquire with your manager or the Payroll Department.

Paydays are the 10th and 25th of each month.

- Work performed from the 1st through 15th is paid on the 25th.
- Work performed from the 16th through the end of the month is paid on the 10th of the following month.

## Overtime

Business needs may require you to work overtime. Your supervisor should be consulted and provide pre-approval for any overtime hours. Overtime entitlement is governed by applicable employment standards legislation and/or any written contract of employment.

Overtime normally will be paid in the pay period following the period in which it is earned, provided timecards are properly completed and approved. In certain circumstances, we may grant compensatory time off to employees in lieu of making overtime payments. Management team members are not eligible for overtime.

## Disconnecting from Work

To support employees in balancing their working and personal lives—whether working in the workplace or remotely, or whether working traditional hours or flexible hours—the Disconnecting from Work Policy encourages employees to disconnect from work outside of their regular working hours (in accordance with and subject to this policy). You can access a [full-text of this policy](#) on the DocXplorer by searching for its title.

## Compensation

Our compensation plans are designed to be market-competitive, reward high performance, and adhere to wage-and-hour laws.

## Total Rewards (Benefits)

At Lithia & Driveway, we're excited to provide a competitive, diverse total rewards package that supports the physical, financial, and work-life wellness of you and your family. Refer to Section 5 for more details or email [canadabenefits@lithia.com](mailto:canadabenefits@lithia.com).

## Vacation

Lithia & Driveway recognizes the importance of vacation time in providing the opportunity for rest and relaxation. All employees are encouraged to use their allotted vacation time in full every year.

All permanent employees are entitled to an annual vacation leave with pay.

The vacation year coincides with the calendar year of January 1 to December 31. Vacation requests are subject to the company's discretion.

We recognize that there may be circumstances where employees choose to use their accrued vacation days to cover specific leaves of absence, and we will do our best to accommodate such requests, considering operational needs.

It is important to note that vacation time continues to accrue even during periods of inactive employment, such as leaves of absence, ensuring that employees can utilize their accrued vacation days upon their return. However, please be aware that vacation pay does not accrue during inactive periods, as it is based on actual hours worked.

## Workspace

To increase our ability to maintain safety and quality standards, and to present a professional appearance to our customers, it is everyone's responsibility to keep desks, counters, service stalls, and other work areas neat and organized.

We thank you in advance for doing your part in maintaining cleanliness in our break rooms, restrooms, work areas, waiting areas, and any public spaces.

## Employee Parking

We make every attempt to keep customer parking spaces available. Some free parking may be provided, and employees may be assigned a parking space. The Company is not responsible for any damage to your vehicle or the contents of your vehicle while parked on our property.

Private "For Sale" signs are not permitted on employee vehicles parked on or near Company property.

## Mail

Mail delivered to employees at a Company business address is presumed to be business-related and may be opened.

## Outside Employment

We expect you to devote your full attention and energy to your job. If you elect to engage in employment outside the Company, it should not conflict or interfere in any way with your Company position. In addition, no outside business may be conducted during paid working time.

Any service work performed at the workplace must be performed by a licensed technician or under the supervision of a licensed technician. All work is required to have a written repair order before commencing with any work performed.

Please see the employee discount program for exceptions to standard rates. All vehicles in our shops require a written repair order issued before any work is done.

If you're approached to sell another person's vehicle, please direct them to the appropriate sales personnel to handle the purchase.

We remind you not to buy or attempt to buy such a vehicle or engage in discussions on the value of the vehicle.

Any vehicle purchase or sale must adhere to the Company process, which will include completing all necessary documentation and complying with all applicable federal and provincial laws.

If you have any questions related to outside employment, please contact your supervisor.





## SECTION 03

# Workplace Basics

Navigating work is easier when you know the rules of the road.

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# Where to Turn

## HUMAN RESOURCES DEPARTMENT

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[canadahr@lithia.com](mailto:canadahr@lithia.com)

Get assistance regarding key employee policies and processes.

## REQUEST & RESOURCE CENTER (R&RC)

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### Information Technology Service Desk

877-309-0908

The R&RC is home to the Information Technology (IT) Service Desk, and your go-to for technology support.

(For fastest service, please contact us directly at the number above or submit your inquiry online via the R&RC located on the Spark homepage.)

## SPARK

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[spark.lithiadriveway.com/ca](http://spark.lithiadriveway.com/ca)

Your in-house, online gateway to Lithia & Driveway's resources and tools.

# Introduction

## Making Connections at Your Workplace

Our mindset to create more choice, convenience, and connection for our customers is key to providing personal transportation solutions *wherever, whenever, and however* consumers desire.

As a pivotal part of our customer-centric business model, we want you to feel informed as a valued team member. This section of the Employee Handbook will help you navigate the course of your employment journey with Lithia & Driveway.

Thank you for your time in getting up to speed on these policies and procedures. If you have any suggestions on how we can *Improve Constantly*, please contact:

## Suggestions for Lithia & Driveway

[makeiteasier@lithia.com](mailto:makeiteasier@lithia.com)

## Our Vast Retail Network

Most of our team members work at one of our hundreds of locations across North America and the United Kingdom, where we promote a decentralized business model. This means we rely on local leaders to make nimble, operational decisions that work best for their customers, markets, and communities.

Each store runs like an independent business, with an entire management team and departments in sales, financing, service, parts, customer service, and administration.

## Support Services

Our two home offices—located in Vaughan, Ontario and Medford, Oregon—serve and support our stores. For instance, our home office teams help with performance measurements, integrated information systems, noncustomer-facing support functions—such as finance, payroll, marketing, human resources, and operations and information technology systems.

## Supervisor Communications

The most important working relationship you will have at Lithia & Driveway is between you and your

supervisor, who has accepted the responsibility of guiding you in your job and the completion of your work. Thus, it is best practice to maintain open communications with your supervisor. Supervisors need and want to hear your questions, suggestions, and constructive ideas. In addition, if you become aware of anyone not acting in accordance with Company policies and/or values, please reach out to your supervisor.

Mutual understanding is important to doing the best job possible, and cooperative attitudes lead to productive teamwork. If you have questions regarding any aspect of your assignment or any Company policy or practice, please consult your supervisor.

## Problem Solving

Open lines of communication are important to constructive, productive relationships and the elimination of counterproductive conflicts.

At Lithia & Driveway, we endorse an atmosphere of mutual respect and support. If you experience a disagreement or conflict with another coworker, you may first discuss the problem with the other person, if you're comfortable doing so, and make every effort to resolve it in a respectful



manner. If unsuccessful, or if you're not comfortable speaking directly with the person, you may seek your supervisor's assistance in resolving the matter respectfully and professionally.

## Off-Duty Employees

Off-duty employees are requested to avoid customer and safety-sensitive areas. As used in this handbook, you're considered "off-duty" during rest periods, meal breaks, or periods in which you're not performing (and not scheduled to be performing) services or work for the Company.

"Working time" includes all time for which you're paid and/or scheduled to be performing services for the Company. Visitors should remain in portions of the dealership that are open to the public.

## Customer Interaction Guidelines

Every customer interaction you have makes an impression that affects a customer's overall experience with Lithia & Driveway, as well as our service reputation. As a result, we all carry the responsibility of promoting goodwill for the Company through our individual efforts

to provide quality work and to be attentive to customers' questions and concerns.

Please keep the following guidelines in mind to help *Earn Customers for Life*:

- Provide prompt, professional, and courteous assistance in all forms of communication.
- Every interaction is an opportunity to welcome a return customer or earn a new one.
- Tailor your communication style to each customer.
- Customers and potential customers are valued guests, not an interruption. Always extend a pleasant manner and a welcoming attitude.
- Begin telephone conversations with a friendly greeting and identify yourself.
- Conduct conversations with a pleasant voice and end with courtesy.
- Avoid placing callers on hold for extended periods. If a phone call transfer is necessary, a warm transfer is preferred—meaning you stay on the line with the customer and introduce the caller to the new contact.

## Customer Vehicle Care

Our customers expect us to take good care of their vehicles while they are in our store or within the scope of employment. Customer-owned vehicles may be moved only for appraisal, delivery, or repair by authorized employees. Go out of your way to follow these respectful rules when moving a customer's vehicle:

- Do not disturb or remove any property inside the vehicle or use the vehicle for personal reasons.
- Eating, drinking, or smoking in customer vehicles is strictly prohibited.
- If you need to adjust a customer's settings on any accessories to perform a job, be sure to return them to their original settings when you're finished.
- Always use reasonable care to secure a customer's vehicle.

## Driving Company & Customer Vehicles

The Lithia Motors, Inc., vehicle policy provides employees with guidelines for driving a company or customer vehicle. A company or customer vehicle is any type of vehicle an employee of Lithia & Driveway may be required to drive while carrying out the regular duties and responsibilities of their job.

This policy applies to all our employees who drive vehicles as part of their daily tasks, including full-time, part-time, and casual employees.

Employees can only drive a vehicle if:

- They have a valid driver's license.
- They have a clean driving record.
- They are at least 19 years of age (to drive a vehicle off the store lot).

A *clean driving record* means that the employee has not been held responsible for a car accident or arrested for a violation of the vehicle and traffic laws. Should an employee fail to meet either of the prerequisites during their employment with Lithia & Driveway, they may be terminated for cause.

You can access a [full-text version of this policy](#) on the DocXplorer by searching for its title.

## Accessible Parking Protocol

Lithia & Driveway provides accessible parking spaces for the comfort and convenience of people with disabilities.

These parking spaces—marked by blue and white signs with a wheelchair (the international symbol of accessibility)—are required by law and in accordance with the Accessible Canada Act (ACA).

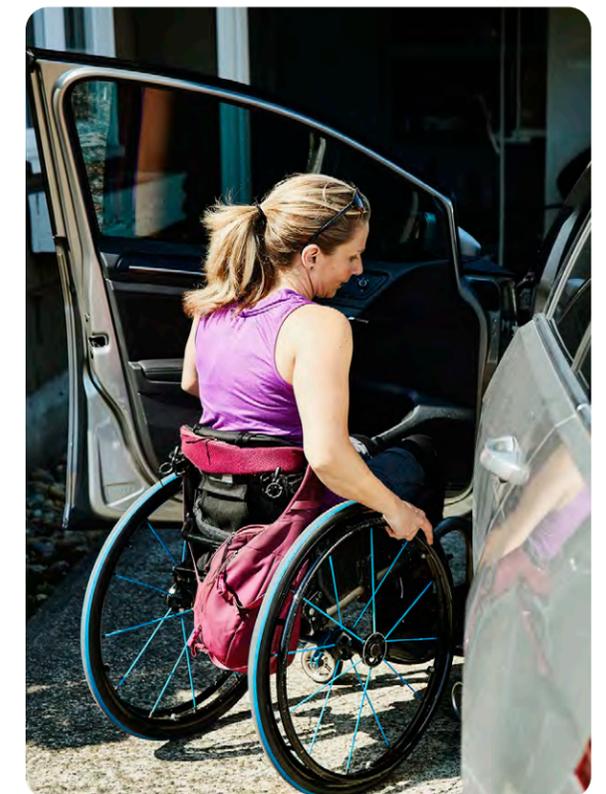
The ACA states that individuals with disabilities may not be denied the full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations that the business provides.

As an employee, please note that it is a violation of Company policy to park any vehicles without the appropriate disabled placard or license plate in accessible parking spaces.

- Any employee who engages in parking unauthorized cars in accessible parking spaces may be subject to disciplinary action up to, and including, termination of employment.
- Any employee who notices that this has occurred should report it immediately to their supervisor or manager so it can be addressed.

## Customers with Disabilities

Provincial legislation requires that each business make a reasonable effort to maintain a "barrier-free" facility. The Company makes every effort to comply with all laws, including, without limitation, the Access for Ontarians with Disabilities Act and the Accessible British Columbia Act.





For example, if a wheelchair-bound person visits our facility, please make sure that they receive any assistance required for needs, such as:

- Entering, and maneuvering within, the building;
- Seeking service in inaccessible locations, such as an office, that may be on a different level; or
- Utilizing transportation—especially where the dealership provides transportation for other persons.

Likewise, please extend the same courtesies to individuals with any disability or impairment to assure their safety and to facilitate communication between them and store personnel. Showing kindness and helpfulness for all our customers with disabilities demonstrates service-oriented business practices and is an admirable personal character trait we appreciate in our associates.

Your workplace location is a part of the community in which you live and work— we encourage you to be a good neighbor when the opportunity arises.

## Computers & Other Business Equipment

All software installed on Company computers and any data collected, downloaded, and/or created on Company computers is the exclusive property of the Company, and may not be copied or transmitted to any outside party or used for any purpose not directly related to Company business. No employee shall remove any software or data from Company computers at any time.

### No Expectation of Privacy

When you use Lithia & Driveway computers or other electronic devices and business equipment, do not expect privacy or confidentiality.

Because Lithia & Driveway-issued electronic equipment and devices are Company property, all information stored on Company computers may be monitored, accessed, or recorded for business, legal or security purposes. Such information includes, but is not limited to, internet activity, email messages, voice messages (including deleted messages), documents, files, and photos.

Because there is no expectation of privacy, it is best practice to avoid personal use and communications on Company-issued equipment.

### Company Usernames & Passwords

Your first-time logins are provided to your hiring manager by the Provisioning Team. These usernames and passwords are utilized exclusively for the purpose of protecting the Company's information and intellectual property. It is your responsibility to ensure they are secure to protect our customers' data.

The first time you log into a Lithia & Driveway workstation, you are required to change your password and encouraged to set up Self-Service Password Reset (SSPR) and Multi-Factor Authentication (MFA).

Visit the [My Sign-Ins Page](#) to register for two Factors of Authentication with your @lithia.com credentials.

For step-by-step instructions, follow [Multi-factor Authentication \(MFA\): First Time MFA Enrollment](#).

For additional information about SSPR and MFA, see [Password Reset: Self-Service Password Reset \(SSPR\) FAQ](#).

**NOTE:** Passwords cannot be obvious or easy-to-guess, such as personal names, birth dates, or the word "password." Passwords can only be changed once in a 24-hour period and can take 30 minutes to sync across all systems.

You can also check the R&RC for additional support documentation, or contact:

**IT Service Desk**  
877-309-0908

**Do not share your Company usernames and passwords with others—these details should be kept confidential. In addition, credentials—such as usernames and passwords—should never be written down or stored in a file on the computer.**

### Electronic Monitoring & Transparency

The Company uses various electronic monitoring tools in different circumstances and for different purposes in the course of conducting its business and operations. Please refer to the Electronic Monitoring & Transparency Policy for further details on how data may be collected and the circumstances under which it is used. You can access [this policy on the DocXplorer](#) by searching for the title (see also Section 8).

### Business Purposes Only

All Company-owned equipment is intended to be used for Company business purposes and in accordance with our policies. Soliciting personal business opportunities, personal advertising, and gambling using Company equipment is prohibited.

In addition, streaming media—audio, video, and other real-time feeds—for nonbusiness use can negatively impact others' use of internet and network resources and, therefore, is also prohibited. All email and other electronic communications are to comply with our Anti-Discrimination, Harassment & Corporate Governance Policy, which is located in Section 8.

### Email Communications

If an email is destined for more than 25 people outside of the Company, submit a request via the Request & Resource Center (R&RC) to assist in accomplishing this task. The purpose of this policy is to avoid messages being classified as spam and potentially never reaching the recipients' inboxes. It is recommended that you plan ahead and submit the request in a timely manner, so appropriate access is given to issue broadcast communications.

### Email Signature Block Style

We strive to present a consistent look and feel among our email and other communications. In your work-related email messages, we ask that your signature block reflects your name, your position, your department or store, and the contact information, including your mailing address and phone number.

The font should be Arial, 11-point, if possible. Colors should be Company appropriate.

Keeping your signature simple helps ensure that your message will be acceptable and easily read on different email systems and devices.

### Sample Email Signature

**John Doe**

Position or Job Title

[Name of Department or Store]

Phone: XXX-XXX-XXXX

Canadian Home Office | 8885 Jane Street  
Vaughan, ON L4K 2M6



[Or use your Store/Company logo]

## Audio Recordings & Video Cameras

We strive to *Improve Constantly* in our customer-centric drive for service excellence. As part of this strategy, we conduct reviews of computer communications and telephone calls with both our internal and external customers. We have found doing so is an effective and helpful tool in identifying issues and concerns that might benefit from future training.

Thus, be advised that your conversations, while using the Company computer and telephone systems, may be monitored, or recorded. For some stores, this function may be required by our manufacturer partners. In addition, video cameras may be installed by the Company in appropriate places within and around the Company's premises at any time. By acknowledging receipt of this handbook, you agree that you are aware of, and consent to, these practices.

## Domain Registration & Official Internet Content

As an employee, you may not register a domain on behalf of Lithia & Driveway, register a domain to compete against the Company's interests, or register a domain as an investment intended for future sale to the Company. The Marketing Department—located at the Home Office in Medford, Oregon—manages all domain registrations.

You may not create official digital content on behalf of the Company or use its logos, registered trademarks, trade dress, or its store names or manufacturer logos, registered word marks or names—without specific written permission from the Home Office to do so and without its continued oversight. For assistance, contact [IRC@lithia.com](mailto:IRC@lithia.com).

## Company Telephones

Whenever possible, please utilize 800 numbers when returning calls or looking for information to save on long-distance phone rates. Company 800 numbers are to be used for business purposes only.

**When you use the Company telephone system, personal, long-distance calls are prohibited.**

### Cell Phones

When using cell phones at work, we expect you to use them in a safe manner and to always follow any provincial laws.

- While operating a motor vehicle at work, we prohibit the use of cell phones for text messages, as well as two-way radios.
- Cell phones may be used with a legally authorized hands-free device.

Lastly, cell phone usage at work is subject to our Anti-Discrimination, Harassment & Corporate Governance Policy (see Section 8). Some specific examples of prohibited uses include, but are not limited to:

- Transmitting, retrieving, downloading, displaying, or storing harassing messages or images that are offensive, derogatory, defamatory, harassing, off-color, sexual in content or otherwise inappropriate in a business environment;
- Taking inappropriate pictures, video or digital images of another employee, vendor, customer, or other person; and
- Taking and posting or circulating pictures, video or digital images of another employee, vendor, customer, or any other person, without their approval.

### Text Messages

Work-related text message communications on your personal cell phone can become evidence in, or the subject of, a Human Resources inquiry or investigation. Text messages belong to the recipient and are potentially subject to subpoena. Text message communications between employees are expected to comply with the same policies as email communications.

## Privacy of Communications

Employees may not record telephone or other conversations they have with their coworkers, managers, or third parties unless such recordings are approved in advance by the Lithia & Driveway Legal Department, required by the needs of the business, and fully comply with the law and any applicable company policies. This privacy policy is designed to do the following:

- To protect the confidentiality of our trade secrets and employment matters,
- To comply with applicable regulations, and
- To safeguard the sensitive consumer financial and personally identifiable information in our possession and our confidential business information such as our processes, databases, techniques, systems, our strategic business plans, and our nonpublic sales, pricing strategies, customer sources, franchise agreements, agreements with

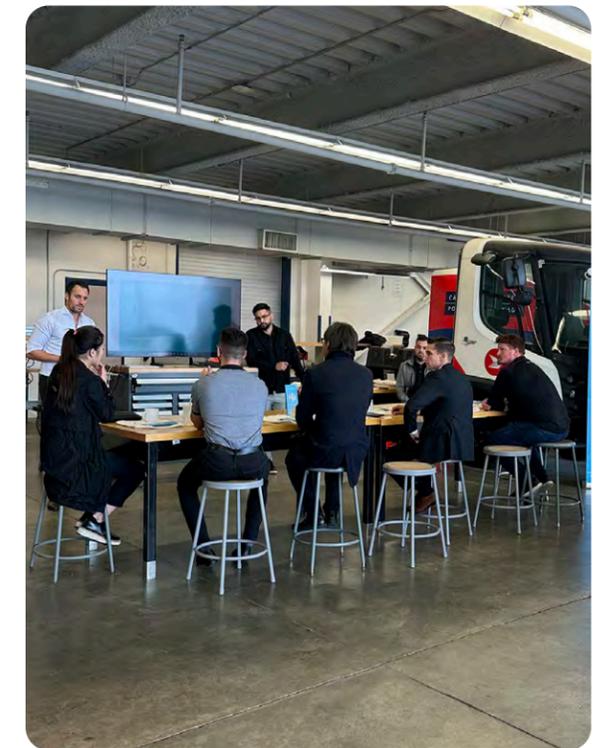
customers, manufacturers, and distributors, as well as profit data and projections.

Nothing in this policy is intended to limit or prevent employees from (1) discussing working conditions, any perceived safety violations, terms, and conditions of employment, or (2) otherwise engaging in such unrecorded communications with each other.

We all must do our part to protect sensitive customer, employee, and Company information.

As a U.S. publicly held company, Lithia & Driveway also has a responsibility to our shareholders to protect confidential information and to abide by laws governing the use of material, nonpublic information.

Thank you for helping to ensure that we are doing the best by our customers, shareholders, and employees by refraining from making video or audio recordings that are in violation of this policy. Violations of this policy may result in disciplinary action, including termination.





SECTION 04

# Employment Practices

Together, we're building the largest auto retail network globally.

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# Where to Turn

## HUMAN RESOURCES DEPARTMENT

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[canadahr@lithia.com](mailto:canadahr@lithia.com)

Get assistance regarding key employee policies and processes.

## EMPLOYEE RELATIONS—LEAVES DEPARTMENT

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[leaves@lithia.com](mailto:leaves@lithia.com)

Leave Administrator: Alight

**Alight/Worklife: Absent Connect**

[lithiadriveway.absenceconnect.ca](https://lithiadriveway.absenceconnect.ca)

When you need time away to care for yourself or others.

## SPARK

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[spark.lithiadriveway.com/ca](https://spark.lithiadriveway.com/ca)

Your in-house, online gateway to Lithia & Driveway's resources and tools.

## LEARNING CENTER

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[learning@lithia.com](mailto:learning@lithia.com)

The Learning Center is a substantial library of activities and guided paths that can accelerate your development in specific roles and skills. Our Learning Center resources are free and available to all Lithia & Driveway team members.

(Go to Workday and click on the Menu icon (on the homepage) and then click on the Learning Center option.)

# Introduction

## Understanding Employment Relationship Guardrails

Shoulder to shoulder, in our ongoing quest to execute the 2025 Plan to achieve \$50 billion (USD) in annual revenue, we became the largest retailer of new vehicles in the United States and broadened our footprint in Canada and the United Kingdom. Through it all, the main driver is our team living our mission of *Growth Powered by People*.

As a result, we place a high degree of value in you and every other associate at Lithia & Driveway. One way to keep our connections strong includes clearly communicating important policies in our ongoing employment relationship.

By reading this section, you *Take Personal Ownership* in understanding employment expectations and best practices for everyday operations.

## Employee Categories

At Lithia & Driveway, we have several employee categories to clarify employment status and benefits eligibility. Please review the following and know your status as a valued associate.

### Full-Time

Full-time employees normally are scheduled to work and do work at least 30 hours per week, except as required by law.

Following the completion of the probationary period, full-time employees are eligible for benefits subject to the terms, conditions, and limitations of each benefit plan.

### Part-Time

Part-time employees are scheduled to work and do work on average fewer than 30 hours per week. Part-time employees are eligible for some but not all employee benefits.

### Temporary and On-Call

Temporary and on-call employees are hired for a limited period to temporarily supplement the workforce. Temporary employees are ineligible for benefits except as required by law.

## Promotions

Given Lithia & Driveway's entrepreneurial and high-performance culture and our commitment to *Growth Powered by People*, we strive to fill job openings through the promotion of current employees.

We may, however, fill openings from outside the Company without an internal posting in advance. You are encouraged to speak with your manager and/or general manager about your career goals and advancement opportunities. If you have an interest in a new role, please contact your manager to discuss before applying for a position posted internally.

## Dating Other Employees

Employees with supervisory responsibilities are prohibited from dating employees in their chain of command or area of influence. We expect our employees to conduct themselves in a professional manner.

We want to avoid conflicts of interest, reduce favoritism, and prevent intimate relationship conflicts from affecting the workplace. In addition, our aim is to maintain positive employee morale and prevent potential sexual harassment claims.

## Employment of Relatives

We may refuse to hire or place a relative, or other intimately associated individual, in a position.

## Driver's Licenses, Insurance & Insurability

Most employees are required to have a valid driver's license in the province they live in and an acceptable motor vehicle report. Failure to maintain these standards may result in disciplinary action up to, and including, termination of employment.

If your driving privileges are lost, your driver's license is revoked or suspended, and/or any changes occur that affect your ability to drive or your insurability, let your supervisor know immediately. This is especially important if you hold a driving position.

Failure to do so could result in adverse action. We reserve the right to request a current motor vehicle report at any time during employment. An employee who moves to another province needs to obtain a valid driver's license in that province within 30 days of permanent residency.

Employees who drive their own personal vehicles are required to have and maintain current proof of insurance in accordance with provincial law.

## Demonstrator Vehicle Usage

Lithia & Driveway provides employees with guidelines for using a company vehicle. Employees who need transportation in the course of their normal work may be assigned a company vehicle for their use. It is imperative that employees take extreme care while driving company vehicles. A demonstrator vehicle, or demo vehicle, is any type of vehicle Lithia & Driveway assigns to an employee to support the transportation needs of their job.

For a [full-text version of this policy](#)—including prerequisites, rules, and procedures for driving a demo vehicle—go to the DocXplorer tile on

the Spark homepage. Then, simply search for “demonstrator vehicle.”

## Background Checks

We reserve the right to run criminal background checks and motor vehicle reports (collectively called “background checks”) on current employees when those employees are promoted, transferred to a new position, or work directly with customers.

Background checks will only be run on current employees if they are job-related, and the timing and ordering of these reports will be consistent with any applicable province and/or federal regulation. Employees will be notified of results if required by applicable provincial and/or federal regulation.

## Employment Eligibility Verification

All Canadian employees are required by law to provide evidence of their identity and legal authority to work in Canada. To do this, employees provide a copy of their Social Insurance Number. Failure to provide the required documents will prevent an employee from working for the Company or related groups.

## Minimum Age Requirements

All employees must be at least 18 years of age, unless an individual is an approved participant in an educational or apprenticeship program. Additionally, exceptions may be considered pending executive approval. Employees may be asked to provide proof that they are at least 18 years of age.

## Privacy of Personal Information

Lithia & Driveway is committed to protecting the privacy of our employees. During the course of business, we frequently gather and use personal information. This information may be obtained directly from you or collected from third parties that have the right to disclose this information to us. Our policy regarding how personal

information entrusted to us is collected, used, disclosed or retained reflects the principles set forth in the Personal Information Protection and Electronic Documents Act (PIPEDA).

The information in your employee file is extremely important, and we want to be sure it is up to date. Please keep these details updated in Workday, as needed. To update your information, go to the Workday Dashboard and click on the My Personal Information icon.

## Travel & Expense Reporting

Lithia & Driveway strives to make all work-related travel seamless and enjoyable. As part of that goal, we have partnered with Concur, an expense-and-invoice management service.

You can access the Concur website by going to the Workday Dashboard on Spark or your mobile device and clicking the Travel and Expense icon.

If you travel for business purposes, please note the following:

1. Your supervisor must approve the trip in advance.
2. Reimbursement for business expenses (travel or other) is contingent upon submitting a properly completed expense report, fully documented by accompanying receipts.
3. You are responsible for reading and understanding the [Employee Travel and Expense Policy](#), which is available by searching for that title in the DocXplorer on Spark.

## Employee Records

You may inspect your employee file, as provided by law, in the presence of a Company representative at a mutually convenient time. We will limit disclosure of your employee file to authorized individuals within the Company. Any request for information from employee files shall be directed to:

**Human Resources Department**  
[canadahr@lithia.com](mailto:canadahr@lithia.com)

## Verification of Employment

Prospective employers, financial institutions, and residential property managers routinely contact employers requesting information on a former or current employee's work history and salary. All such requests of this type shall be referred to and completed by Human Resources.

For written requests, information will be provided only when it is accompanied by a former or current employee's authorization to release such information. Telephone requests will be limited to confirming information stated by the external party.

## Solicitation & Distribution

No employee shall participate in the solicitation or distribution of written or printed materials during working time or on Company property. Specifically:

- Employees shall not solicit, or promote support, for any cause or organization during their working time, or during the working time of the employee or employees at whom such activity is directed.
- Employees shall not distribute or circulate any written or printed material in work areas at any time, or during their working time, or during the working time of the employee or employees to whom such activity is directed.

Under no circumstances will non-employees be permitted to solicit or to distribute written material for any purpose on Company property.

The sole exception to solicitations is pre-approved, Company-sponsored, and/or charitable campaigns.

## Bulletin Boards

Bulletin boards are reserved for the exclusive use of the Company for posting work-related notices, such as safety minutes or notices required to be posted pursuant to local, provincial, or federal law. Sometimes, special notices and information for employees will be posted by the Company on bulletin boards. Please



compliance, in which case, notice is required as soon as is otherwise possible and practical.

- Medical certification will be required in some instances. When the employee requests leave on a medical basis, the company will notify you of the specific requirements for medical certification and when it is due. Where medical certification is requested, employees must obtain this from a qualified health practitioner.
- While on a leave, employees may not engage in work outside Lithia & Driveway.
- Periodic provision of updated certification as basis for medical leave.
- Periodic reports during the leave. Employees are expected to inform their supervisors of their intentions, including any changes in their expected date of return as soon as the employee becomes aware of the need for such a change.

Absent unusual circumstances, failure to comply with these notice and certification requirements may result in a delay or denial of the leave. If an employee fails to return to work at the leave's expiration and has not obtained an extension of the leave, Lithia & Driveway may presume that the employee does not plan to return to work and has voluntarily terminated their employment.

## Personal Days Leave

Full-time employees with one or more years of continuous service are eligible to take up to two paid personal days per year. Personal days must be approved in advance by the employee's manager, whenever possible. Personal days may be granted in the event of uncontrollable circumstances and for personal commitments that cannot be attended to outside working hours.

## Bereavement Leave

Upon notice to their supervisor or general manager, employees may be granted up to five days of paid bereavement leave, per year, for a death in their immediate family.



*Immediate family* includes a spouse, domestic partner, child, stepchild, parent, stepparent, sibling, stepsibling, grandparent, or parent-in-law.

Under certain provincial leave laws, employees may be eligible for additional time off. For further clarification, or to discuss your specific needs or situation, please contact the Employee Relations Department or your supervisor.

## Pregnancy & Parental Leave

All employees—who are pregnant and who have been employed by Lithia & Driveway for at least 13 weeks prior to the estimated date of birth—will be entitled to a pregnancy leave for a maximum of 17 weeks (16 weeks in Alberta); however, maternity benefits can only be collected either up to 12 weeks before they are expected to give birth or at the week they give birth.

Pregnancy leave can start any time during the 17 weeks before the baby is due. Pregnancy leave must be taken as one continuous period.

New parents have the right to take parental leave—that is, unpaid time off work when a baby or child is born or first comes into their care.

Birth mothers who take pregnancy leave are entitled to up to 61 weeks' leave. Birth mothers who do not take pregnancy leave, and all other new parents, are entitled to up to 62 weeks' parental leave in British Columbia and Alberta and 63 weeks' leave in Ontario.

An employee must give Lithia & Driveway at least two weeks written notice before beginning a pregnancy and/or parental leave. After the leave has started, the employee must give written notice at least four weeks before the date any change in plans will occur. This notice should indicate the start date of the leave and the return-to-work date.

During pregnancy and/or parental leave, Lithia & Driveway will continue the employee's benefits coverage. Human Resources will provide employees with payment options for LTD premiums prior to their leave.

Vacation time (not vacation pay) will continue to accrue while an employee is on pregnancy and/or parental/adoption leave.

## Court Duty Leave

A leave of absence will be granted to employees who are called for jury duty or subpoenaed as a witness in a court proceeding. Lithia & Driveway will pay the difference between normal earnings and the payment received for jury service or duty as a court witness for a maximum of five days, excluding payment for travel, meals, or other expenses. Such payment by Lithia & Driveway is contingent on satisfactory proof of attendance in court.

## Military Leave

An employee is entitled to a leave of absence without compensation if the employee is a reservist and will not be performing the duties of their position:

- The employee is deployed to a Canadian forces operation outside Canada; or
- The employee is deployed to a Canadian

forces operation inside Canada that is or will be assisting in dealing with an emergency or with its aftermath; or

- On military training for a maximum of two weeks' training per year.

Employees must provide notice in writing to their immediate manager before beginning and ending a Military Reservist Leave.

During military leave, Lithia & Driveway will continue the employee's benefits coverage. Human Resources will provide employees with payment options for LTD premiums prior to their leave.

## Citizenship Leave

An employee becoming a Canadian citizen will be entitled to a full day with no loss of compensation and benefits to attend the citizenship proceedings.

## Election Leave

In federal and provincial elections, employees are entitled to a period of four consecutive hours for the purpose of voting during polling hours on Election Day. In provincial and municipal elections, the entitlement is three consecutive hours.

## Compassionate Leave

Employees who care for terminally ill family members under the terms of the Employment Insurance Act and apply and are approved for EI benefits, are eligible for a compassionate leave of absence.

During a compassionate leave, Lithia & Driveway will continue the employee's benefits coverage, unless the plan is contributory, and the employee has elected to discontinue contributions. Human Resources will provide employees with payment options prior to their leave.

## Family Caregiver Leave

*This leave is only applicable to employees in Ontario.*

Family caregiver leave is unpaid, job-protected leave of up to 8 weeks per calendar year per

specified family member. Family caregiver leave may be taken to provide care or support to certain family members for whom a qualified health practitioner has issued a certificate stating that they have a serious medical condition.

## Family Medical Leave

*This leave is only applicable to employees in Ontario.*

Family medical leave is unpaid, job-protected leave of up to 28 weeks in a 52-week period. Family medical leave may be taken to provide care or support to certain family members and people who consider the employee to be like a family member in respect of whom a qualified health practitioner has issued a certificate indicating that they have a serious medical condition with significant risk of death occurring within a period of 26 weeks.

## Family Responsibility Leave

An employee can take unpaid time off each to help with the care, health, or education of a child in their care:

- Three days of unpaid leave in Ontario
- Five days of unpaid leave in British Columbia

An employee can also ask for this type of leave to care for the health of any other member of their immediate family. Family responsibility leave does not accumulate from year to year.

## Child Death Leave

Child death leave is an unpaid, job-protected leave of absence. It provides up to 104 weeks with respect to the death of a child (52 weeks in Alberta).

## Crime-Related Child Disappearance Leave

Crime-related child disappearance leave is an unpaid, job-protected leave of absence. It provides up to 104 weeks with respect to the crime-related disappearance of a child in Ontario (52 weeks in British Columbia and Alberta).

## Critical Illness Leave

Critical illness leave is unpaid, job-protected leave of absence of up to 37 weeks in relation to a critically ill minor child in Ontario (36 weeks in British Columbia), or 17 weeks in relation to a critically ill adult within a 52-week period in Ontario (16 weeks in British Columbia).

## Domestic or Sexual Violence Leave

Employees who have been employed by their employer for at least 13 consecutive weeks are entitled to domestic or sexual violence leave if the employee or the employee's child has experienced or been threatened with domestic or sexual violence. It provides up to 10 days and 15 weeks in a calendar year of time off to be taken for specific purposes when an employee or an employee's child has experienced or been threatened with domestic or sexual violence. The first 5 days of leave taken in a calendar year are paid, and the rest are unpaid.

## Organ Donor Leave

*This leave is only applicable to employees in Ontario.*

Organ donor leave is unpaid, job-protected leave of up to 13 weeks, for the purpose of undergoing surgery to donate all or part of certain organs to a person. In some cases, organ donor leave can be extended for up to an additional 13 weeks.

## Lithia & Driveway Personal (Non-Medical) Leave

Lithia & Driveway understands that there are rare circumstances where employees may need to be absent from work for extended periods of time due to compelling personal issues. Leaves sought for a personal emergency circumstance covered by employment standards legislation will be administered under Lithia & Driveway's leave policy.

For all other personal leaves that are unrelated to emergency or sickness, employees should



initiate a Lithia & Driveway Personal (Non-Medical) Leave of Absence by contacting [Alight](#), our Leave Administrator, for further details and information about this program.

A full-version text of the [Personal \(Non-Medical\) Leave Policy, and other leaves of absence](#), is available on DocXplorer.

## Return to Work for All Leaves

If the employee's position still exists at the conclusion of the leave, the employee will be reinstated to the same position held prior to the commencement of the leave. If the position no longer exists, the employee will be placed in a comparable position with equivalent pay, benefits, and other employment terms and conditions.

If an employee does not return to work on their scheduled return-to-work date, does not contact Lithia & Driveway's leave administrator and their manager to discuss their ongoing needs, or fails to respond to Lithia & Driveway's requests for updates, Lithia & Driveway will assume

that the employee has chosen not to continue employment and will accept the employee's job abandonment as voluntary resignation of employment.

## Coordination with Other Leaves

Lithia & Driveway administration of statutory leaves will be coordinated with disability benefits programs, workplace insurance/workers' compensation leave, and an employee's own paid time off benefits.

## Accessibility for Ontarians with Disabilities Act

The Accessibility for Ontarians with Disabilities Act of 2005 (AODA) is a Provincial Legislation with the purpose of developing, implementing, and enforcing accessibility standards in order to achieve accessibility for persons with disabilities with respect to goods, services, facilities, accommodations, employment, buildings, structures, and premises on or before January 1, 2025.



Ontario Regulation 429/07 entitled, Accessibility Standards for Customer Service, set forth in 2008, establishes accessibility standards specific to customer service for public-sector organizations and other persons or organizations that provide goods or services to members of the public or other parties.

This policy is in accordance with Ontario Regulation 429/07 and addresses the following:

- The provision of goods or services to those with disabilities
- The use of assistive devices by those with disabilities
- The use of service animals by those with disabilities
- The use of support persons by those with disabilities
- Notice of temporary disruptions in services or facilities
- Staff training
- Customer feedback regarding the provision of goods or services to those with disabilities
- Notice of available and format of documents and meetings

### Policy Statement

It is the policy of Lithia Motors Inc. (doing business as "Lithia & Driveway") that its training, working, and service environments will be maintained free from discrimination and harassment as prohibited by the Ontario Human Rights Code (1962), and the AODA (1995).

It is the Policy of Lithia & Driveway that every individual has a right to equitable treatment with respect to employment, services, goods, facilities, and accommodation without discrimination in accordance with the provisions of the Ontario Human Rights Code (1962).

Providing accessible service for Lithia & Driveway's customers has always been on the forefront, and as such, goods and services will be provided in a manner that is based upon the principles of dignity, independence, integration, and equal opportunity to all its customers.

The provision of goods and services to those with disabilities will be integrated whenever possible.

Those with disabilities will benefit from the same services, in the same place, and in a similar fashion as with other customers.

### Providing Goods and Services

Lithia & Driveway is committed to exceeding expectations in serving all customers, including those with disabilities, and will carry out its responsibilities to ensure that policies, practices, and procedures are consistent with the following principles:

- Lithia & Driveway's goods and services are provided in a manner that respects the dignity and independence of those with disabilities.
- The way in which Lithia & Driveway provides its goods and services to those with disabilities is integrated with the manner in which those goods and services are traditionally offered.
- Those with disabilities will be given equal opportunities to those without disabilities when concerning their use of Lithia & Driveway's goods or services.
- To ensure accessible practices remain customer-friendly, Lithia & Driveway encourages:
  - Open, two-way communication and
  - Those with disabilities to communicate their need for accommodation or assistance on how their needs can be best met.

### Communication

Lithia & Driveway specializes in creating accessibility communications for its customers and, therefore, is committed to communicating with those with disabilities in ways that take into consideration their disability:

- Employees are trained in how to interact and communicate with customers with disabilities while ensuring the independence, equality, and dignity of all individuals involved remains intact.
- Customers with disabilities are easily accommodated with alternative communication formats that best meet their needs, including documents at meetings.

### Use of Service Animals, Assistive Devices & Support Persons

Lithia & Driveway will ensure that the access, use, and benefit of goods and services are not compromised for those with disabilities who require assistive devices or those who are accompanied by a service animal/support person. Service animals, such as—but not limited to—guide dogs, hearing dogs, seizure response dogs, or other certified service animals, are welcomed at all Lithia & Driveway facilities, in secured areas and those open to the public. Lithia & Driveway has always provided a dog-friendly environment.

Those with disabilities shall, use, or benefit from goods or services through the use of their own assistive devices on Lithia & Driveway premises. Exceptions may occur in situations where Lithia & Driveway has determined that the device may pose a risk to the privacy of those conducting business with the organization. In secure areas, customers will be accommodated by providing an alternative where possible.

Lithia & Driveway will ensure that employees are trained as required to use assistive devices available on our premises. When certain expertise is required, specially trained staff will assist. Lithia & Driveway welcomes customers with disabilities who are accompanied by a support person. At no point will an individual in need of a support person be denied access to that support person. Those in need of a support person will be responsible for providing their own support person.

### Billing

In accordance with Lithia & Driveway's commitment to accessibility, customers have the option to have their invoices provided in a format that best suits their needs.

### Notice of Temporary Disruption to Facilities or Services

In the event that a planned, temporary service disruption occurs that would limit a person with a disability from accessing the facilities or their

goods or services, Lithia & Driveway will make the disruption known to customers through their website, social media, or voicemail. Notices will include reasons for the disruption, its anticipated duration, or alternative offerings.

### Employee Training

Lithia & Driveway will provide AODA customer service training to all employees, contractors and others who deal with the public or other third parties on their behalf, and all those who are involved in the development and approvals of customer service policies, practices and procedures.

Staff will be trained as soon as practicable after undertaking their duties and on an ongoing basis in connection with any changes to policies, practices and procedures.

Training is available in multiple formats, including, but not limited to, face-to-face instruction, a documented training module, and other formats as requested. Training using accessible formats is an option.

Training topics will include:

- The purpose of AODA (2005), and the requirements of the customer service standard
- How to interact and communicate with people with various types of disabilities

- How to interact with individuals with disabilities who use an assistive device or require the assistance of a service animal or support person
- How to use the assistive devices available on premises that may assist with conducting business with individuals with disabilities
- What to do if an individual with a disability is having difficulty accessing goods or services at Lithia & Driveway
- Current policies, practices, and procedures relating to the customer service standard

### Feedback Process

The goal of Lithia & Driveway is to meet the needs of its customer while accommodating the unique requirements of customers with disabilities. Comments on our products and services regarding how well those needs are being met are welcomed and appreciated.

Feedback regarding the way Lithia & Driveway provides goods and services to people with disabilities can be made via our website, in person, by telephone, or through email.

Feedback in person, by telephone, or through email can be directed to:

**Human Resources Department**  
[canadahr@lithia.com](mailto:canadahr@lithia.com)



### Disciplinary Action

We value treating all employees equitably, and we administer policies and procedures consistently.

When the employee's performance or behaviour is unsatisfactory, or when employees violate policies and procedures, disciplinary action may be taken.

Examples of disciplinary action include, but are not limited to, verbal warnings, written warnings, suspension, and/or termination of employment. The disciplinary action will depend upon the circumstances of the specific problem or violation.

We reserve the right to handle discipline on a case-by-case basis.

### Termination of Employment

The last day an employee is actively at work will be considered the termination date.

When an employee leaves the Company, it is required that all outstanding debts to the Company are paid and all Company property is returned, including, but not limited to, keys, uniforms, tools, laptops, manuals, any customer information or lists, and any other written information that was issued or in an employee's possession.

Any vacation that was earned but not yet taken will be paid out on your final paycheque.

Your record of employment will be posted to Service Canada after your final pay. Should your address change, please contact the payroll department to provide your correct address as your T4 slip will be sent to the address we have on file.



## SECTION 05

# Total Rewards

We move at a healthy pace that fuels a strong work/life balance.

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- 48 Benefits Enrollment
- 48 Employee Assistance Program
- 48 Recognition
- 48 Compensation
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# Where to Turn

## BENEFITS DEPARTMENT

[canadabenefits@lithia.com](mailto:canadabenefits@lithia.com)

A general resource for questions and assistance.

## BENEFITS ENROLLMENT

Coming Soon: Self-Serve Enrollment through Workday!.

## BENEFITS PROVIDER: CANADIAN AUTOMOBILE DEALERS ASSOCIATION (CADA)

[CADA 360](#)

The main Employee Benefits portal for our employees.

[Teladoc Health](#)

Go here for expert medical opinions from leading specialists, plus other resources to help you make informed health care decisions.

[Consult +](#)

A virtual clinic that gives you access to healthcare professionals for nonurgent medical issues and health concerns.

## EMPLOYEE ASSISTANCE PROGRAM—TELUS HEALTH

1-833-701-2540

[TELUS Health](#)

A free, confidential assistance program for our associates.

## TALENT DEVELOPMENT TEAM

[learning@lithia.com](mailto:learning@lithia.com)

Learn more about Thriveway and explore the expansive resources that put you in the driver's seat of your career.

(You can also go to Spark and click on the Thriveway tile.)

# Introduction

Offering Total Rewards to Support You



When you go the extra distance to *Earn Customers for Life*, we do the same to ensure you and your family enjoy a beneficial work/life balance. That's why we invest in meaningful total rewards that go beyond the basics, including:

- Benefits for your health, financial security, and work-life balance
- Well-being to support you at work, at home, and everywhere in between
- Recognition for your hard work and dedication
- Compensation to motivate high performance
- Development to help drive your career forward

In this section, you'll learn important total reward policies and programs designed to keep you with us for the long-haul.

## Benefits & Well-Being

As a Lithia & Driveway associate, you can enjoy several of the following benefits, including, but not limited to:

- Comprehensive medical, dental, and vision plans
- Access to an extensive list of paramedical services
- Paid vacation and personal days
- Health spending account (HSA)
- Health support services (Best Doctors and Consult+ websites)
- Employee assistance program (EAP)
- Bereavement leave
- Registered retirement savings plan (RRSP) with an employer match
- Tax-free savings accounts through payroll deductions (Pay yourself first!)
- Employee stock purchase plan (ESPP)
- Travel assistance coverage
- Long-term disability insurance
- Company-paid life insurance
- Company-paid accidental death and dismemberment insurance
- Employee discounts
  - Gym memberships
  - Select retailers
  - Cell phone plans
  - Home and auto insurance



## Benefits Enrollment

Benefits are made available to all full-time employees (those working 30 hours per week) after three months of continuous employment.

If you experience a “qualified life event” during your employment with Lithia & Driveway, any applicable changes to your benefits elections must be completed within 30 days from the event.

The following are examples of qualified life events that should trigger a benefits election change:

- A change in the employee’s legal marital status or domestic partnership status
- A birth or an adoption of a child
- A change in address or location

## Employee Assistance Program (EAP)

The Employee Assistance Program (EAP) offers free, confidential services to help promote emotional well-being and work-life resources to keep you at your best. The EAP is administered through a third-party organization called TELUS Health, which you may contact 24 hours a day, 365 days a year.

Offered via CADA360 Employee Benefits, TELUS Health provides access to support from professional counselors via telephone, face-to-face sessions, and online. In addition, they provide self-directed learning through articles, videos, podcasts, and e-therapy.

### TELUS Health

1-833-701-2540

[one.telushealth.com](https://one.telushealth.com)

## Recognition

Our culture celebrates your success and seeks opportunities to *Have Fun* meeting milestones.

While managers can choose to recognize their employees’ accomplishments in specific ways, we honour your dedication to Lithia & Driveway through formal and informal recognition programs, which may include certain work-year anniversaries awards.

## Compensation

Our compensation philosophy is to attract, retain, and motivate outstanding talent to achieve company objectives. We attain this by offering compensation plans that are market competitive and reward high performance.

## Development



*Take Personal Ownership* of your career with Thriveway’s empowering resources and programs by Lithia & Driveway’s Talent Development Team.

As part of Total Rewards, Thriveway offers thousands of learning opportunities to accelerate your development and merge your career into the fast lane of personal growth and professional success.





SECTION 06

# Workplace Safety

Safety rules are your best tools.

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# Where to Turn

## EMERGENCY ACTION

In an emergency situation, **ALWAYS call 911** or go to the nearest emergency room.

## NON-EMERGENCY REPORTING

When the situation is not an emergency, please contact Alight, our leave administrator:

### Alight

Online: [lithiadriveway.absenceconnect.ca](https://lithiadriveway.absenceconnect.ca)

# Introduction

## Fueling Confidence with a Safe and Welcoming Workplace

You are the heart of Lithia & Driveway, and your safety—as well as the safety of our in-store guests—is our top priority. Thus, we *Take Personal Ownership* in ensuring your workplace complies with and follows all applicable safety and health laws. In return, we expect your partnership in understanding and complying with all the safety rules and regulations outlined by your store leadership and safety committees.

In this section, we cover workplace safety policies that help protect and support you and others.

## Employee Health & Safety

All employees of Lithia & Driveway deserve a safe and healthy work environment. Our goal is to reduce the number and severity of workplace incidents, in compliance with legislative requirements and industry standards, by doing the following:

- Identifying and addressing workplace hazards, including activities in offsite settings
- Operating in an environmentally conscientious manner and minimizing impacts to our environment, where feasible
- Achieving and maintaining compliance with federal, provincial, and municipal environmental, health and safety laws, and standards of regulatory authority respecting the Occupational Health & Safety Act (OHSA)
- Providing comprehensive and effective training to employees
- Ensuring employees and contractors are fit for work while performing their work

Employees may be subject to disciplinary action up to, and including, termination of employment, for the following activities:

- Failure to comply with applicable health and safety requirements.
- Failure to use required safety measures such as locks on auto lifts.

- Failure to safely use and operate vehicles of any kind.
- Unsafe or unauthorized activities.

Please refer to [Lithia & Driveway Health & Safety Policy](#), available on the DocXplorer, for further information.

## Safety Equipment

Preventing accidents and maintaining safe working conditions is the shared responsibility of the Company and its employees. -Supervisors will provide information on Company safety rules and requirements, and they will train you on the safe use of equipment. We consider working safely a job requirement.



Certain safety and personal protective equipment are provided. If something is needed and unavailable, or if you have any questions about safety and/or personal protective equipment, let your supervisor know. Use of proper equipment is required, particularly when working around potentially dangerous equipment or hazardous materials. Some of this equipment may require a personal assessment in which you must cooperate.

Powered industrial trucks/forklifts are only to be used by employees certified by the Company to do so. If your job requires you to operate these machines, your manager will work with you to receive the proper training and certification.

## Joint Health & Safety Meetings & Committees

All job functions shall be conducted in a safe and healthy manner. To help ensure this, attendance is required at periodic health and safety meetings and/or trainings.

Lithia & Driveway locations have a Joint Health & Safety Committee (JH&SC) that is an integral part of our organization. If you have any questions, concerns, or suggestions regarding safety at your location, please bring them to the attention of a local JH&SC member, as well as to your supervisor.

## Safety Reporting Requirements

Report to your immediate supervisor, Joint Health & Safety Committee, or management team, any faulty equipment, hazardous conditions, damaged property, blocked passageways or exits, or any conditions that may be deemed a safety hazard, even if you believe you have corrected the problem.

## Work Injury Reporting Procedure

We hope that you will never be injured on the job; however, if you are, we want you to know what

to do. First, who you contact initially will depend on whether the situation is an emergency or not.

### Emergency Action

In an emergency situation, ALWAYS call 911 or go to the nearest emergency room.

### Non-Emergency Reporting

When the situation is not an emergency, please contact our leave administrator:

#### Alight

Online: [lithiadriveway.absenceconnect.ca](https://lithiadriveway.absenceconnect.ca)

### Notify Your Supervisor Immediately

Next, it is imperative and expected that all accidents, injuries, and illnesses occurring at the workplace, regardless of severity, are reported to a supervisor immediately. To do this, you need to submit an Incident Report, which is available by emailing [leaves@lithia.com](mailto:leaves@lithia.com).

## Tobacco Use

To help provide a safe and healthy work environment, we have a smoke-free workplace. Employees are expected to conform to all smoking laws.

No use of tobacco of any kind, lit or unlit, including e-cigarettes, is permitted, except during breaks and lunch in designated outdoor smoking areas. Disposal containers are provided in designated smoking areas, so all forms of used tobacco (cigarette or cigar butts, pipe ashes, chewing tobacco, etc.) can be disposed of in a safe, sanitary manner.

## Workplace Violence Prevention

Lithia & Driveway (the Company) is committed to providing a healthy, safe, and respectful working and learning environment that is free of violence and in compliance with provincial legislation.

This policy formally establishes this commitment, which the Company will implement through the Workplace Violence Prevention Program, which provides measures and procedures so that



reasonable precautions may be taken to prevent workplace violence at Lithia & Driveway.

## Definitions

Several of the following definitions are taken from legislation governing the subject matter of this policy. The legislation supersedes this policy. To the extent the relevant legislation is amended, the definitions below will be read as likewise amended until such time as the policy is updated.

- 1. Domestic Violence**—Occurs when a person who has a personal relationship with an employee—such as a spouse or former spouse, a current or former intimate partner, or a family member that may physically harm, or attempt or threaten to physically harm that employee at work. In these situations, *domestic violence* is considered workplace violence.
- 2. Employee**—Includes all Company employees (whether full-time, part-time, contract, co-op student, or volunteer) and as defined under provincial legislation.
- 3. Intimate Partner Violence (IPV)**—Occurs between two people involved in an intimate relationship. It is a nongendered reference, acknowledging the interchangeable roles of aggressor and victim. IPV is inclusive of all forms of relationships; for example, hetero/same sex, married/common law/dating.
- 4. Applicable Provincial Legislation**—Includes the Ontario Occupational Health and Safety Act, RSO 1990, c. 0.1 (OHSA), WorkSafeBC for British Columbia, and the Occupational Health and Safety Act of Alberta.
- 5. Supervisor**—A person who has charge of a workplace or authority over an employee.
- 6. Company Facility/Facilities**—All buildings and grounds, owned, leased, or operated by the Company.
- 7. Workplace**—Any site at which an employee works, including Company facilities and any other place an employee is located while performing work for the Company or while representing the Company in-person or virtually. This includes operating Company equipment or a personal vehicle when the employee is on duty.
- 8. Workplace Violence**—Defined by the applicable provincial legislation as follows:
  - The exercise of physical force by a person against an employee in a workplace that causes or could cause physical injury to the employee,
  - An attempt to exercise physical force against an employee in a workplace that could cause physical injury to the employee, and
  - A statement or behaviour that it is reasonable for an employee to interpret as a threat to exercise physical force against the employee, in a workplace, that could cause physical injury to the employee.

## Scope

This policy applies to all employees, contractors and visitors at all Lithia & Driveway stores and locations where employees perform work for the Company, including, but not limited to, work or work-related travel, retail locations and Company-sanctioned events or activities.

## Policy

Lithia & Driveway is committed to fostering a healthy and safe culture that is free of workplace violence in any form. It is the responsibility of every employee to create and maintain a safe and supportive environment that precludes physical and/or emotional harm to others. No employee shall engage in violent conduct or make threats of violence, implied or direct, on Company facilities or in connection with Company business or the workplace.

All employees shall work in compliance with this policy and the supporting program. Supervisors are obligated to oversee compliance and to provide employees with information and training necessary to work safely when exposed to the risk of workplace violence.

Any employee who becomes aware that violence or the threat of violence has taken place or has reason to believe that violence may take place towards an employee, must report that behaviour to a supervisor, Human Resources or Employee Relations immediately. Every effort will be made to keep reports confidential. Lithia & Driveway will not disclose more personal information than is reasonably necessary to protect the employee from physical injury. However, there may be instances where confidentiality may be compromised where it is believed that imminent danger exists or where an investigation requires disclosure to protect the safety of employees. Collection, use, and disclosure of personal information and records gathered shall be in accordance with Company policy and/or legal obligations.

The Company is committed to addressing violence that affects the workplace from all possible

sources including employees, customers, visitors, strangers, contractors, domestic and/or intimate partners. The Company will take appropriate steps to fairly investigate all reports of violence or threatening behaviour in accordance with the procedures relating to the Workplace Violence Prevention Policy. Following an investigation, the Company will take reasonable actions to rectify the situation and protect employees from the risk of ongoing workplace violence.

Employees who are found to have engaged in threats, intimidation, or violence may be subject to disciplinary action which may include, but is not limited to, termination of employment and a ban from Company facility/facilities. In doing so, Lithia & Driveway will act in accordance with the rights and obligations established by collective agreements and Company policies.

This Policy prohibits reprisals or disciplinary action being taken against anyone who, in good faith, reports an incident of real or potential workplace violence or seeks compliance with applicable provincial legislation, their regulations or this policy.

All employees involved in workplace violence investigations will be treated fairly and impartially to maintain the rights, privileges and protections afforded to them under legislation, Company policies or applicable collective agreements.

This policy will be reviewed by the Company Joint Health & Safety Committees and approved by the executive leadership team on an annual basis.

## Workplace Violence Prevention Program

Supervisors will complete a Workplace Violence risk assessment by referring to the Workplace Violence Prevention Program, which includes measures and procedures to:

- Control risks identified in the assessment as likely to expose a person to physical injury,
- Summon immediate assistance when violence occurs or is likely to occur,

- Report incidents of workplace violence, and
- Investigate and address incidents or complaints of workplace violence.

An employee has the right to refuse work if there is reason to believe that they may be endangered by workplace violence.

For situations involving workplace harassment, sexual harassment, or discrimination, not covered by this policy, refer to the Anti-Discrimination, Harassment & Corporate Governance Policy in Section 8 of this handbook.

## Security of Company Property & Vehicles

Physical security, as well as the safety of our employees, is important. Lock all Company property that can be secured with a lock—such as equipment, doors, files, desks, and gates—when not in use. At the end of each day, make sure all locks are secured. Supervisors will instruct you of any additional specific security procedures required.

Secure all Company-owned and customer vehicles that are in for service. If keys are lost, be sure your supervisor or general manager knows about it as soon as possible. We expect you to respect other employees' property and Company property. Damaging machinery, equipment, buildings, or other Company facilities in any way or removing such property from the premises without authorization is strictly prohibited.

Prerequisites for an employee driving a Company-owned vehicle include the following:

- They have a valid driver's license.
- They have a clean driving record.
- They are at least 19 years of age.
- They have authorization from their manager regarding the model and value of the vehicle.

Always exercise care when driving Company-owned or customer vehicles and always remember that these vehicles are not for personal use.

Employees are responsible for any tickets or fines they accumulate while driving a vehicle, including towing costs for parking violations and costs relating to arrests.

If a vehicular accident occurs and a Company-owned or customer vehicle is damaged due to employee negligence, the employee may be subject to disciplinary action up to, and including, termination of employment. We stress this policy, because we want you to drive safely and prevent injury to yourself or others, as well as take care of customer and Company property.

For more details on company vehicle policies, please refer to the [Driving Company & Customer Vehicles Policy](#), which is available in the DocXplorer by searching for its title.

## Search & Inspection of Company Property

Employees do not have a reasonable expectation of privacy in connection with Company property, including, but not limited to, materials stored in desks, computers, email, telephones and answering systems, faxes, lockers, toolboxes, or other storage areas on the premises, or the contents thereof and/or of their vehicle.

A search or an inspection conducted or directed by the Company does not imply an accusation of theft. Failure to cooperate in a required search may result in disciplinary action up to, and including, termination of employment.

SECTION 07

# The Code of Business Conduct & Ethics

We create a welcoming and trustworthy experience to *Earn Customers for Life.*

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## Where to Turn

### CONCERN HOTLINE

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800-224-8168

or

[lithiaemployeefeedback.com](http://lithiaemployeefeedback.com)

You can submit a concern or complaint, *confidentially and anonymously*, regarding discrimination, harassment, unethical business conduct, and more to the above third-party vendor.

### DOCXPLORER ON SPARK

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[spark.lithiadriveway.com/ca](http://spark.lithiadriveway.com/ca)

To view or download the [Code of Business Conduct and Ethics](#), go to Spark and search for “Business Conduct” in the DocXplorer.

### TREASURY TEAM

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[banking@lithia.com](mailto:banking@lithia.com)

For queries or assistance with customer data or financial procedures and policies.

## Introduction

Piloting Our Path Forward with Core Values & Integrity

Lithia & Driveway’s Code of Business Conduct and Ethics (the Code) promotes fairness, justice, and transparency. From its inception in 1946 as a family-run company, Lithia Motors, Inc., has honored the principles of integrity, service, and humility. That legacy is alive and well today and is the foundation of how we strive to conduct business. We are grateful to each worker who brings those qualities to our customers and communities.

If you ever find the need to report a violation of the Code, you can do so confidentially and anonymously by calling the following:

#### Concern Hotline

800-224-8168

You can also choose to anonymously submit an online concern to the following third-party vendor:

[www.lithiaemployeefeedback.com](http://www.lithiaemployeefeedback.com)

Thus, the Code outlines the broad principles of legal and ethical business conduct embraced by Lithia & Driveway. The entire Code is presented in this section for your reference and acknowledgment—as well as other important business conduct-related policies.

## The Code of Business Conduct & Ethics

The board of directors believes that the long-term financial success of Lithia & Driveway, and its subsidiaries (collectively, the “Company” in this policy) is dependent on the fundamental principles of integrity, honesty, loyalty, and fairness. This 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 U.S. 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.

## Individuals Covered by This Code

All directors, officers and employees of the Company are covered by this Code. The Company also expects consultants, business partners, 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

Obedying 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, provincial, 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, provincial, 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 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 participation 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 noncash 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 meal noncash gift to any employee, up to and including the general manager;
- Senior vice presidents or higher may approve any manufacturer incentive awards to any nondealership employee, including all Support Services employees; and
- Notwithstanding the foregoing, only the CEO (chief executive officer) or CFO (chief financial officer) 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

Conflicts of interest may also occur if you 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 nonvehicle 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 will, 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 nonpublic information regarding the Company, nor may you purchase or sell another company's securities when you are aware of material nonpublic 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 "nonpublic" if it has not been broadly communicated to the investing public. It is against Company policies and illegal for you to use material nonpublic 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 & Insider Trading in Section 8.

### **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 nonpublic 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 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 nonfinancial 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 U.S. Securities and

Exchange Commission (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, 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 & 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 at Lithia & Driveway. 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 personal 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.

### **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.

### **Employee Relations**

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 from a diverse workforce, you must respect the rights and dignity of your coworkers and you must be trustworthy and dedicated to high standards of job performance.

The same respect of coworkers 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.

You are required to read and acknowledge in writing your understanding of the Company's Anti-Discrimination, Harassment & Corporate Governance Policy (see Section 8). The Company is committed to maintaining a work environment free from discrimination.

### **Financial and Accounting Officers and Managers**

The chief executive officer, chief financial 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 in good faith, responsibly 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 behaviour 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 behaviour; 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 that could result in actions that may violate federal, provincial, or local law or the standards of conduct addressed in this Code. If you believe that your conduct or the conduct of a coworker has or may violate the law or this Code, you have an obligation to report the matter to the Company.

## Questions

When 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 them, you may contact the chief financial officer or general counsel or use the other reporting options described below.

## Reporting Violations & Concerns

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:

**Concern Hotline: 800-224-8168**  
[www.lithiaemployeefeedback.com](http://www.lithiaemployeefeedback.com)

**You will not face retaliation 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 to not 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 should be directed to the attention of the Audit Committee and addressed to the Director of Internal Audit (at [internal\\_audit@lithia.com](mailto: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:

**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 Legal 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 New York Stock Exchange rules.

Approved: January 1, 2024

## Compliance with the Code

Supervisors will inform you of the laws impacting your specific job and will give you instructions regarding compliance requirements and procedures.

When the law or the Code is not specific on a particular issue, the Company expects each employee to use common sense and good judgment in affecting the spirit of the law and the Code.

Areas of regulation include, but are not limited to, the following:

- Customer and cardholder data protection
- Consumer protection
- Cash reporting and money laundering
- Vehicle tampering (emissions and safety)
- Odometer fraud
- Disclosure rules (branded titles, rental car rules, frame damage, credit-and-leasing practices, etc.)
- Workplace safety rules

Environmental compliance is equally important under the Code, and we adhere to regulations, including:

- Hazardous materials/waste management
- Emissions inspection and tampering
- Chlorofluorocarbon (CFC)
- Tank management
- Waste-water management

In addition, please *Take Personal Ownership* in supporting and complying with the Code when you encounter the following business practices and procedures.

## Titles & Money

All vehicle titles and money in any form—such as cash, checks, drafts, etc.—given to the Company from customers, vendors, governmental sources, or others are the property of the Company when received and shall be immediately and properly receipted.

All cash taken in should also be stored in a locked cash drawer or safe.

## Document Alteration & Forgery

Lithia & Driveway employees are required to always conduct themselves in a professional manner and with the highest integrity. Altering or forging documents of any kind, including, but not limited to, time records and information on customer-provided documents or records, is a severe offense and is specifically prohibited in our Integrity Policy (see Section 8).

## Protection of Confidential & Proprietary Information

The Company’s confidential and proprietary information is vital to the current operations and future success of the Company. Each employee shall take absolute care to protect such information and to prevent its unauthorized disclosure in any way.

Under no circumstances shall confidential information be disclosed or revealed within or outside the Company without proper authorization.

If an employee is uncertain whether certain information should be treated as confidential, the employee should presume that such information is confidential and not disclose it without proper authorization.

### Proprietary Information Definition

The Company's confidential and/or proprietary information includes any information that may be useful to competitors, or damaging to the Company, its vendors or its customers if disclosed.

Confidential or proprietary information includes, but is not limited to, information regarding Lithia & Driveway's business methods, business plans, databases, systems, technology, intellectual property, know-how, management, business development, operations, products, services, research, development, inventions, financial reports, financial projections, financing methods, pricing strategies, customer sources, employee or applicant information or records, system designs, terms and conditions of arrangements with any business or customer, customer lists and customer correspondence, methods of competing, records of purchases from vendors and suppliers, and documents that discuss franchise agreements or other dealings with the manufacturers or distributors.

Employees understand that while working for the Company they may work on or develop new Proprietary Information, or develop other discovery, creation or development of inventions, combinations, techniques, processes, improvements, software designs, computer programs, strategies, specific computer-related know-how, data, and original works of authorship (collectively "Work Product"). The Employee understands and agrees that all rights in Proprietary Information and Work Product belong to the Company when developed.

If and to the extent that Employee may, under applicable law, be entitled to claim ownership interest in Propriety Information and/or Work Product, Employee hereby transfers, grants, conveys, assigns and relinquishes exclusively to Company any and all right, title and interest it now has or may hereafter acquire in and to the Proprietary Information and/or Work Product under patent, copy right, trade secret, and trademark law in perpetuity or for the longest period otherwise permitted by law.

### Digital Images of Confidential Materials

Digital Images of Confidential Materials Sending, receiving, or taking pictures or digital images of confidential, private, or copyrighted materials is prohibited. All written records, files, and computer data of the Company, its customers and/or its vendors are the property of the Company and are considered confidential.

### Confidential Information Defined

For the purposes of this paragraph, "confidential information" includes, but is not limited to trade secrets, all letters or any other information concerning transactions with customers, proprietary information concerning transactions or dealership purchases, customer lists, payroll or personnel records of past or present employees, financial records of the Company, all records pertaining to purchases from vendors or suppliers, correspondence and agreements with the manufacturers or distributors, and documents concerning operating procedures of the Company.

As a publicly held company in the United States, Lithia & Driveway has a responsibility to its shareholders to protect confidential information and to abide by laws governing the use of material, nonpublic information as it relates to trading in the company's securities. Employees are responsible for reading and understanding the Integrity Policy, Summary of Policy Regarding Confidential Information and Insider Trading, and the Social Networking Policy, all

located in Section 8 of this handbook. Nothing in these policies, however, should be construed by employees as prohibiting them from discussing their terms and conditions of employment.

### Fair Credit to Consumers

Lithia Motors, Inc., doing business as Lithia & Driveway, is fully committed to complying with federal, provincial, and local laws and regulations that are designed to ensure that all qualifying credit applicants have equal access to credit and are treated in a manner that is fair and professional. Engaging in any form of unlawful credit discrimination will not be tolerated.

### Safeguarding Cardholder Data

Payment card industry standards require that Lithia & Driveway follow specific measures to protect the security of cardholder data across all payment channels and business processes. On an annual basis, Lithia & Driveway must demonstrate compliance with these standards. Cardholder data refers to any information on a customer's payment card (both printed and/or contained in the magnetic strip or chip).

It is expressly forbidden to store or transmit cardholder data across any channels—written, verbal, or electronic—that are not Point-to-Point-Encrypted (P2PE) payment solutions. P2PE solutions are available for card-present (physical/in-store) and card-not-present (contactless/remote) payment-processing needs. Please reach out to the Treasury Team with any questions or requests for compliant payment solutions.

Regularly monitor payment terminals for suspicious activity or tampering. Do not allow unauthorized repairs to payment terminals. Always report lost, stolen, or damaged terminals immediately to:

**Treasury Team**  
[banking@lithia.com](mailto:banking@lithia.com)

## Safeguarding Customer Information

Under Canadian federal privacy legislation, Lithia & Driveway must protect customers' personal information by implementing appropriate safeguards against unauthorized access, disclosure, copying, use, or modification. Subject to some exceptions, they must also obtain consent from customers when collecting, using, or disclosing their personal information, and ensure that the information is used only for the purposes for which it was collected.

### Document Retention Policy

This policy outlines a general retention schedule and details province-specific retention requirements for records related to deals, repair orders, and tax filings.

An understanding of document retention requirements provides clarity to dealership operations, resulting in protection from liability and lower storage costs. If a dealership does not retain documents for required statutory periods, it may be subject to liability and its ability to defend itself is substantially diminished.

Most records are relevant to a range of issues and claims, each with a different statute-of-limitation length, and a different statute-of-limitation start date. Since identifying all the possible uses that may require reference to a particular document is virtually impossible, and start dates are not always known, the general retention schedule provided in the policy accounts for the most likely uses and start dates.

To read the full text of the [Document Retention Policy](#), go to the DocXplorer.



## SECTION 08

# Key Policies

Our vision is to modernize the personal transportation solutions of consumers *wherever, whenever, and however* they desire.

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# Where to Turn

## HUMAN RESOURCES DEPARTMENT

[canadahr@lithia.com](mailto:canadahr@lithia.com)

For assistance regarding key employee policies and processes.

## CONCERN HOTLINE

800-224-8168

or

[lithiaemployeefeedback.com](http://lithiaemployeefeedback.com)

You can submit a concern or complaint, confidentially and anonymously, regarding discrimination, harassment, unethical business conduct, and more to the above third-party vendor.

## DOCXPLORER ON SPARK

[spark.lithiadriveway.com/ca](http://spark.lithiadriveway.com/ca)

Located on Spark, DocXplorer is our digital document hub for all things Lithia & Driveway. You can find both corporate and certain provincial policies in the DocXplorer's database, including:

### Anti-Discrimination, Harassment & Corporate Governance Policy

Search for "Anti-Discrimination"

### Drug & Alcohol Policies

Search for "Drug and Alcohol"

### Information Security Policies

Search for "Master Information Security Policy"

# Introduction

## Providing Clear Guardrails for Strong Employment Relationships

We strive to create clear communications and guidelines to govern our employment relationships with our talented teams and to keep those relationships respectful and professional.

This section presents important policies you need to acknowledge and understand in your role as a Lithia Motors, Inc.—doing business as Lithia & Driveway—employee.

By reading the following agreements and policies, you help to establish a firmer foundation on which to build an ongoing, successful employment relationship with Lithia & Driveway.

## Integrity Policy

It is the desire of Lithia Motors Inc., its affiliates, and subsidiaries that business be conducted in a professional manner, with the highest level of integrity always.

As an employee, I understand this business philosophy and accept it as my own. I understand and agree that I am subject to the Company's Code of Business Conduct & Ethics, which is included in this handbook.

I understand and agree that the Company strictly prohibits all activity that is illegal or otherwise compromises the integrity of the Company. I understand and agree that no officer, manager, supervisor, or employee of the Company may ever authorize me to be involved with activity that I know to be illegal and/or potentially compromising to the integrity of the Company.

I understand that I am never allowed to do any of the following:

- Sign or initial a customer's name on any document (no matter how unimportant you might believe that document is or feel you have been instructed or given permission to do so).
- Change ANY document after it has been signed and agreed to by the customer. This includes, but is not limited to, credit applications, sales contracts, delivery paperwork,

Ministry of Transportation (MTO) documents, and/or any other documents.

- Mislead a customer in any way.
- Mislead a lender in any way. This includes falsifying a customer's credit application, for any reason, or falsifying accessories on a book-out sheet to increase the loan value of a vehicle.
- Mislead a vendor in any way.
- Mislead a manufacturer in any way.
- Mislead Lithia Motors Inc., its affiliates and/or subsidiaries in any way.
- Compromise any confidential or proprietary information about the Company.

I understand that a portion of any business relationship is based on trust, and I will never knowingly damage that relationship with anyone during the course of my job function.

Should I become aware of any activity I believe to be in violation of this policy, I will immediately contact and inform the Employee Relations Department at 800-866-9213 ext. 6373 or the Legal Department at 800-866-9213 ext. 7545.

An employee may also call the **Concern Hotline** at **800-224-8168** or submit concerns online at [lithiaemployeefeedback.com](http://lithiaemployeefeedback.com). Concerns reported via the hotline or online are collected by an outside vendor and can provide anonymity should you choose.

**I fully understand and agree that, should I participate in any unlawful act, transaction, or procedure, I will be subject to immediate disciplinary action, up to and including, termination of my employment. I further understand that I could be held personally liable for any damages that might be caused by my actions. I have read, understood, and agree to abide by the Integrity Policy.**

## Anti-Discrimination, Harassment & Corporate Governance Policy

*Updated January 2024*

Lithia Motors, Inc., doing business as Lithia & Driveway, is committed to providing all employees with a work environment free of discrimination or harassment of any kind.

### Our Responsibility

Harassment or discriminatory conduct of any kind, whether physical or verbal, conducted by coworkers, third parties, supervisors, or managers, is prohibited in the workplace. All Company employees are responsible for maintaining a workplace free of discrimination and harassment at all times. No employee is exempt from this 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.

If managers become aware of a complaint of discrimination or harassment, they are to notify the general manager or business manager who will notify Human Resources and/or Employee Relations.

We are an equal opportunity employer and do not refuse employment or discriminate in compensation or the other terms, conditions, and privileges of employment based upon the Prohibited Grounds, which are the protected categories listed under the Human Rights legislation and include race, color, religion, creed, age, marital status, sex (including pregnancy

and breastfeeding), national origin or ancestry, citizenship, sexual orientation, gender identity or expression, physical or mental disability, medical condition, genetic information, military status, record of offences or any other consideration protected by federal or provincial law.

### Discrimination & Harassment Defined

Direct Discrimination describes an act, behaviour, or practice of treating a person unequally on the basis of a Prohibited Ground. Systemic Discrimination, referred to as “constructive discrimination” in the Human Rights Code, is discrimination inherent in, or the result of, the organization’s informal or formal policies, practices or procedures. Systemic Discrimination occurs intentionally or unintentionally when a requirement, qualification, or factor results in the exclusion, restriction or preference of a group identified by a prohibited ground.

We also prohibit harassment based upon the perception that a person has, or is associated with a person who has, any of these characteristics. These prohibitions include harassment and intimidation. Harassment is behaviour perceived by the receiver as unwelcome, and includes, but is not limited to, the jokes, unwelcome touching, offensive remarks, put-downs, or display of objects or materials which create an offensive environment. Our policy prohibits harassment of employees, applicants, customers, and persons involved in business services.

If you experience, witness, or learn of discrimination or harassment in the workplace, you must immediately report the harassment through the channels outlined in “Our Reporting Procedures” (discussed shortly).

### Sexual Harassment Defined

The Occupational Health & Safety Act states that known, or ought reasonably to be known, unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature constitutes sexual harassment when submission to or rejection of this

conduct explicitly or implicitly affects an individual’s employment, unreasonably interferes with an individual’s work performance, or creates an intimidating, hostile, or offensive work environment.

Various provincial laws define additional forms of offensive behaviour as sexual harassment. The following is a partial list:

- Making or threatening reprisals after a negative response to sexual advances
- Visual conduct: leering, making sexual gestures, displaying sexually suggestive objects or pictures, cartoons, emails, text messages, websites, or posters
- Verbal and written conduct: making or using derogatory comments, epithets, slurs, sexually explicit jokes, comments about an individual’s body or dress, or sending inappropriate emails, text messages, or letters
- Verbal sexual advances or propositions
- Verbal abuse of a sexual nature, graphic verbal commentary about an individual’s body, sexually degrading words to describe an individual, suggestive, or obscene letters, notes or invitations
- Physical conduct: touching, assaulting, impeding, or blocking movements

Sexual harassment includes opposite and same-sex harassment. Sexual harassment on the job is unlawful whether it involves a coworker, supervisor or manager, vendor, customer, or client.

### Liability for Unlawful Harassment and Discrimination

Any employee, including any supervisor or manager, who is found to have engaged in conduct that violates this policy is subject to disciplinary action, up to and including, termination.

### Protection against Retaliation

Retaliation against any employee for the good faith reporting, filing, testifying, assisting, or

participating in any investigation, proceeding, or hearing conducted by us or a federal or provincial enforcement agency related to this policy is prohibited.

### Our Reporting Procedures

The following steps have been established for communicating employee concerns or complaints of harassment, discrimination, and retaliation to Lithia Motors:

1. Any employee may report a concern or file a complaint by communicating directly with their direct manager, a department manager, general manager, group/regional vice president, regional president, business manager or the Human Resources Department. The multiple options for presenting a complaint are made available with the intent to give the employee the opportunity to select a person with whom there is a comfort level. If there is any feeling that the complaint has not been taken seriously, or handled correctly, notify the Employee Relations Department at 800-866-9213 ext. 6373. An employee may also call the **Concern Hotline** at **800-224-8168** or submit concerns online at [lithiaemploy-eefeedback.com](https://lithiaemploy-eefeedback.com). Concerns reported via the hotline or online are collected by an outside vendor and can provide anonymity should you choose. Employees may also contact a provincial or federal agency.
2. Lithia Motors will take appropriate steps to investigate all reports of harassment or discrimination claims in a timely, thorough, and objective manner. Confidentiality will be maintained to the extent possible. Appropriate action will be taken, and upon conclusion of the investigation, the Company will follow up with the complaining employee as to the resolution of the matter.
3. If we determine that a violation of our policy has occurred, prompt and appropriate remedial action will be taken. The



Company will not retaliate against any employee for reporting a concern or filing a complaint and will not knowingly permit retaliation by management, employees, or coworkers.

All employees are required to fully cooperate in carrying out this policy and should avoid acts of discrimination, harassment, or retaliation based on the Prohibited Grounds. Failure to do so may result in disciplinary action up to and including termination of employment.

### Concern Hotline & Online Reporting

Discrimination or harassment concerns reported on the hotline or at [lithiaemployeefeedback.com](http://lithiaemployeefeedback.com) will be documented and forwarded to the Human Relations Department or the Lithia & Driveway

Employee Relations Department for appropriate follow-up. Accounting, internal accounting controls or auditing concerns will be documented and forwarded to Lithia Motors' members of the Audit Committee or their designees for appropriate follow-up. Lithia Motors, Inc., has established a procedure for receipt, retention, and treatment of internal complaints regarding accounting, internal accounting controls, or auditing matters under Section 301 of the U.S. Sarbanes-Oxley Act of 2002.

Employees may report discrimination, harassment, retaliation, or concerns regarding internal accounting controls or auditing matters to the **Concern Hotline at 800-224-8168** or by visiting [lithiaemployeefeedback.com](http://lithiaemployeefeedback.com). This hotline and online reporting method are maintained by a third-party vendor to preserve the anonymity of the caller, if desired.

This reporting procedure is meant to provide employees with the most comfortable means of reporting discrimination, harassment, retaliation or concerns regarding accounting, internal accounting controls, or auditing matters. This policy shall be available to all employees and shall be posted on all employee bulletin boards.

## Drug & Alcohol Policy

We recognize that alcohol and drug abuse in the workplace can have a negative impact on our employees and customers. With the object of providing a safe and healthy workplace, complying with federal and provincial health and safety regulations, and preventing accidents, the Company strictly prohibits the use, distribution, sale and possession of alcohol and drugs that may affect an employee's performance in the workplace.

Employees are not to report for duty or be on the Company premises while under the influence or physically impaired by alcohol or drugs, or have in their possession any alcohol, drugs, or drug paraphernalia, while representing the Company or on Company premises.

## Prescription Drugs

The use of prescription drugs and/or over-the-counter drugs may also affect an employee's job performance and seriously impact the employee's safety and safety of others.

Any employee who is using prescription or over-the-counter drugs that may impair their ability to safely perform their job—or that may affect the safety or well-being of others—is required to submit a physician's statement that affirms the prescription drug use will not affect job safety. This statement should be sent to [leaves@lithia.com](mailto:leaves@lithia.com). For their privacy, employees will not be asked to identify the medication or the underlying illness.

## Support for Early Detection & Treatment in the Workplace

Lithia & Driveway will assist and accommodate employees who voluntarily disclose a substance-use issue. We will work to identify and handle all performance problems promptly, if a substance-use issue is suspected, and will maintain confidentiality regarding all these issues.

Employees with a substance-use issue will be required to actively participate in a recognized program to manage their substance use. Employees with a substance-use issue, who refuse to participate in the Employee Assistance Plan or other recognized substance-use programs, will be subject to the disciplinary policy up to, and including, termination of employment.

## Confidential Information & Insider Trading

Lithia Motors Inc., and its directors and officers, have a responsibility to protect nonpublic information relating to the organization and its subsidiaries, and to abide by securities laws governing the use of material nonpublic information as it relates to trading in Lithia Motors Inc.'s securities.

The board of directors has adopted this policy to address the use of material nonpublic

information concerning Lithia Motors Inc., so that each director, officer, employee, consultant, contractor, and certain family members of such persons are aware of their responsibilities.

## Inside Information

It is not possible to define all categories of material nonpublic information. However, information should be regarded as material if there is a substantial likelihood that it would be considered important to a reasonable investor in making an investment decision regarding the purchase or sale of Lithia Motors Inc.'s securities. It may be difficult under this standard to determine whether particular information is material, but there are categories of information that are particularly sensitive and, as a general rule, should always be considered material. Either positive or negative information may be material.

Examples of such information include the following:

- Financial performance, including quarterly and year-end earnings and key financial metrics
- Projections of financial performance, including future earnings or losses or other earnings guidance
- Sales levels
- New significant contracts, manufacturer, distributor or strategic relationships, or the loss thereof
- Strategic plans
- Pending or proposed mergers, acquisitions, or tender offers
- New equity or debt offerings
- News of the disposition or acquisition of significant assets
- Changes in dividend policy
- The declaration of a stock split or reverse stock split
- Significant changes in senior management
- Significant litigation exposure due to actual

or threatened litigation or the resolution of such litigation

- A cybersecurity risk or incident involving Lithia Motors Inc.'s business, including relating to customer, employee, or Lithia Motors Inc.'s data

The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes.

To be *public*, the information must be disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about Lithia Motors Inc., you must wait until the close of business on the first trading day after the information was publicly disclosed before you can treat the information as public.

Any material nonpublic information that has not formally been released to the public through procedures set forth in Lithia Motors Inc.'s Investor Disclosure Policy, or is not otherwise available to the general public, is referred to in this policy as *Inside Information*.

### Persons Covered by Policy

This policy applies to:

- All directors, officers, and employees of Lithia Motors Inc.
- Any person who enjoys a contractual relationship with Lithia Motors Inc., that may place that person in a position to gain knowledge of Inside Information
- Any other person who is rendering services to Lithia Motors Inc., in any capacity pursuant to which such person has access to Inside Information
- Any member of the immediate family or household of such persons

### Confidentiality of Inside Information

Public dissemination of Inside Information shall be made only by authorized persons and

in accordance with Lithia Motors, Inc.'s Investor Disclosure Policy. Except as specifically permitted under this policy, you have a duty to treat as confidential all Inside Information about Lithia Motors, Inc., and confidential information regarding others with whom Lithia Motors, Inc., does business.

You may not discuss any Inside Information about Lithia Motors, Inc., with anyone other than persons with whom you are expected to deal in the performance of your services for Lithia Motors, Inc., unless and until Lithia Motors, Inc., has made a public announcement, issued a publication, or filed a public document which includes the information or describes the development. Even then, the information may be proprietary, and discussion should be limited to the information which has been made public.

If any officer, director, or employee of Lithia Motors, Inc., receives any inquiry from outside Lithia Motors, Inc., such as a stock analyst, for information—particularly financial results and/or projections—that may be Inside Information, the inquiry should be referred to Lithia Motors, Inc.'s chief financial officer or in-house counsel (whom we refer to as securities compliance officers) at the Home Office at (541) 776-6401.

### Restrictions on Trading on Inside Information

#### Background

Securities laws prohibit the purchase or sale of a company's securities by persons who are aware of material information about that company that is not generally known or available to the public. These laws also prohibit persons who are aware of such material nonpublic information from disclosing this information to others who may trade.

Companies and their controlling persons are also subject to liability if they fail to take reasonable steps to prevent insider trading by company personnel. The U.S. Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE) use sophisticated electronic

surveillance techniques to uncover insider trading. Any person who trades in Lithia Motors, Inc.'s securities, or advises, encourages, or recommends to others to trade, while aware of, Inside Information will be subject to significant civil or criminal liability including fines and penalties as well as imprisonment. Further, if you violate this policy, Lithia Motors, Inc., may take disciplinary action, including dismissal for cause.

### Statement of Policy

- **No Trading on Inside Information.** You may not trade in Lithia Motors, Inc.'s securities, directly or through family members or other persons or entities, when you are aware of Inside Information, commencing with the date that you become aware of Inside Information and ending at the close of business on the first trading day after the information was publicly disclosed by authorized Lithia Motors, Inc., spokespersons. Similarly, you may not trade in the securities of any other company if you are aware of material nonpublic information about that company which you obtained in the course of your employment with or provision of services to Lithia Motors, Inc. If you are unsure whether the information you possess is Inside Information, contact the Securities Compliance Officers.
- **No Tipping.** You may not pass material nonpublic information on to others or recommend to anyone the purchase or sale of any securities when you are aware of Inside Information. This practice—known as tipping—also violates the securities laws and can result in the same civil and criminal penalties that apply to insider trading, even though you did not trade and may not gain any benefit from another's trading.
- **Blackout and Pre-Clearance Procedures.** No director, vice president (or above) or other persons having access to consolidated financial data of Lithia Motors, Inc., and designated by the CEO, CFO, or COO (collectively, "Reporting Person and Insider"),

may trade in Lithia Motors, Inc.'s securities within the period beginning 15 days prior to the close of any fiscal quarter and ending at the close of business on the first business day after the earnings for such quarter have been announced to the public. This period is referred to as the quarterly "closed window" or "blackout" period. If you are unsure whether Lithia Motors, Inc., is in a closed window period, contact the Securities Compliance Officers.

**Trading in Lithia Motors, Inc.'s securities during an open window period should not be considered a "safe harbor." Any such trades are still subject to the restrictions set forth in the prior paragraphs.**

In addition to this policy, Lithia Motors, Inc., requires that all directors and executive officers subject to Section 16 of the Securities Exchange Act of 1934 pre-clear all transactions in Lithia Motors, Inc.'s securities. Lithia Motors, Inc., will notify you if you are subject to these pre-clearance procedures.

### Transactions Covered

*Trading* includes purchases and sales of stock, derivative securities such as put and call options, warrants and convertible debentures or preferred stock, and debt securities (debentures, bonds, and notes). Trading also includes certain transactions under Lithia Motors, Inc.'s equity plans, as described below.

- **Stock Option Exercises.** This restriction on trading generally does not apply to the exercise and hold of a stock option or Lithia Motors, Inc.'s withholding of shares of stock to pay the exercise price or satisfy tax withholding obligations (assuming such withholding is permitted by Lithia Motors, Inc., in its discretion), though the exercise of a stock option by persons subject to Section 16 of the Exchange Act is subject to pre-clearance. The trading restrictions do apply, however, to any market sale of the underlying stock, including through a cashless exercise of the

option through a broker, as this entails selling a portion of the underlying stock to cover the costs of exercise.

- **Restricted Stock Units, Restricted Units, and Restricted Stock Awards.** This restriction on trading does not apply to the vesting of restricted stock units, restricted units or restricted stock or Lithia Motors, Inc.'s withholding of shares of stock to satisfy tax withholding obligations upon the vesting of such equity awards (assuming such withholding is permitted by Lithia Motors, Inc., in its discretion). The trading restrictions do apply; however, to any market sale of the underlying stock following vesting of such awards.

This restriction on trading does not apply to transactions made under a trading plan adopted pursuant to U.S. Securities and Exchange Commission Rule 10b5-1(c) and pre-cleared in writing by Lithia Motors, Inc., after consultation with legal counsel ("Pre-Cleared 10b5-1 Plan").

Additional exceptions to these blanket restrictions may be granted in writing under appropriate circumstances by a Securities Compliance Officer after consultation with Lithia Motors, Inc.'s securities counsel.

### Additional Guidance

Lithia Motors, Inc., considers it improper and inappropriate for those employed by or associated with it to engage in short-term or speculative transactions in its securities or in other transactions in its securities that may lead to inadvertent violations of the insider trading laws.

Accordingly, trading in Lithia Motors, Inc., securities is subject to the following additional restrictions.

- No person subject to this policy may engage in puts, calls, short sales (sales of securities that are not then owned), sales against the box (a sale with delayed delivery) or any other derivative transaction involving Lithia Motors, Inc., securities.

- No transactions in Lithia Motors, Inc., securities, including derivative transactions, may be made in fully managed accounts (accounts over which the account holder has no trading discretion), except dispositions of shares permissibly transferred to the account. Any transfer of securities into a managed account is subject to any restrictions applicable to a sale of such securities.
- Standing orders and limit orders (excluding standing and limit orders under Pre-Cleared Rule 10b5-1 trading plans) should be used only for a very brief period of time. A standing order placed with a broker to sell or purchase stock at a specified price leaves you with no control over the timing of the transaction. As a result, a standing order transaction executed by the broker when you are aware of material nonpublic information may result in unlawful insider trading. Lithia Motors, Inc., discourages such standing order transactions on Lithia Motors, Inc., securities.
- Transactions in Lithia Motors, Inc., securities may be halted at any time Lithia Motors finds it necessary or advisable to halt trading by all employees or certain groups of employees.
- Hedging or monetization transactions, which can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars, and exchange funds, are prohibited for directors and employees.
- Holding Lithia Motors, Inc.'s securities in a margin account or otherwise pledging its securities as collateral for a loan is prohibited, except that (a) the board of directors may grant exceptions to this prohibition when a person wishes to pledge company securities as collateral for a loan (not including margin debt) and demonstrates the financial capacity to repay the loan without resorting to the pledged securities, or in circumstances our board of directors determines to

be in the best interest of, or not detrimental to, Lithia Motors, Inc., and (b) securities pledged as of March 15, 2013, may continue to be pledged under existing or replacement arrangements.

### Communication of this Policy

Lithia Motors, Inc., will post this policy on its intranet accessible by Lithia Motors, Inc., employees and will summarize the policy in the acknowledgment made by all its employees of their annual review of the Employee Handbook. Reference to the policy will also be included in Lithia Motors, Inc.'s training regarding confidential information. Lithia Motors, Inc., will also send a timely email to each Reporting Person and Insider advising them of their status and the commencement date and expiration date of the "closed window" period.

### Individual Responsibility and Disciplinary Actions

Every officer, director, and other employee, consultant and contractor have the individual responsibility to comply with this policy against insider trading. You may, from time to time, have to forego a proposed transaction in Lithia Motors, Inc.'s securities even if you planned to make the transaction before learning of Inside Information and even though you believe you may suffer an economic loss or forego anticipated profit by waiting.

Directors and officers and other persons identified by Lithia Motors, Inc., must also comply with the reporting obligations and limitations on short-swing transactions set forth in Section 16 of the Exchange Act. Lithia Motors, Inc., has provided, or will provide, separate memoranda and other appropriate materials to its executive officers and directors and other employees regarding compliance with Section 16 and its related rules.

Directors and employees who violate this policy shall also be subject to disciplinary action by Lithia Motors, Inc., which may include ineligibility

for future participation in Lithia Motors, Inc.'s equity incentive plans or immediate termination of employment for cause.

BY ORDER OF THE BOARD OF DIRECTORS

Approved: January 1, 2024

## Information Security Policies

Lithia Motors, Inc., recognizes the critical importance of information security and information handling practices. Employees should take reasonable steps to ensure that all information, in whatever form, is protected in a manner commensurate with its sensitivity and value.

Additionally, Lithia Motors, Inc., strives to ensure that all information systems are protected in a manner that is at least as secure as that required by our customers, vendors, regulatory bodies, and other organizations in the same industry handling similar types of information.

Adherence to these policies and participation in required training is of utmost importance. Failure to comply with these information security policies, practices, and required trainings may result in disciplinary action to ensure the continued protection of information and maintain the trust of our stakeholders.

An entire set of information security policies can be found on Spark by searching "[Master Information Security Policy](#)" in the DocXplorer.

## Social Media Policy

Lithia Motors, Inc., recognizes that with the popularity of various internet-based social media, such as X.com, (formerly Twitter), Facebook, Instagram, LinkedIn, blogs, and the like, employees may use such media to interact with and share information in their daily lives. Employees' use of social media can pose risks to Lithia Motors, Inc.'s confidential and proprietary information, reputation, and brands, can expose Lithia Motors, Inc., to discrimination and harassment claims, and can jeopardize Lithia Motors, Inc.'s compliance with business rules and laws.

Thus, this policy is designed to establish parameters for using social media while employed with Lithia Motors, Inc. Lithia Motors, Inc., expects its employees to adhere to the following guidelines and rules regarding social media use.

### Responsible Use of Social Media

When using social media, employees are prohibited from representing Lithia Motors, Inc., or representing that they speak on behalf of Lithia Motors, Inc.

Employees also must make clear in any online activity that the views and opinions they express about work-related matters are their own, have not been reviewed by Lithia Motors, Inc., and do not necessarily represent the views and opinions of Lithia Motors, Inc.

Moreover, given the highly regulated nature of the automobile business, employees shall not advertise or offer for sale our products or services in a social media forum, except as prescribed in official job duties and in accordance with all local, provincial, and federal laws and regulations.

Doing so in any other form could expose the employee and Lithia Motors, Inc., to serious legal consequences, including violations of federal and provincial law.

If an employee's job duties involve advertising or selling Lithia Motors, Inc.'s services and products, this activity should only be done through the Company's internet, computer, or other authorized communications system or forum, and only as authorized by the general manager. If you have any questions about this aspect of our policy, please see your general manager.

Employees are prohibited from using social media to compete with the Company's products or services. Employees should not use the trademarks, logos or copyright-protected material of the Company or its clients or customers to engage in commercial activities.

If you are contacted by a member of the news media in a social media forum or elsewhere and are asked to comment about the Company, please notify [marketing@lithia.com](mailto:marketing@lithia.com).

### Compliance with Related Policies and Agreements

Social media should never be used in a way that violates any other Lithia Motors, Inc.'s policies or employee obligations.

All employee social media activities are subject to Lithia Motors, Inc.'s policies regarding protection and confidentiality of itself and customer information and unlawful discrimination or harassment.

For example, employees may not disclose private customer information or proprietary Lithia Motors, Inc., information through social media outlets. Similarly, employees may not unlawfully harass or discriminate against fellow employees, vendors, or customers using social media.

Please refer to Lithia Motors, Inc.'s policies on confidential and proprietary information, as well as the policy prohibiting unlawful harassment and discrimination. Employees should not disclose private information about their coworkers.

Employees should take great care in how they represent themselves in a social media forum.

Employees should behave in a lawful manner and avoid making unlawful defamatory, fraudulent, harassing, discriminatory or other unlawful statements about coworkers, Lithia Motors, Inc., the Company, the Company's competitors, or the Company's customers or vendors, as such activity could lead to discipline up to, and including, termination of employment, as well as personal legal liability.

### Expectations of Monitoring and Privacy

Employees should expect compliance monitoring. Employees should also expect that any

information created, transmitted, downloaded, exchanged, or discussed on any social media made available to the public may be accessed by Lithia Motors, Inc., or any third party at any time without prior notice.

Remember, anything posted on the internet or in a social media forum might be publicly accessible.

Nothing in this policy should be interpreted as giving any manager of the Company the right to request the username and/or password to the employee's private social media content or private email accounts, to request that the employee divulge the content of private social media content and/or private email accounts, or to request the employee to provide access to view social media content and/or private email accounts in the presence of management.

As the sole exception to this rule, the Employee Relations Department may request that an employee divulge personal social media content reasonably believed to be relevant in an investigation of alleged employee misconduct or a legal violation; such information will be used solely as part of the investigation or any related proceeding.

The Lithia Motors, Inc., Employee Relations Department may additionally request employee login information for the purpose of accessing employer-issued electronic devices.

No Company manager may discipline or threaten discipline or discharge of an employee for exercising their rights under this policy and/or the law.

A manager may not retaliate against an employee for not adhering to a request or requirement that violates this policy and/or the law.

If you have any questions about this policy, please consult the following:

**Human Resources Department**  
[canadahr@lithia.com](mailto:canadahr@lithia.com)

## Business Attire & Appearance Policy

This policy provides guidelines to maintain an appropriate professional appearance in the workplace and for the work being performed. Employees are encouraged to adhere to these guidelines with multiple goals in mind:

- To represent Lithia Motors, Inc., in a professional manner.
- To present ourselves as identifiable and approachable to our customers and each other.
- To maintain a personal appearance that is clean and consistent.

### Professional Appearance

Your overall appearance should be professional, neat, and clean; and you should maintain proper personal hygiene.

### Business Attire

Business clothing should fit properly, be clean, and in good repair. Employees are encouraged to wear clothing suitable for their franchise and work position. Work clothing bearing name tags and the Company, manufacturer, and vendor partner logos are encouraged.

Wear appropriate professional footwear that is consistent with your uniform or business attire and is safe for your working conditions. The general dress code standard is business casual, which is to dress appropriately to working in a professional setting.

To help guide our employees, the following are examples of attire that is not appropriate (this is not an all-inclusive list):

- Attire that may be offensive to other employees
- Overly revealing attire
- Damaged or ripped clothing
- Shorts, athleticwear, sportswear
- Flip flops

## Uniformed Positions

Technicians, lot attendants, detailers, and other designated service support personnel are required to maintain uniform standards according to guidelines established with contracted laundry suppliers.

If you have questions or concerns regarding this policy, please discuss them with your manager. Each location's general manager or business manager has discretion to add to or modify this Business Attire Policy. Clothing and grooming styles dictated by religion are exempt.

To request a workplace attire accommodation, contact:

## Human Resources

[canadahr@lithia.com](mailto:canadahr@lithia.com)

## Electronic Monitoring & Transparency Policy

Lithia Motors, Inc. (doing business as Lithia & Driveway) is committed to creating a healthy workplace by prioritizing the health and well-being of all employees, including respecting and protecting employees' privacy.

Lithia & Driveway uses electronic monitoring for the purposes of safety, information security, and resource management. Lithia & Driveway does not actively monitor employees using electronic means for the purpose of employee performance management and discipline as a normal course of business. This guideline governs the rules with respect to access to electronic monitoring data, no matter the format.

The guiding principle is that electronic monitoring data are to be used for the purpose for which the data are collected, in the proper discharge of Lithia & Driveway's business and operational functions. The use of electronic monitoring data beyond the purpose for which the data are collected is prohibited, except as outlined by this policy.

This policy should be read in accordance with any relevant and applicable legislation, including

the Electronic Monitoring Provisions of the Employment Standards Act of 2000 (ESA) and Ontario's Freedom of Information and Protection of Privacy Act, R.S.O. 1990 (FIPPA).

Nothing in this policy is intended to amend or supersede any grievance procedure or other aspect of any applicable collective agreement, employment contract, or Lithia & Driveway Policy.

## Application

This guideline applies to all employees, as defined by the ESA, including full-time, part-time, temporary, casual staff, members of unionized groups, and all co-op students employed by Lithia & Driveway.

## Definitions

*Electronic monitoring* means the digital collection of information relating to any of the following:

- Physical access to a Lithia & Driveway workplace;
- Operation of a Lithia & Driveway-owned motor vehicle;
- Using Lithia & Driveway-provided telecommunications services;
- Employee time-tracking system for payroll;
- Electronic commerce using a Lithia & Driveway-issued payment card; and
- Accessing any electronic device or information system that is owned, operated, maintained, or contracted by Lithia & Driveway.

*Footprint data* means any personally identifiable information of employees collected either directly or indirectly by means of electronic monitoring.

## Principles and Practices

Lithia & Driveway collects footprint data for specific purposes, including:

- Maintaining the safety and security of all Lithia & Driveway employees;

- Maintaining the security of Lithia & Driveway facilities, assets, and digital services;
- Safeguarding the confidentiality, integrity, and availability of information in Lithia & Driveway's care;
- Time tracking for payroll purposes;
- Authenticating, and maintaining the integrity of, Lithia & Driveway's financial transactions; and
- Financial, physical, and electronic management of Lithia & Driveway's resources.

Footprint data will generally only be used for the purpose for which the data are collected. Footprint data may also be used in exceptional circumstances (e.g., law enforcement matters, emergencies or critical situations affecting individuals or public health and safety, and compassionate circumstances, in accordance with Ontario privacy legislation).

Footprint data will not be used to actively track and monitor employees for the purposes of performance management or discipline, although such data may be used to verify performance management or disciplinary issues which are independently discovered or suspected, including issues discovered or suspected through the course of permitted or required uses of the data.

Footprint data may also be used for other purposes permitted or required by law, including conducting workplace investigations to ensure Lithia & Driveway complies with statutory obligations.

Footprint data are confidential. That is, data will not be disclosed to anyone except those persons who need it in the performance of their duties and where disclosure is necessary and proper in the discharge of those duties, or those requiring it for a legitimate purpose as provided for in this guideline.

Information collected will be stored securely and in compliance with data security standards established by Information Technology (IT); information will be retained and destroyed

in accordance with the appropriate Lithia & Driveway record retention schedule.

## Roles and Responsibilities

Human Resources must ensure compliance with the ESA and ensure this guideline is disseminated to employees.

Employees and supervisors are not to use digital footprint data to actively track and monitor other employees for the purposes of performance management or discipline and shall comply with the provisions outlined in this guideline. Employees are also required to:

- Use electronic monitoring data only for the purpose for which it is collected, as permitted by this guideline; and
- Not engage in any form of electronic surveillance of other employees or individuals unless there is a specific business need to do so, as permitted by this guideline.

## Reporting Concerns

If you are concerned about employee surveillance, you should report those concerns immediately to your supervisor. If your concerns are not resolved by speaking with your supervisor, you should report your concerns in writing to Human Resources/Employee Relations. Employees will not be subject to reprisal for reporting, in good faith, such concerns as outlined above or for inquiring about, exercising, or attempting to exercise any rights as provided under the ESA.

## Appendix Available

You can access an appendix of examples of employee digital footprint by viewing [this policy](#) on the DocXplorer.

A woman with curly hair and sunglasses is driving a car on a winding road. The sun is low on the horizon, creating a warm, golden glow. The road curves to the right, and there are hills and trees in the background. The car's side mirror is visible in the foreground.

SECTION 09

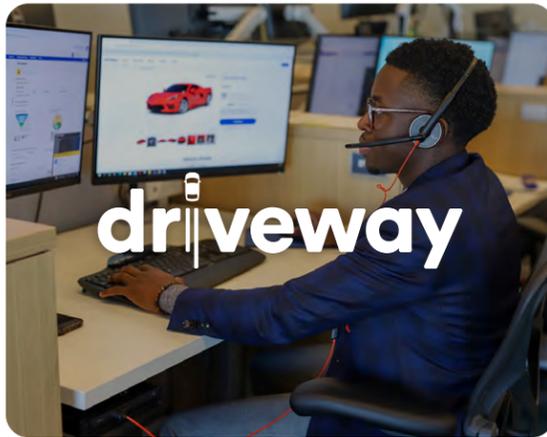
# Get to Know Us Better

Find out more about the brands we own and support. Plus, check out more resources you may need on your journey with Lithia & Driveway.

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# Get to Know Us Better



## Driveway

### Driving Online Sales & Customer Loyalty

Driveway, our e-commerce brand, is a key component of the company's omnichannel approach to meeting consumers wherever, whenever, and however they desire.

With Driveway, customers can buy, sell, or finance a car from the comfort of their own homes. By empowering consumers to shop online, they have access to our existing vast retail network and can take delivery directly to their driveways.

[driveway.com](https://driveway.com)



## DFC

### Offering Auto-Finance Solutions

DFC (Driveway Finance Corporation) is our indirect auto finance partner providing seamless, straight-forward financing solutions for customers in our network of stores and online with Driveway.

DFC is our primary auto-finance lender and offers to help customers in any situation achieve the freedom of mobility at a price they can afford.

[drivewayfinancecorp.com](https://drivewayfinancecorp.com)



## GreenCars

### Sparking Consumer Education

As one of the largest global automotive retailers, we want to make a difference in the way consumers drive. GreenCars is our educational platform to help customers navigate the evolution of ecological transportation options.

Consumers can learn and shop for sustainable vehicles, to help make a difference at any level. GreenCars is accelerating the electric vehicle evolution by facilitating the adoption of electric and hybrid vehicles.

[greencars.com](https://greencars.com)



## Corporate Responsibility

### Pursuing Positive Change

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

We prioritize sustainability within our industry as we steer towards a more carbon-neutral way of travel and transportation.

[lithiacorporateresponsibility.com](https://lithiacorporateresponsibility.com)

# Get to Know Us Better



## Community Engagement

### Giving Powered by People

Lithia & Driveway is dedicated to strengthening the communities we live, work, and play in.

Through Lithia4Kids, we create strategic partnerships with nonprofit organizations as we join forces to make a difference in children's lives.

We proudly stand with these organizations and their missions to positively impact those they serve.

[lithia4kids.com](https://lithia4kids.com)



## Spark

### Providing One-Stop Employee Information

Spark is for everyone! It's where to turn when you need to find answers, forms, assistance, or information regarding all things Lithia & Driveway.

- Access **Workday** and all its icons for your employment needs
- Learn about the **Performance Dashboard**
- Explore **Employee Resources** for guides, training manuals, and directories
- Request technical assistance via the **Request & Resource Center**
- Find the forms, policies, guides, and store materials at **DocXplorer**
- Broaden your professional horizons with **Thriveway**

[spark.lithiadriveway.com/ca](https://spark.lithiadriveway.com/ca)



## Investor Relations

### Growing Our Company

Lithia & Driveway is a growth company focused on profitably consolidating the largest retail sector in North America and beyond.

We are a publicly held company with a New York Stock Exchange ticker symbol: LAD. We are a Top 150 company on the U.S. Fortune 500 list (#145 in 2023).

We offer an Employee Stock Purchase Plan or ESPP to our associates. If you participate, you will receive a 15% discount for each stock purchase. To learn more about the ESPP, contact [canadabenefits@lithia.com](mailto:canadabenefits@lithia.com).

[investors.lithiadriveway.com](https://investors.lithiadriveway.com)



## Social Media

### Fueling Connections

Stay connected to what's happening with our brands and teammates by following us on social media.

Lithia & Driveway, Driveway, and GreenCars are all active on the following channels:

- Instagram
- Facebook
- X.com (formerly Twitter)
- LinkedIn





**LITHIA.COM**



**CONNECT WITH US ON SOCIAL MEDIA @LITHIAMOTORS**

