

Employee Handbook

UNITED STATES EDITION



THE MISSION

Growth Powered by People.

Driven by our team members 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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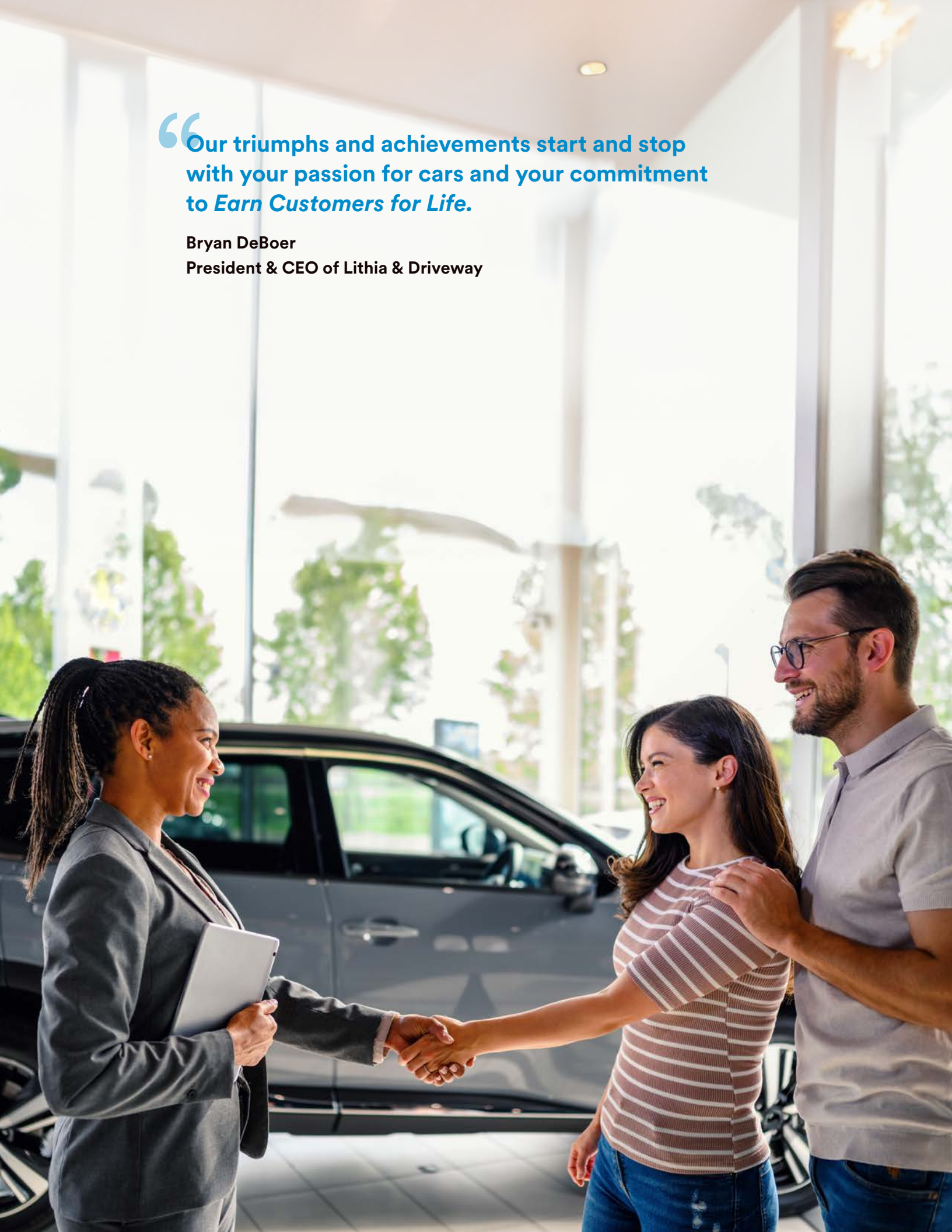
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“Our triumphs and achievements start and stop with your passion for cars and your commitment to *Earn Customers for Life*.”

Bryan DeBoer
President & CEO of Lithia & Driveway



Let's Roll Together!

A Message from Bryan DeBoer

At Lithia & Driveway, we're always on the move.

For 80 years, our success has been firmly rooted in family and hard work while being powered by a passion for cars, forward-thinking strategies, and a high-performance culture.

With these values fueling our growth, we've accelerated from a single store in southern Oregon to #124 on the US Fortune 500 list and #434 on the Fortune Global 500 list in 2025. We continue to leverage our diverse ecosystem of hundreds of stores, digital platforms, and mobility adjacencies to increase market share and become the most efficient, customer-driven retailer in the world.

You are a key ingredient to our mission, *Growth Powered by People*—your talent, energy, and knowledge. To strengthen our working relationship, we've designed this Employee Handbook to keep you informed of our policies, procedures, and resources. The handbook is a valuable roadmap throughout your career journey with us.

Thank you for your dedication as we *Improve Constantly* to earn loyalty, ignite potential, and drive future growth.

Let's roll!



Bryan DeBoer
President & Chief Executive Officer



SECTION 01

Know Your Ride

Lithia & Driveway's unique ecosystem meets consumers wherever, whenever, and however they desire.

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Where It All Started

Our story begins in 1946 with the DeBoer family. . .

Lithia & Driveway started as Lithia Motors in 1946, when Walt founded the first 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.



Pictured: Some of Lithia & Driveway's first customers in Ashland, OR. (1946)

Who We Are Today

We've become the #1 US auto retailer by keeping customers top of mind!

Lithia & Driveway (NYSE: LAD) is the largest global automotive retailer providing a wide array of products and services throughout the vehicle-ownership lifecycle.

To *Earn Customers for Life*, we focus on simple, convenient, and transparent experiences offered through our comprehensive network of physical locations, e-commerce platforms, captive finance solutions, fleet management offerings, and other synergistic adjacencies, such as Airstream travel trailers and Harley-Davidson motorcycles.

Our highly diversified and competitively differentiated design provides us the flexibility and scale to pursue our vision to modernize personal transportation solutions wherever, whenever, and however consumers desire.

Our Brands Build Loyalty

Our brands offer optionality, ease, and convenience—allowing us to exceed customer expectations with best-in-class experiences:



Automotive retailer offering new and used vehicles and related services in hundreds of locations across the US, UK, and Canada

lithia.com



E-commerce platform offering customers the option to buy, sell, and finance their vehicles with home delivery

driveway.com



Everything in one place regarding electric vehicle education with a connection to Driveway.com for purchase

greencars.com

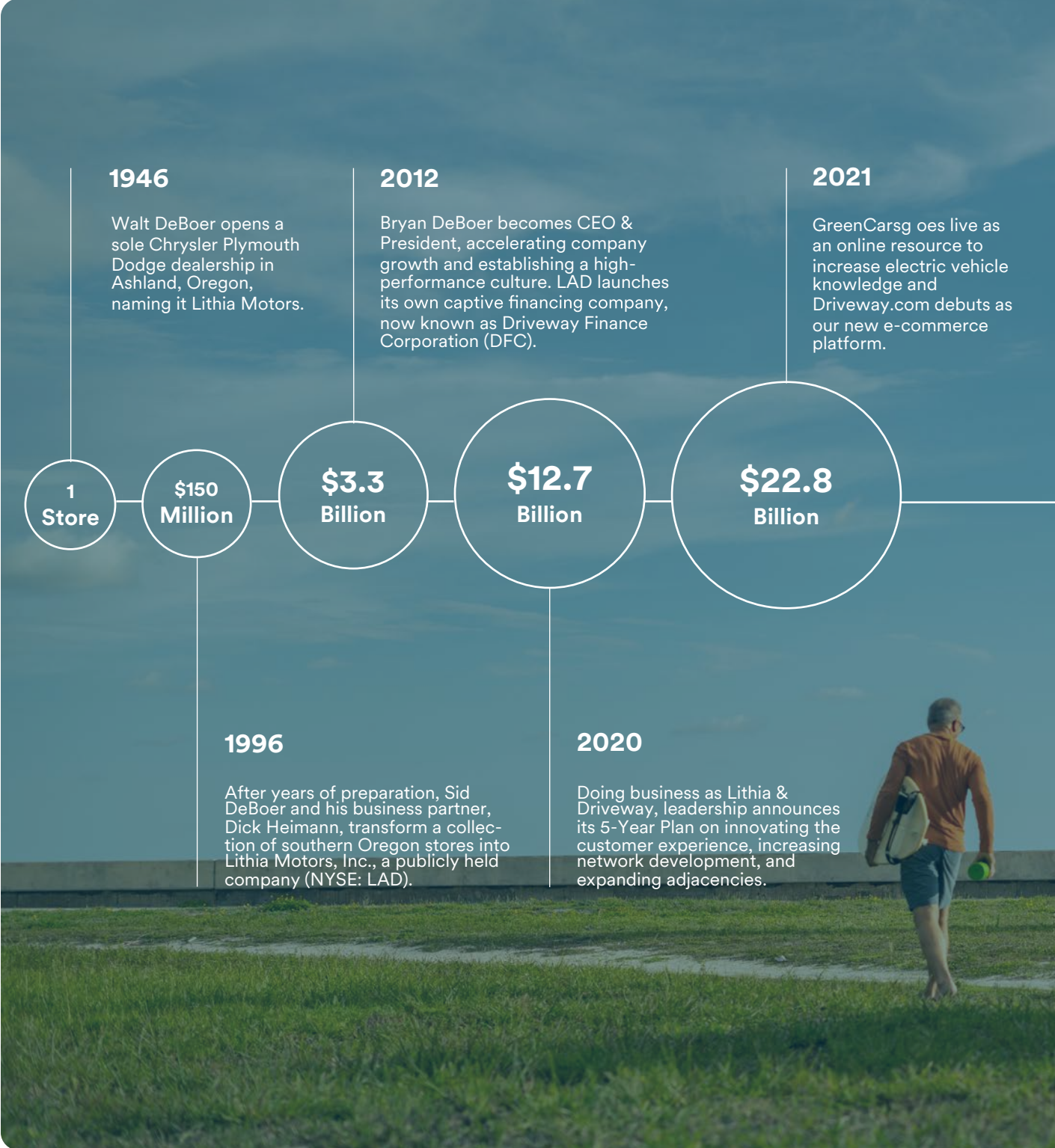


Captive indirect finance company for Driveway and our vast network of stores

drivewayfinancecorp.com

Our Journey over the Years

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



2023

LAD is one of the largest auto retailers in North America with hundreds of stores in the US and Canada, while also entering the United Kingdom (UK) market.

**\$31
Billion**
(500 Stores)

2025

Our key focus is to earn customer loyalty, so we ignite department and store potential, and drive company growth within the framework of our four core values.

**\$50
Billion**

**\$75-100
Billion**

(\$2 Earnings per Share
for every \$1 Billion in Revenues)

2024

Completed Pendragon transaction establishing a strategic partnership with Pinewood Technologies, adding a fleet management company and rounding out our UK automotive retail network.

What Lies Ahead

We will continue to evolve how we do business by leveraging our ecosystem of stores, brands, and adjacencies. We plan to reach 5% or more US market share, as well as grow new verticals and international locations.



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Employment Overview

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

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Where to Turn

Employee Relations Department

Learn about key employee policies and processes.

employeerelations@lithia.com

Workday

Workday is our online human resources–management resource that can be accessed on the Spark homepage or by downloading the app.

spark.lithiamotors.com

Spark

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

spark.lithiamotors.com

DocXplorer on Spark

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

spark.lithiamotors.com

Payroll Department

For questions on your paychecks, email the correct regional contact:

1-844-502-0729

Home Office

payroll-LHO@lithia.com

West Region

Alaska, Arizona, Colorado, Hawaii, Idaho, Nevada, Oregon, Washington, Wyoming

payrollwest@lithia.com

Midwest Region

Iowa, Mississippi, Montana, New Mexico, Texas, Wisconsin

payrollmidwest@lithia.com

California

payrollca@lithia.com

East Region

Florida, Georgia, Kentucky, Michigan, Minnesota, New Jersey, New York, Pennsylvania, Tennessee, Virginia, West Virginia

payrolleast@lithia.com

Introduction

Navigating Your Lithia & Driveway Journey

Your unique talents, passion, and energy are the key to our mission, *Growth Powered by People*, and you personally fuel our strategy to earn loyalty, ignite potential, and drive growth. Our company thrives on innovation, creativity, and high performance.

To make sure you feel confident, informed, and engaged in your employment journey, the Lithia & Driveway's Culture & People Department (formerly Human Resources) has produced the Employee Handbook for your review and reference. The handbook 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.

New Team Member Guide

For a handy resource for your first 30 days of employment, we recommend our New Team Member Guide.

[New Team Member Guide](#)

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 entity by which you're directly employed and not to any other Lithia & Driveway entity.
- This handbook does not create a contract of employment, and nothing in this handbook should be construed to interfere with, or prohibit you from, exercising your rights under Section 7 of the National Labor Relations Act.
- This handbook supersedes all previous versions and is designed with you in mind.

Lithia & Driveway's Culture

At Lithia & Driveway, *Growth Powered by People* is more than a mission statement—it's the culture we create together.

People & Culture Statement

We are committed to an environment where every individual—regardless of age, background, or life experience—can thrive.

When people feel valued, respected, and connected, innovation thrives, collaboration strengthens, personal growth is supported, and our communities benefit.

This foundation empowers us to better support and serve our customers—wherever, whenever, and however they wish to interact with us.

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.



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, veteran status, or any other consideration protected by federal, state, or local law.

Multi-State Compliance

Lithia & Driveway is the largest auto retailer of new vehicles in the United States. As a result, we have hundreds of locations across numerous states. The states 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 state requirement or collective bargaining agreement, the law and state requirement will govern.

To find state-specific applicable laws and policies, such as for local wage-and-hour summaries and leaves of absence, go to the DocXplorer tile on Spark and simply search for your state 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 behavior. 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 behavior 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 through the way we serve and engage with the public. Every interaction shapes others' perceptions of you, your department, and the brand as a whole. Consistently delivering excellent service not only builds loyalty, but also drives long-term potential and growth for both you and the business. 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 con-

sidered 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 a growth company, taking on additional responsibilities is not the exception, it's the norm. Agility, adaptability, and a willingness to roll up your sleeves and help out where needed are greatly appreciated and highly valued.

From time to time, you may be given extra tasks, which we view as opportunities to enhance your performance and support your career development. If asked to participate, your support will be expected. We thrive in a high-performance culture and look for future leaders in those who *Take Personal Ownership* and consistently rise above 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 employeerelations@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 immediately. 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

If you believe your absences from your Company position are related to your need for a leave of absence under state or federal law, it's your responsibility to let your supervisor know. Your supervisor can then work with the leave administrator and the Employee Relations Department 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 & Pay Plans

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

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 paid time off (PTO) temp rate per their individual pay plan. 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.

Most 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 state and federal 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 states may have specific guidelines on rest periods and meal breaks. We adhere to each state's guidelines. Please check with your supervisor for specifics related to your workplace.

Our policy entitles all time-keeping employees in all states, who work over a six-hour shift, to take at least a 30-minute, duty-free meal break. If your state's requirements are more specific, then adhere to those.

For example, California employees are required to take a 30-minute, duty-free meal period for every five hours of work, and the meal period must be taken within the first five hours of work. Similarly, California employees are authorized and permitted to take a duty-free, 10-minute rest period for every four hours of work.

Ideally, the 10-minute rest periods should be taken in the middle of each four-hour increment. If for any reason you believe you're unable or have been prevented from taking any authorized rest periods or meal breaks due to work demands, please consult with your manager or the business manager immediately.

Rest Periods

You don't need to clock in and out for rest periods, because rest periods are typically 10 to 15 minutes in duration.

Meal Breaks

If you normally track your hours in Workday's TimeTracking, you should clock in and out as you

come and go for meal breaks. Meal breaks are duty-free, and on-duty or “working” meal periods are not permitted. Managers are responsible for ensuring compliance with the rules on rest periods and meal breaks.

Break Time for Nursing Mothers

The Company will provide break time and space for nursing mothers to express milk for their nursing child for one year after their child’s birth or the period required by applicable law. We will also provide space for nursing customers, if needed.

Paydays, Workdays & Work Weeks

Employees are paid according to their pay plans. A pay plan is not an employment contract. Employees are considered to be employed on an “at-will” basis, as allowed by law. 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.

Pay Cycles

The work week for all pay cycles is Sunday through Saturday. There are currently three pay cycles depending upon your work or store location: semi-monthly, biweekly, and weekly. If you have questions, please refer to your pay plan or inquire with your manager to confirm which of the pay cycles your location administers.

Semi-Monthly

Paydays are the 10th and 25th of each month (except for Hawaii locations—which are paid on the 7th and 22nd).

- 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.

Biweekly

Paydays are every other Friday and reflect time worked from the prior two work weeks.

Weekly

Payday is every Friday and reflects time worked from the prior work week.

Overtime

Business needs may require you to work overtime. Your supervisor should be consulted and provide pre-approval for any overtime hours. Overtime normally will be paid in the pay period following the period in which it is earned, provided time-cards are properly completed and approved. In accordance with applicable law, we’re unable to grant compensatory time off to nonexempt employees in lieu of making overtime payments. Exempt employees are not eligible for overtime.

Compensation

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 on our total rewards.

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. Personal cars are not to be parked on any Company lot (service or display) at any

time unless in an assigned parking area. The Company is not responsible for any damage to your vehicle or the contents of your vehicle while parked on our property.

The list below outlines other important policies regarding employee parking:

- Employee parking in any two-hour-or-less public parking space near our retail facilities is not allowed. Reserving these spaces for customers is critical for good business.
- If you receive a parking citation, it is your responsibility to pay the fine, not the Company's.
- Private "For Sale" signs are not permitted on employee vehicles parked on or near Company property.
- It's very much appreciated if no competitor dealership frame or advertising is included on your personal vehicle. In fact, please note that Company license plate frames will be installed on your vehicles free of charge at any Service Department.



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.

Technicians may not perform work on vehicles that they do not personally own unless the work is performed through the service desk at normal shop 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 state 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

Employee Relations Department

Get assistance regarding key employee policies and processes.

employeerelations@lithia.com

Request & Resource Center

The Request & Resource Center is your go-to for Technology and HR support. For fastest service, please contact us directly at the number below or submit your inquiry online via the Request & Resource Center section located on the Spark homepage.

IT Service Desk

1-541-770-2150

Spark

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

spark.lithiamotors.com

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*, contact:

Suggestions for Lithia & Driveway

makeiteasier@lithia.com

Our Vast Retail Network

Most of our team members work at one of our hundreds of nationwide locations, 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, or 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

Located in Medford, Oregon, the Home Office serves and supports our stores. For instance, Home Office teams help with performance measurements, integrated information systems, and noncustomer-facing support functions—such as finance, payroll, marketing, employee relations, and operations and information technology systems.

Desk Hoteling

If you'd like to reserve a work desk when visiting the Home Office (or certain other main Lithia & Driveway buildings), you can do so by accessing Office Space—a convenient, desk-hoteling tool. In addition to reserving a desk, you can also use this online directory to locate coworker desk locations, office printers, and copiers.

To access the desk-hoteling service, click the “The Office Directory” link on the Employee Resources tile on Spark, or you can view the Desk Hoteling Job Aid on DocXplorer.

For any additional assistance, you can contact facilities@lithia.com.

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 (by Driveway valet), 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.

Accessible Parking Protocol

Lithia & Driveway provides accessible parking spaces for the comfort and convenience of people with disabilities. These parking spaces—clearly marked by blue and white signs with a wheelchair (the international symbol of accessibility)—are required by law and in accordance with the Americans with Disabilities Act (ADA). The ADA 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

The Americans with Disabilities Act (ADA) also 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 ADA.

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 team members.

Your workplace location is a part of the community in which you live and work—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, go to the page on [Multi-factor Authentication \(MFA\): First Time MFA Enrollment](#), which is located on the Request & Resource Center on the Spark homepage.

For additional information about SSPR and MFA, see [Password Reset: Self-Service Password Reset \(SSPR\) FAQ](#), which is located on the Request

& Resource Center on the Spark homepage.

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 Request & Resource Center for additional support documentation, or contact:

IT Service Desk

1-541-770-2150

Important Note

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.

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 & Other Electronic Communications

If an email is destined for more than 25 people outside of the Company, submit a request via the Request & Resource Center to assist in accom-

plishing 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, your phone numbers, and city and state. Conclude your email signature block with the appropriate Company or Lithia & Driveway logo.

The font should be Arial, 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.

Here is a sample of a Lithia & Driveway employee signature block, as a guide:

Full Name

JOB TITLE

Department or Store Name

O: 000-000-000 | M: 000-000-000

City, State





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.

Company Telephones

Whenever possible, please utilize 800 numbers when returning calls or looking for information to save on long-distance phone rates. Employees can reach toll-free information by calling 1-800-555-1212. Company 800 numbers are to be used for business purposes only.

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

Intercompany Phone Numbers

Different groups may have a direct-dial telephone system that links their locations via intercompany phone numbers. These internal numbers bypass any long-distance charges and allow you to save both time and money.

Please note that we have multiple phone systems in use at Lithia & Driveway and not all of those systems will support intercompany phone numbers. So, when possible, we ask that you please use intercompany phone numbers. We also recommend that, if you have an intercompany phone number, to include it in your email signature block style (as noted earlier in this section) for easy, cost-saving access.

Cell Phones

When using cell phones at work, we expect you to use them in a safe manner and to always follow any local, state, and federal 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 another 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, an Employee Relations 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.

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 publicly held company, we also have 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.

Artificial Intelligence (AI) Protocols

Employees are expected to use only company-approved technology tools for work-related tasks.

Any tool not explicitly approved for internal use should be treated as public:

- Do not input confidential, financial, or personally identifiable information into any nonapproved technology, including Artificial Intelligence (AI) tools.

AI tools may support drafting and research but are not authorized to make final business decisions. All AI-generated outputs must be independently verified by a human for accuracy, bias, and completeness.

All IT tools should only be used for authorized work activities. Employees are expected to report activity to their manager:

1. If they observe suspicious behavior with any IT tool, including AI, or
2. If any IT tool is misused or used without proper approval.



SECTION 04

Employment Practices

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

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Where to Turn

Employee Relations—General Assistance

Get assistance regarding key employee policies and processes.
employeerelations@lithia.com

Employee Relations—Leave Administrator

When you need time away to care for yourself or others.
1-866-329-9079

Spark

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

Careers at Lithia & Driveway

Search for current openings and new positions to advance your career journey.
lithiacareers.com

Learn on Workday

Access this resource on the Workday tile on the Spark homepage (or on the Workday app) and click on the "Learn" icon.

Introduction

Understanding Employment Relationship Guardrails

At Lithia & Driveway, our strategy is to build customer loyalty, so we ignite departmental and store potential to further our mission of *Growth Powered by People*. We can successfully pursue this plan by leveraging our powerful ecosystem that is founded in our vast store network of people, inventory, and facilities.

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

Full-Time Exempt and Nonexempt

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

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

Part-Time Exempt and Nonexempt

Part-time exempt and nonexempt 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.

Exempt and Nonexempt

Exempt employees are those whose job assignments meet the federal and state requirements for overtime exemption. Nonexempt employees are those whose job assignments do not meet the federal and state exemption category requirements.

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.

To take advantage of our internal career portal, navigate to your Workday Dashboard, click on the Talent and Performance icon, and select "Find Jobs." You may also type "Find Jobs" in the Workday search bar. Here, you can view all current open jobs and set job alerts for positions that may interest you.

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 state 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 state needs to obtain a valid driver's license in that state 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 state law.

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 state and/or federal regulation. Employees will be notified of results if required by applicable state and/or federal regulation.

Employment Eligibility Verification

All U.S. employees are required by federal law to provide evidence of their identity and legal authority to work in the United States. To do this, employees provide certain necessary documents required by the federal Form I-9.

Failure to provide the required documents will prevent an employee from working for the Company or related groups.

Minimum Age Requirements

All employees must have attained at least 18 years of age, unless an individual is an approved participant in an educational or apprenticeship program approved by the Home Office. Employees may be asked to provide proof that they are at least 18 years of age.

Personal Information

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, a travel-and-expense management site.

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:

Employee Relations Department
employeerelations@lithia.com

Disclosure of employee information to outside sources will be limited; however, we will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting investigations.

Verification of Employment

All verification of employment (VOE) and wages should be submitted to the following website:

The Work Number Database
www.theworknumber.com

VOE for Commercial Verifications

Below are instructions for commercial VOEs; for example, for mortgage lenders, pre-employment purposes, property leasing, or credit cards.

1. Please visit www.theworknumber.com.

2. Click “Log In” in the upper-right corner.
3. Select “Verify for Your Organization”.
4. Provide the following:
 - Your Social Security Number
 - Employer Code: 26474

VOE for Social Services Verifications

Below are instructions for commercial VOEs; for example, Medicaid, SSI/SSDI, SNAP, TANF, child support, or public housing.

1. Please visit www.theworknumber.com.
2. Click “Log In” in the upper-right corner.
3. Select “Government Program Verification”
4. Provide the following:
 - Your Social Security Number
 - Employer Code: 26474

For VOE assistance, contact:

Payroll Department
1-844-502-0729
payroll@lithia.com

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, state, or federal law. Sometimes, special notices and information for employees will be posted by the Company on bulletin boards. Please check the boards regularly for such notices as you are required to read all postings and are accountable for all information posted. Employee postings and/or personal postings are not permitted.

Leaves of Absence

Where applicable, under state or federal law, you may be eligible for various leaves of absence for health and other reasons, including, but not limited to, the federal Family Medical Leave Act. At Lithia & Driveway, we place a high priority on work/life balance and understand that sometimes our valued team members need to take time off to care for close family members, as well as their own health and well-being.

In addition to the federal and state leaves available to you, Lithia & Driveway has added additional leaves for employees, including bereavement leave, who may not be eligible for leaves under federal and state laws. We will discuss these leaves in detail next.

Compensation during Leave

Generally, a leave of absence is unpaid. We may require you to use accrued paid time off (PTO) to cover some or all of the leave. The use of PTO will not extend the length of a leave.

Your Benefits during Leave

Lithia & Driveway will maintain group health insurance coverage during a leave for up to a maximum of 26 work weeks, or as outlined under state or federally mandated leave, per 12-month period—if such insurance was provided before the leave was taken—and on the same terms as if you had continued to work.

Employees can continue their coverage by making monthly payments to Lithia & Driveway for the relevant premium amount.

If you are on a leave of absence but are not entitled to continue paid group health insurance coverage, you may continue your coverage through Lithia & Driveway in conjunction with federal COBRA (Consolidated Omnibus Budget Reconciliation Act) guidelines.

Your length of service as of the leave of absence will remain intact, but accrued time-off benefits will not accrue while on leave.

Outside Employment while on Leave

If you elect to engage in employment outside the Company, it should not conflict or interfere with your position at Lithia & Driveway. Fraudulent use of Company sick leave or protected leave may result in immediate termination of employment.

Family and Medical Leave Act

The Family and Medical Leave Act (FMLA) of 1993 is a federal labor law requiring covered employers to provide employees with job-protected and unpaid leave for qualified medical and family reasons. As an FMLA-covered employer, Lithia & Driveway will grant family and medical leave in accordance with the requirements of applicable state and federal law in effect at the time the leave is requested.

Where allowable by law, available federal and state leave protections and entitlements will run concurrently, and employees will have access to the most generous provision of federal and/or state law.

As soon as you become aware of the need for a leave and in accordance with the notice requirements outlined below, please contact your supervisor, and submit your request for leave to the following:

Lithia & Driveway Leave Administrator 1-866-329-9079

Leave approval is determined by the leave administrator and is based on eligibility and employee-provided information.

Employee Eligibility

Employees who are eligible for federal FMLA leave benefits have the following criteria:

- Worked for Lithia & Driveway for a total of at least 12 months
- Worked at least 1,250 hours over the previous 12 months
- Work at a location where at least 50 employees are employed by Lithia & Driveway within a 75-mile radius

The leave administrator determines an employee's eligibility. All leave requests will be reviewed, and employees will be notified of eligibility by the most appropriate means available (e.g., email or regular mail).

Leaves Available under the FMLA

Lithia & Driveway follows the rolling 12-month period method of measuring FMLA entitlement. This means that we will review the 12-month period measured backward from the date an employee uses any FMLA leave.

Under the “rolling” 12-month period, each time an employee takes FMLA leave, the remaining leave entitlement would be the balance of the 12 weeks which has not been used during the immediately preceding 12 months.

FMLA leave may be used for one or more of the following reasons:

- For the birth or placement of a child for adoption or foster care within one year of birth or placement
- To care for an immediate family member—spouse, child, or parent—with a “serious health condition” as defined by law
- To take medical leave when you are unable to work because of a pregnancy or another serious health condition
- For a qualifying exigency while the employee's spouse, son, daughter, or parent (the military member or member) is on covered active duty or call to covered active-duty status (or has been notified of an impending call or order to covered active duty)

FMLA's Military Caregiver Leave

In certain circumstances, an employee may qualify for a total of up to 26 work weeks during a single

12-month period of FMLA's Military Caregiver Leave.

An eligible employee is one who is the spouse, child, parent, or next-of-kin of a covered service member. Under some circumstances, you may take family or medical leave intermittently, which means taking leave in small blocks of time or reducing your normal weekly or daily work schedule.

If FMLA leave is taken intermittently or on a reduced schedule basis due to foreseeable, planned medical treatment, we may require employees to transfer temporarily to an available alternative position with an equivalent pay rate and benefits, including a part-time position, to better accommodate recurring periods of leave. Certain restrictions on these benefits may apply.

What Is a “Covered Service Member?”

1. A current member of the U.S. Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is in outpatient status, or is on the temporary disability retired list, for a serious injury or illness.
2. A veteran of the U.S. Armed Forces, including the National Guard or Reserves, discharged within the five-year period before the family member first takes military caregiver leave to care for the veteran and who is undergoing medical treatment, recuperation, or therapy for a qualifying serious injury or illness. A veteran who was dishonorably discharged does not meet the FMLA definition of a covered service member.

What Is a “Serious Injury”?

For a current service member, a serious injury or illness is one that may render the service member medically unfit to perform their military duties. For a veteran, a serious injury or illness is one that rendered the veteran medically unfit to perform their military duties, or an injury or illness that qualifies the veteran for certain benefits

from the U.S. Department of Veterans Affairs or substantially impairs the veteran's ability to work.

For veterans, it also includes injuries or illnesses that were incurred or aggravated during military service but that did not manifest until after the veteran left active duty. Additionally, a serious injury includes a physical or mental condition for which the veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and the need for military caregiver leave is related to that condition.

Maternity Leave & Pregnancy Disability

Maternity and pregnancy disability leaves are governed by the FMLA and applicable state laws. It's possible that both state and federal laws will apply. If you are an employee who needs leave related to pregnancy or a child's birth, contact the Lithia & Driveway Leave Administrator.

Pregnant Workers Fairness Act (PWFA)

In accordance with the federal Pregnant Workers Fairness Act (PWFA), the Company will make reasonable accommodations for known physical or mental limitations related to the pregnancy, childbirth, or related medical conditions of a qualified employee—unless the accommodation would impose an undue hardship on the operation of the Company's business. The Company prohibits discrimination based on pregnancy, childbirth, or related medical conditions and will not discriminate or interfere with any individual's rights in accordance with this policy.

If you have questions about this policy, or wish to request accommodations under this policy, contact your manager, who will work with you in conjunction with the Employee Relations Department and the Lithia & Driveway Leave Administrator.

**Lithia & Driveway Leave Administrator
1-866-329-9079**

Notice & Certification

Employees seeking to use FMLA leave are required to provide the following:

- Thirty days' advance notice is required when the need for the leave is foreseeable.
- Advance notice is required within two days after learning of the need for leave when the leave is not foreseeable, unless unusual circumstances prevent compliance, in which case, notice is required as soon as is otherwise possible and practical.
- Unless an extenuating circumstance exists, leaves cannot be requested more than 30 days retroactively.
- You must report all intermittent absences to Lithia & Driveway's leave administrator within 5 days from the date of usage. Additionally, you must follow regular call-in procedures, notifying management before the start of your scheduled shift.
- Submit a completed Certification of Health-Care Provider form within 15 calendar days, or the leave may be denied. (These forms are available from Lithia & Driveway's leave administrator.)
- Generally, Lithia & Driveway may request that an employee provide a recertification no more often than every 30 days and only in connection with an absence by the employee. Lithia & Driveway may, however, request a recertification in less than 30 days if the employee requests an extension of leave, the circumstances described in the previous certification have changed significantly, or Lithia & Driveway receive information that causes doubt regarding the employee's stated reason for the absence or continuing validity of the existing medical certification. In addition, Lithia & Driveway may request recertification in connection with an absence after six months have passed since the employee's original certification, regardless of the estimated duration of the serious health condition necessitating the need for leave. Any recertification requested by Lithia & Driveway will be at the employee's expense.
- Provide second and third medical certification.
- Provide periodic reports during the leave.

Absent of 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.

If you have a planned medical treatment—for an immediate family member who requires care or for your own serious health condition—try to schedule treatment to not unduly disrupt Lithia & Driveway operations. Please contact your supervisor before scheduling planned medical treatment.

Job Reinstatement under the FMLA

Under most circumstances—upon submitting an acceptable health care provider release to return to work from family and medical leave (when the leave was due to your own serious health condition)—you will be reinstated to the same position held at the time of the leave or placed in an equivalent position with equivalent pay, benefits, and other employment terms and conditions. Note, however, that you have no greater right to reinstatement than if you were continuously employed instead of on leave. For example, if your position is eliminated during the leave, then you will not be entitled to reinstatement. While on leave, it is prohibited to engage in work outside Lithia & Driveway. Exceptions to the general rule that employees will be restored to work include, but are not limited to, layoffs, shift eliminations, and occasions in which the employee is unable to perform essential job functions with or without reasonable accommodation.

Finally, an employee who fraudulently obtains Family and Medical Leave is not protected by the FMLA's job restoration or maintenance of health benefits provisions. In addition, Lithia & Driveway will take all available appropriate disciplinary action against such employees based on fraud.

Prior to being allowed back to work, an employee wishing to return from a leave due to their own serious health condition must submit an

acceptable release from a health care provider that certifies the employee can perform the essential functions of the job as those essential functions relate to the employee's serious health condition. During any leave taken, employees are expected to inform their supervisors of their intentions, including any changes to their expected date of return as soon as the employee becomes aware of the need for such a change.

If you do not return on your scheduled return-to-work date—and do not contact the Lithia & Driveway leave administrator and your manager to discuss your ongoing needs—Lithia & Driveway will assume that you have chosen not to continue employment with Lithia & Driveway and will accept your voluntary resignation of employment.

Nondiscrimination under the FMLA

Lithia & Driveway takes its FMLA obligations very seriously and will not interfere, restrain, or deny the exercise of any rights provided by the FMLA. We will not terminate or discriminate against any individual for opposing any practice, or because of involvement in any proceeding related to the FMLA. If an employee believes their FMLA rights have been violated in any way, they should immediately report the matter to the Employee Relations Department.

State Laws and the FMLA

Certain states may supplement or differ from the federal FMLA. To determine if you have any additional or different rights from those provided by the FMLA, please contact Lithia & Driveway's leave administrator.

To see if your state has a specific leave policy, go to the DocXplorer, located on Spark, and simply search your state's name. Any state-specific leave addendum will appear in the search results.

Lithia & Driveway Family & Medical Leave

Lithia & Driveway understands employees may have the need for time off when otherwise ineligible for federal or state leave. As a result, Lithia & Driveway will make its Family & Medical Leave available to employees who meet the minimum

eligibility requirements. This leave is offered for similar leave reasons as the FMLA.

Employee Eligibility

During the employee's initial first year of employment—and before completing the service requirements to be eligible for the FMLA—newly hired employees may be entitled to a Lithia & Driveway Family & Medical Leave.

Lithia & Driveway Family & Medical Leave may not be available if there is an available alternative position for which the employee is qualified and that can accommodate the employee's medical conditions. All active employees are eligible for Lithia & Driveway Family & Medical Leave once they have completed six months of continuous service and have worked a total of 500 hours over the previous six months.

The leave is only available during the first year of employment.

The availability of Lithia & Driveway Family & Medical Leave expires immediately upon the employee becoming eligible for FMLA leave or upon reaching one year of service.

Leave Schedule and Duration

Eligible employees may receive a total of up to 12 work weeks of job-protected, unpaid leave in a 12-month period, which is measured backwards from the date any Lithia & Driveway Family & Medical Leave is used. Leave taken under this may be taken on a continuous basis only.

Reasons for the Leave

Lithia & Driveway's leave may be used for one or more of the following reasons:

- For the birth or placement of a child for adoption or foster care within one year of birth or placement.
- To care for an immediate family member (spouse, child, or parent) with a "serious health condition" as defined by law.
- To take medical leave when you're unable to work because of a serious health condition.
- To help with any qualifying exigency that may arise from a (spouse, child, or parent) in the

National Guard, Reserves, or regular component of the U.S. Armed Forces on active or on-call to active-duty status.

- To care for a "covered service member" under the Military Caregiver Leave (discussed previously).

Notice and Certification

Employees seeking to use Lithia & Driveway Family & Medical Leave may be required to provide the following:

- Thirty days' advance notice is required when the need for leave is foreseeable.
- Advance notice is required within two days after learning of the need for leave, when the leave is not foreseeable, unless unusual circumstances prevent compliance, in which case, notice is required as soon as is otherwise possible and practical.
- Unless an extenuating circumstance exists, leaves cannot be requested more than 30 days retroactively.
- A completed Certification of Health-Care Provider form within 15 calendar days, or the leave may be denied. (These forms are available from Lithia & Driveway's leave administrator.)
- Periodic recertification.
- Periodic reports during the leave.

Absent of 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.

Return-to-Work Provisions

Under most circumstances—upon submitting an acceptable health care provider release to return to work from the leave (when the leave was due to the employee's own serious health condition)—you will be reinstated to the same position held at the time of the leave, or to an equivalent

position with equivalent pay, benefits, and other employment terms and conditions.

Please note, however, that you have no greater right to reinstatement than if you had been continuously employed rather than on leave. For example, if your position is eliminated during the leave, then you will not be entitled to reinstatement. While on leave, it is prohibited to engage in work outside Lithia & Driveway.

During any leave taken, employees are expected to inform their supervisors of their intentions, including any changes to their expected date of return as soon as the employee becomes aware of the need for such a change.

If you do not return on your scheduled return-to-work date—and do not contact Lithia & Driveway’s leave administrator and your manager to discuss your ongoing needs—Lithia & Driveway will assume that you have chosen not to continue employment and will accept your voluntary resignation of employment.

Coordination with Other Leaves

Lithia & Driveway Family & Medical Leave will run concurrently with all applicable statutory leave entitlements, disability benefits, workers’ compensation leave, and an employee’s own paid time off benefits.

Lithia & Driveway Military Leave

Time off from work to fulfill military duties will be treated in accordance with applicable requirements of state and federal laws. The employee is expected to submit a request for leave to Lithia & Driveway’s leave administrator and notify their supervisor and provide a copy of their orders as soon as possible.

When an employee is a member of the military reserve and is required to participate in reserve training or military service, Lithia & Driveway will grant an unpaid military leave of absence.

During a military leave of absence, benefits coverage will continue as outlined under federal guidelines.

Lithia & Driveway Leave for Jury Duty

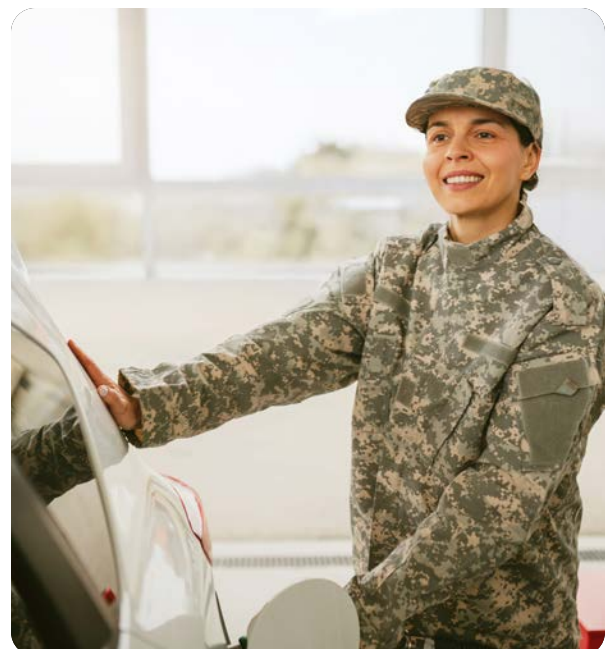
We encourage employees to serve on jury or witness duty when called to do so. Employees must notify their supervisor of the need for time off for jury or witness duty upon receipt of a subpoena, notice, or summons from the court.

Time off for jury or witness duty will be unpaid, except in the following situations:

- When paid time off for such duty is otherwise required by applicable state law, or;
- When exempt employees will not incur any reduction in pay for a partial week of absence due to jury or witness duty.

Full-time employees are eligible for duty pay after 60 days of continuous, uninterrupted employment with Lithia & Driveway. Lithia & Driveway will comply with all state laws regarding pay for jury leave.

Employees may be required to provide verification of jury duty or witness service from the court clerk. Any employee on jury or witness duty is expected to report or return to work for the remainder of the work schedule when dismissed from jury or witness duty.



Lithia & Driveway 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 spouse, domestic partner, child, stepchild, parent, stepparent, sibling, stepsibling, grandparent, or parent-in-law.

Under certain state 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.

Lithia & Driveway Personal Leave of Absence

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. In such circumstances, employees should initiate a Lithia & Driveway Personal Leave of Absence.

Regular full-time and regular part-time employees may be granted an unpaid personal leave of absence for up to sixty (60) calendar days at the sole discretion of Lithia & Driveway, subject to business needs.

Requests for personal leave of absence must specify a starting and ending date, as well as the reason for the requested leave. There should be a compelling personal reason for the leave. Leave will not be granted to work another job or seek employment or career opportunities elsewhere. Personal leave also cannot be used to extend an employee's separation date.

Employees returning from personal leaves of absence are not guaranteed re-employment. Rather, re-employment is subject to the availability of a position that Lithia & Driveway determines is suited to an employee's skills, qualifications, and experience.

Employee Eligibility

All active Lithia & Driveway employees are eligi-

ble for a Lithia & Driveway Personal Leave of Absence once they have completed three months of continuous service and are in good standing with Lithia & Driveway.

In addition, as discussed in this policy, employees are only eligible for Lithia & Driveway Personal Leave of Absence if they have exhausted, or are ineligible for, the Lithia & Driveway Family & Medical Leave and/or all other statutory leaves.

Personal leave is subject to the Employee Relations Department's and a manager's approval. When considering a personal leave request, a variety of factors will be considered, including the following:

The purpose of the leave.

- The length of time the employee will be away.
- The effect the leave will have on the ability of the department to carry out its responsibilities.
- The employee's position, disciplinary action, good standing, performance, absence record and length of service.
- Whether or not the employee is eligible for, or has requested or utilized, other leave in connection with absences.

Please note that Lithia & Driveway personal leave is not job-protected leave. (See the "Return-to-Work Provisions" section below.) As a result, Lithia & Driveway retains the right to deny requests for Lithia & Driveway Personal Leave of Absence at its sole and absolute discretion.

Leave Schedule

Leave taken under Lithia & Driveway Personal Leave of Absence may be taken on a continuous basis only and for a maximum duration of 60 days.

Reasons for Leave

Leave taken under the Lithia & Driveway Personal Leave of Absence may be taken for reasons not covered by other leave plans.

Notice Requirements

Employees seeking to take a Lithia & Driveway Personal Leave of Absence may be required to provide the following:

- Thirty-days' advance notice is required, when the need for the leave is foreseeable;
- Advance notice is required within two days after learning of the need for leave, when the leave is not foreseeable; and
- Periodic reports during the leave.

Return-to-Work Provisions

The approval of a Lithia & Driveway Personal Leave of Absence does not guarantee job reinstatement.

Upon receiving confirmation of an employee's return-to-work date, the supervisor or general manager will arrange to have the employee resume their previous position, if available. If the previous position is no longer available, the employee may be considered for other open positions for which they may be qualified.

If no position exists, any obligation to reinstate the employee is discontinued, and the employee's leave status is changed to a voluntary termination as of the date this fact is communicated to the employee. Future reemployment would be as a rehire with only legally required reinstatement of applicable benefits. During any leave taken, employees are expected to inform their supervisors of their intentions, including any changes to their expected date of return as soon as they become aware of the need for such a change.

If employees do not return on their scheduled return-to-work date—and do not contact Lithia & Driveway's leave administrator and their manager to discuss their ongoing needs—Lithia & Driveway will assume the employees have chosen not to continue employment and will accept their voluntary resignation of employment.

Coordination with Other Leaves

Employees needing a Lithia & Driveway Personal Leave of Absence are those who have either exhausted, or are ineligible for, Lithia & Driveway Family & Medical Leave and/or all other statutory leaves. Lithia & Driveway's Personal Leave of Absence will run concurrently with an employee's own PTO benefits.

The Americans with Disabilities Act

Lithia & Driveway values all employee contributions, including those who are experiencing disabilities. Lithia & Driveway prohibits discrimination based on physical or mental disability and follows the guidelines of the Americans with Disabilities Act (ADA) and related state laws.

The ADA requires that employers with 15 or more employees do not discriminate against applicants and individuals with disabilities and, when needed, to provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

What Is Reasonable Accommodation?

A reasonable accommodation's primary function is to enhance workplace productivity and provide equal employment opportunities to applicants, candidates, and employees with disabilities.

If you have a disability as defined by federal or state law and you need accommodation for your disability, please begin the interactive process to discuss possible accommodations by contacting your manager, who will work with you in conjunction with the Employee Relations Department and Lithia & Driveway's leave administrator at 1-866-329-9079.

In some cases, the interactive process may be triggered without a request from the employee, such as when Lithia & Driveway receives notice from its own observation or another source that a medical impairment may be impacting the employee's ability to perform essential job functions. All accommodation requests are handled on a case-by-case basis. Lithia & Driveway will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation or if the accommodation creates an undue hardship. Reasonable accommodations are any changes

in the workplace, or the way job duties are customarily performed that provides an equal employment opportunity to an individual with a disability. (This process does not cover requests that would fundamentally change the essential functions of a job.)

Safety Standards

All employees are required to comply with Lithia & Driveway's safety standards. Current employees who pose a direct threat to the health or safety of themselves or other individuals in the workplace will be placed on leave until an organizational decision has been made regarding the employee's immediate employment situation.

Medical Conditions

Lithia & Driveway will also consider requests for reasonable accommodations for medical conditions related to pregnancy, childbirth, and lactation, where supported by medical documentation and/or as required by applicable federal, state, or local law.

Illegal Drugs

Individuals who are currently using illegal drugs are excluded from coverage under Lithia & Driveway's ADA policy.

How to Report Discrimination

If you believe you have been discriminated against, harassed, or retaliated against because of your disability, please report this using the guidelines in our Anti-Discrimination, Harassment & Corporate Governance Policy in Section 8 of this handbook.

Confidentiality of Medical Information

Lithia & Driveway will ensure the confidentiality of all medical information obtained in connection with a request for reasonable accommodation, as well as the confidentiality of all associated communications during the interactive process as required by federal law. Nonmedical information obtained during this process is shared on an as-needed basis with those involved in providing reasonable accommodation.

Disciplinary Action

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

When the employee's performance or behavior 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

Employment with Lithia & Driveway is "at-will," meaning that the employment relationship can be terminated by the Company or the employee at any time, with or without cause and/or with or without notice, subject to state law.

While it's never our goal to see employees leave the Company, employment may be terminated by way of involuntary termination, resignation, retirement, or reduction in the workforce.

Written Notice

If you voluntarily resign, we ask that you provide written notice at least two weeks before the last day of employment to give us the opportunity to make the necessary adjustments in operation.

Termination Date

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

Paid Time Off Balances

Except in cases of retirement, paid time off (PTO) hours cannot be used to extend the length of service. Any PTO balances reflecting unaccrued time, as well as sick time or any accrued but unused PTO, will not be paid out at termination unless otherwise required by state law.

Company Debts and Property

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.

Qualified Retirement

A "qualified retirement" occurs when an employee retires from employment at or after age 55 and has completed at least 10 years of service. Employees who meet this requirement may be eligible for continued vesting of certain benefits, such as equity awards and supplemental executive retirement awards, subject to the terms of the applicable plan documents and award agreements. Employees should refer to their individual award letters for specific details.





SECTION 05

Total Rewards

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

Contents

- 47** Introduction
- 47** Employee Experience
- 47** Benefits
- 48** Well-Being
- 49** Pay
- 49** Recognition
- 49** Development

Where to Turn

Total Rewards Website

From health and retirement plans to career growth and well-being, easily navigate all the benefits, perks, and programs available to you, as a valued Lithia & Driveway team member.

totalrewards.lithiadriveway.com

Benefits Website

Where you complete enrollment and manage your benefits elections—plus find rate sheets and other important benefit documents. You can also access the website through single sign-on via the Spark homepage or through the Total Rewards website.

mylithiabenefits.com

Benefits Service Center

A general enrollment resource so you can get answers on what we offer, the costs, plan details, and help enrolling in benefits or logging into the Benefits Website.

1-833-550-5606

mylithiabenefits.com

Benefits Department

A phone tree to direct you to the right contact, depending on your query.

1-800-995-4125

Lithia & Driveway Benefits Team

For general benefits assistance, you can also email the Benefits Team.

benefits@lithia.com

Employee Assistance Program (EAP)—SupportLinc

Available 24/7 to help you and your family members with the demands of everyday life, including stress, legal and financial matters, and care-giving services.

1-888-881-5462

supportlinc.com | Group Code: lithia

Introduction

Total Rewards Support *Growth Powered by People*



Total Rewards

We celebrate and support your contributions at Lithia & Driveway (LAD) with our Total Rewards program, which creates a positive employee experience that includes opportunities to be recognized and further develop your career.

As one of the largest global automotive retailers, we deliver superior rewards that surpass the industry standard. You can expect our support in several total rewards categories, discussed in this section.



Employee Experience

Igniting your potential to thrive at LAD

Total Rewards goes beyond pay and benefits to support your overall work experience with extra perks—including recognition, career growth, and work/life balance. We're helping you ignite your potential so you find personal and professional success.

Whatever your role at Lithia & Driveway, our total rewards will provide meaningful benefits and programs to support you, your family, and your career.



Benefits

Supporting your health and financial security

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

- Medical & prescription drug insurance
- Supplemental health plans (accident, critical illness, hospital indemnity)
- Dental & vision insurance
- Life insurance
- Short & long-term disability insurance
- Accidental death & dismemberment insurance
- Flexible spending accounts (FSAs)

- Health savings account (HSA)
- Paid time off
- 401(k) Plan with company match
- Employee Stock Purchase Plan (ESPP)

Benefits Enrollment for New Hires

The deadline to enroll in benefits and add dependents is by your 30th day of employment. Any elections made during the new-hire, 30-day window will be locked in for the plan year, which ends December 31.

Benefits begin at the first of the month following 30 days of full-time employment. For example, if your hire date is July 22, your benefits would begin September 1. (For Hawaii employees, benefits will begin the first of the month following 28 days of full-time employment.)

Benefits Enrollment for Full-Time Employees

You're considered a full-time employee if you're working 30 hours or more per week. You can enroll or make changes to your benefits elections during the annual Open Enrollment period, which occurs in November.

Benefits elected during Open Enrollment are effective January 1 through December 31 of the next year.



Benefits Enrollment for Part-Time Employees

As a part-time employee, you're eligible for select benefits, which may include the following:

- Employee Assistance Program
- 401(k) plan
- Employee Stock Purchase Plan
- Wagmo pet wellness plans
- Commuter flexible spending account

Time-off Benefits

To help you balance the demand of work and life, we offer paid time off (PTO) for all full-time employees. Part-time employees may be eligible for sick time pay based on the work location.

For all time-off details, you can view your time-off policy on the Total Rewards website at totalrewards.lithiadriveway.com.

All eligible time-off benefits will be paid according to the definitions within your pay plan. No unused time off will be paid out at termination unless required by law.

Qualifying-Life Events

If you experience a qualifying-life event during your employment, any applicable changes to your benefits elections must be completed within 30 days from the event.

All dependents must also be verified within the 30-day window. The following are examples of a qualifying-life event, as defined by the Internal Revenue Service:

- A change in the employee's legal marital status or domestic partnership status

- A birth or an adoption of a child
- A loss or gain of outside health coverage

To enroll, elect, or change your benefits, go to:

Benefits Website

mylithiabenefits.com



Well-Being

Taking care of you in all aspects of life

In addition to the health and financial benefits, we're dedicated to supporting your mental health and general well-being. Programs available to you, as a valued team member, include the following:

- Employee Assistance Program
- \$250 annual wellness bonus
- Physical and mental well-being
- Financial well-being
- Employee discounts & perks
- Pet wellness plans
- Community engagement opportunities
- Sustainability mindset

Employee Assistance Program

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 SupportLinc, which you may contact 24 hours a day, 365 days a year. Strict confidentiality standards ensure no one will know you have accessed the program without your written permission. Balancing your work and home is not always easy, but with SupportLinc, you don't have to face life's challenges alone.

Wellness Bonus

To encourage good health, we offer an annual wellness bonus. If you're enrolled in a Lithia & Driveway medical plan, you can receive \$250 when you have an annual preventive-care exam and submit the completed Wellness Bonus Form in Workday.

Forms are available on the Spark homepage under the Total Rewards tile or on the Total Rewards website.

If your spouse or domestic partner is also enrolled in a Lithia & Driveway medical plan, they are eligible for their own \$250 wellness bonus, too.

Pay

Motivating our high-performance culture

Time is valuable—and we recognize its worth with competitive compensation plans, including:

- Applicable bonuses/commissions
- Performance-based/merit pay
- Easy access to pay information on Workday’s “Benefits and Pay” app

Recognition

Celebrating your success and dedication

We *Have Fun* honoring your professional milestones and achievements, such as:

- Milestone awards
- Retirement awards
- Celebration of major family events

In addition, we celebrate promoting high performance and helping team members pursue their potential through the following programs:

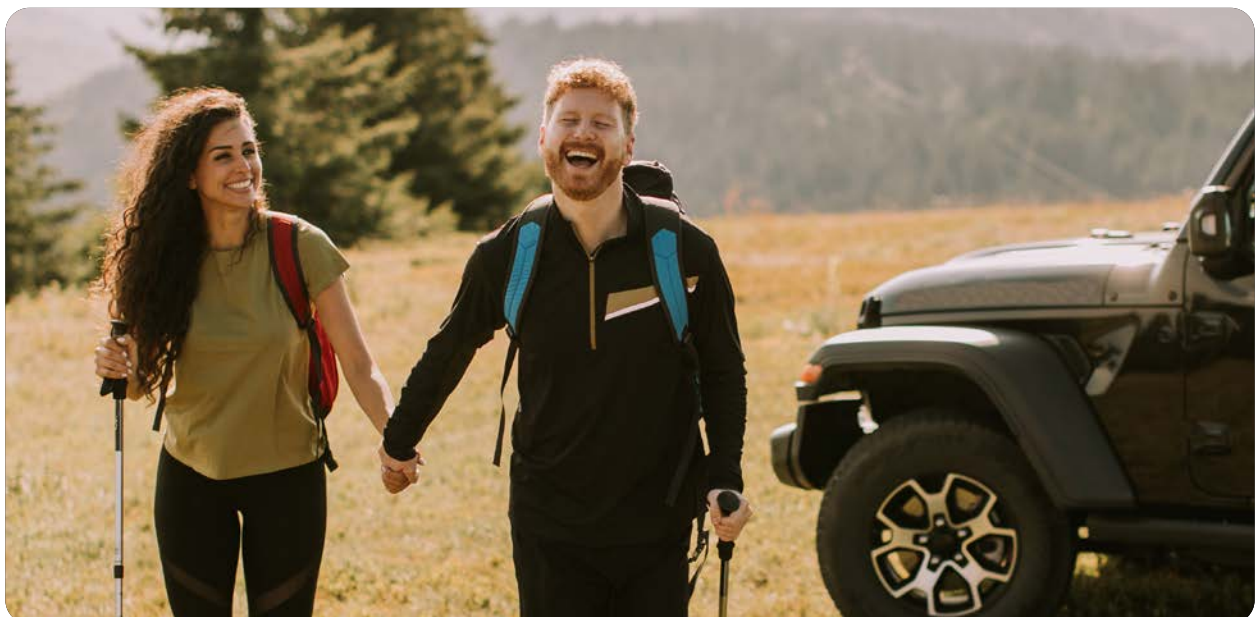
- **Lithia & Driveway Partners Group (LPG)**—Recognition of top-performing leaders who exemplify loyalty, potential, and growth while embodying our core values
- **Accelerate My Potential (AMP)**—A development program based on nominations to strengthen your leadership and business skills
- **LEAD (Lead, Explore, Achieve, Develop)**—A program designed to foster leadership, growth, and career development for all team members

Development

Growing your skills and driving you forward

Reach new heights in your career by taking ownership over your growth:

- Collaborate with people to achieve goals
- Engage in communities to impact culture
- Expand perspectives through continued education
- Connect internally across teams





SECTION 06

Workplace Safety

| Safety rules are your best tools.

Contents

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53	Safety Equipment
53	Safety Reporting Requirements
53	Work Injury Reporting Procedure
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55	Tobacco Use
55	Drug Testing
55	Workplace Violence
56	Security of Company Property & Vehicles
57	Search & Inspection of Company Property

Where to Turn

Emergency Action

Always call **911** in an emergency situation.

Non-Emergency & Work Injury Reporting

When the situation is not an emergency—in all states, *except* for Washington and Wyoming—call:

Company Nurse Hotline

1-844-526-0907

Safety Data Sheets

Located on Spark, go to the Risk Management tile and click on Safety Data Sheets.

spark.lithiamotors.com

Lithia & Driveway Safety Documents

Located on Spark, go to the DocXplorer tile, and do a search using the word “safety.”

spark.lithiamotors.com

Risk Management Team

Store management support on all insurance-related matters.

insurance_claims@lithia.com

Reporting Workers' Compensation Claims

To report claims, all states—except Washington and Wyoming—should contact:

Company Nurse Hotline

1-844-526-0907

- For Washington claims, call 1-877-561-3453
 - For Wyoming claims, email [Report-of-Injury-Form](#) to dws-intake@wyo.gov
-

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 Safety & Health

To ensure your safety and health, we have a comprehensive and effective environmental health and safety program that eliminates unsafe conditions and minimizes the impact of hazardous situations to you, our customers, and our property.

Keeping you safe requires that we all observe basic safety principles, employ sound management practices, and comply with applicable codes, standards, and federal and state laws.

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.

Safety Reporting Requirements

Report to your immediate supervisor 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 you never experience an injury at work; however, if you do, it's important to know the correct steps to take based on whether the situation is an emergency or not.

Emergency Action

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

Non-Emergency Reporting

For non-emergencies (except in Washington and Wyoming), call:

Company Nurse Hotline 1-844-526-0907

The hotline is available 24/7/365 and is staffed by registered nurses who will assess the situation and direct you to the appropriate care level.

Injuries may be reported by either the injured worker or a manager via the hotline, which will determine whether self-care, occupational medicine, or urgent care is needed.

Notify Your Supervisor Immediately

All accidents, injuries, and illnesses at the workplace must be reported to your supervisor immediately.

In Texas, all work-related injuries must be reported before the end of your shift on the same day. Failure to do so may result in a workers' compensation claim denial.

Reporting a Workers' Compensation Claim

To file a workers' compensation claim, if you live in any state (except for Washington and Wyoming), call:

Company Nurse Hotline 1-844-526-0907

In Washington and Wyoming, workers' compensation claims are managed through the state's program. The injured worker must notify management and seek immediate medical attention, if necessary.

- In Washington state, call 1-877-561-3453.
- In Wyoming, email the Report-of-Injury Form to dws-wcintake@wyo.gov.

Risk Specialist Support

Each store has a dedicated Lithia & Driveway risk specialist to assist with all claims, from start to resolution.

To find your store's risk specialist, visit DocXplorer on Spark and download the "Work Injury Reporting Procedure" document.



Safety Meetings & Committees

A mandatory requirement for every Lithia & Driveway store is that they establish a safety committee consisting of store leadership.

A safety committee should (1) consist of at least four members, (2) convene monthly with more than 60% of the members in attendance, and (3) record and maintain detailed meeting minutes.

Per U.S. Occupational Safety & Health Act (OSHA) regulations, safety committee members will be trained in safety-related subjects, including hazard identification and incident investigation. Lithia & Driveway issues a monthly safety newsletter to help guide safety meeting topics.

For more information on creating and maintaining a safety committee at your location, please visit the DocXplorer on Spark and search for "Safety Committee."

If you have any questions or concerns regarding workplace safety, please bring them to the attention of a local safety committee member and your immediate supervisor

Disciplinary Action

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.

For a comprehensive overview of all the employee safety and health items, you can access our [Safety Compliance Manual](#).

Medical Examinations

The Company is committed to maintaining a safe and healthy working environment for all employees. We may require employees to undergo medical examinations when legitimate business

reasons arise, whether related to performing your job functions or assuring the safety of you and/or others.

Medical examinations for job-related purposes, based on business necessity, will be performed by a physician or medical advisor selected and paid for by the Company.

Medical information is confidential, and this confidentiality will be maintained in accordance with applicable legal requirements.

Tobacco Use

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

Drug Testing

We are committed to maintaining a workplace that is free from the effects of drugs and alcohol. We may conduct drug testing in the workplace consistent with any applicable federal, state, or local laws.

Workplace Violence

Below are the subsections of Lithia & Driveway overall policy to address and prevent workplace violence at its locations and offices.

I. Statement of Policy

The Company recognizes that workplace violence is a concern among employers and employees across the country.

The Company is committed to providing employees with a safe, violence-free workplace. In this regard, the Company strictly prohibits employees, customers, vendors, visitors, or anyone else on Company premises (including offices, vehicle showrooms and lots, and service areas)

from behaving in a violent or threatening manner, whether expressed or implied. The Company believes that prevention of workplace violence begins with recognition and awareness of potential early warning signs and, therefore, has established this policy for responding to any situation that presents the possibility of violence.

II. Workplace Violence Defined

Workplace violence is any act or threat of physical violence, harassment, intimidation, or other threatening disruptive behavior that occurs at the worksite. It ranges from threats and verbal abuse to physical assaults and even homicide. It can affect and involve employees, vendors, customers, and visitors. Workplace violence includes, but is not limited to, the following:

- Fighting.
- Threatening, physically aggressive, or violent behavior, such as intimidation or attempts to instill fear in others;
- Behavior that suggests a propensity towards violence, including belligerent and/or abusive speech, excessive arguing or swearing, or sabotage or threats of sabotage of Company property;
- Defacing Company property or causing physical damage to the facilities;
- Misuse of vehicles, tools, or equipment, including using such items as potential weapons; or
- With the exception of security personnel—except as expressly allowed by state law—bringing or displaying weapons or firearms of any kind on Company premises, in Company parking lots, while conducting Company business or at any Company-sponsored event.

III. Reporting & Follow-up

Employees are directed not to joke about acting violently or threatening others at the workplace. Comments of this nature will be taken seriously. Workplace violence does not include occasional comments of a socially acceptable nature, such as references to legitimate sporting activities, popular entertainment, or current events. Rather,

it is personally offensive, threatening, or intimidating behavior.

If any employee observes or becomes aware of any of the above-listed actions or behavior by an employee, contractor or temporary worker, customer, vendor, visitor, or anyone else, they should notify their direct supervisor and/or general manager immediately. This reporting should not be in lieu of, or instead of, reporting the same threat to local law enforcement consistent with the employee's judgment.

Further, employees should notify the Employee Relations Department if any restraining order is in effect, or if a potentially violent nonwork-related situation exists that could result in violence in the workplace. No adverse employment action will be taken against employees because they notify the Company of a potentially violent nonwork-related situation.

The Company has sole discretion to determine what conduct constitutes workplace violence and to what extent threats or acts of violence will be acted upon by the Company. Recognizing that workplace violence is contextual, the Company will take a case-by-case analysis to determine whether there is a reasonable basis to believe that workplace violence has occurred, as well as to take whatever measures are necessary, including appropriate disciplinary action, to ensure a safe working environment for all its employees.

IV. Security Considerations & Inspection

Security is a shared responsibility. Consistent with applicable law and Company policies, the Company has a right to conduct inspections of personal belongings and workspaces. The Company offers the following security considerations to help maintain a secure workplace:

- Be aware of people loitering for no apparent reason (e.g., in parking lots, walkways, entrances/ exits, and service areas).
- Report any suspicious persons or activities to your supervisor and/or general manager.

- Do not leave valuable and/or personal articles in or around your desk or work area that may be accessible.
- Be alert and aware at all times of potential security risks, including unusual or suspicious behavior from employees or customers.
- Do not place yourself in peril, such as trying to intercede in an act of violence.
- Please treat every threat seriously.

For state-specific workplace violence prevention plans—such as for California and New York—go to the DocXplorer tile on Spark and simply search for your state by name.

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. Company-owned vehicles may only be used or driven by authorized employees in strict connection with necessary employment and the permission of management.

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

Any traffic citations received while driving a Company-owned or customer vehicle are the responsibility of the employee. If any damage

occurs to a Company-owned or customer vehicle, the employee responsible shall report it immediately to their supervisor who will report the claim to insurance_claims@lithia.com.

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. Motor vehicle accidents are the leading cause of serious injury to workers in the United States.

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

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

1-800-224-8168

or

lithiaemployeefeedback.com

DocXplorer on Spark

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

spark.lithiamotors.com

Treasury Team

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

banking@lithia.com

Introduction

Piloting Our Path Forward with Core Values & Standards

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 & Driveway 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 team member who brings those qualities to our customers and communities.

To report a violation of the Code, you can do so confidentially and anonymously by calling:

Concern Hotline

1-800-224-8168

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

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

Conflicts of Interest

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

A conflict of interest occurs when an individual's private interest (or the interest of a member of his or her family) interferes, or even appears to interfere, with the interests of the Company as a whole.

A conflict of interest can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when an employee, officer, or director (or a member of his or her family) receives improper personal benefits (e.g., bribes or other inducements) as a result of his or her position in the Company. These could include direct payments or gifts, payments

or other compensation for favorable purchasing, employment, or other decisions, outside employment or interests in a competitor, vendor, or customer or the like.

Conflicts of interest are prohibited as 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 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 ap-

proval 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 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.

Investor Relations Department

IR@lithia.com

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 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 behavior and providing mechanisms for employees of the finance organization to openly consult with, confide in and inform senior management within the finance organization of deviations in practice from policies and procedures that dictate honest and ethical behavior; and
- Establish and promote a Company financial policy that ensures business transactions are properly authorized and accurately recorded in the Company's books and records in accordance with generally accepted accounting principles.

Reporting and Enforcement

You are expected to be aware of situations that could result in actions that may violate federal, state, or local law or the standards of conduct addressed in this Code. If you believe that your conduct or the conduct of a 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: 1-800-224-8168

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 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, 2026

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, which is found in Section 8 of this handbook.

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.

Definition of Confidential or Proprietary Information

The Company's confidential and/or proprietary information (collectively "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 the Company's business methods, business plans, databases, systems, technology, intellectual property, know-how, management, business development, operating procedures, trade secrets, 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 Proprietary 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, copyright, trade secret, and trademark law in perpetuity or for the longest period otherwise permitted by law.

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.

As a publicly held company, 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, state, 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. Cardholder data refers to any information on a customer's payment card (both printed and/or contained in the magnetic strip or chip). On an annual basis, Lithia & Driveway must demonstrate

compliance with these standards. 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



Safeguarding Customer Information

The Federal Trade Commission (FTC) mandates compliance with their Standards for Safeguarding Customer Information rule for all institutions engaged in financial services. This rule requires Lithia & Driveway to ensure the security and confidentiality of customer information, including nonpublic personal information (NPI) and to protect against any anticipated threats or hazards to the security of such information. To protect our customers and the Company, Lithia & Driveway takes the most conservative and broadest approach to satisfy the intent of this rule. As such, it is strictly prohibited to receive, manage, and/or handle NPI—such as credit application details, credit reports, or card payment data—unless you are an authorized employee to do so. All personally identifiable information (PII)—for example, Social Security numbers, driver’s license numbers, and names and addresses—is to be secured when not in use and should never be placed where it can be openly viewed or handled by individuals not having a specific, job-related purpose to access it. Hard copies of data that are no longer needed must be disposed of in a shred bin or other approved methods for secure destruction.

Any NPI, PII, or PCI data may not be accessed on a personal device. All digital data must be viewed and/or modified by a Company-owned device. It is of utmost importance to recognize that failure to comply with these guidelines could result in serious consequences, including legal actions, significant repercussions, and disciplinary measures.

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.

Important Note

To ensure compliance with the rules intended to protect customer information and cardholder data, NPI and payment card data should never be shared or received over business phone lines and should never be stored on electronic or paper media, including email.

Document Retention Policy

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

Reasons for this Policy

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

We focus on a long-term strategy to earn loyalty, ignite potential, and drive growth.

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Where to Turn

Employee Relations Department

For assistance regarding key employee policies and processes.

employeerelations@lithia.com

Concern Hotline

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

1-800-224-8168

or

lithiaemployeefeedback.com

DocXplorer on Spark

Located on Spark, “DocX” is our document hub for all things Lithia & Driveway. You can find both corporate and state-specific policies in the DocX, 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](#)”
- **State-Specific Compliance Documents**
Search for your state’s name

spark.lithiamotors.com

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 The Company, 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, Department of Motor Vehicles (DMV) 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 1-800-866-9213 ext. 6373 or the Legal Department at 1-800-866-9213 ext. 7545.

An employee may also call the Concern Hotline at 1-800-224-8168 or submit concerns online at 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 above policy.

Anti-Discrimination, Harassment & Corporate Governance Policy

Updated January 2026

The Company 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 the Employee Relations Department.

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 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, military or veteran status, or any other consideration protected by federal, state, or local law.

Discrimination and Harassment Defined

Disparate (unequal) and unfair treatment of any employee or individual because of their race, color, religion, creed, pregnancy, age, marital status, sex, national origin or ancestry, sexual orientation, gender identity or expression, physical

or mental disability, medical condition, genetic information, veteran status, or any other consideration protected by federal, state, or local law is prohibited.

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 behavior 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 Procedure” (discussed shortly).

Sexual Harassment Defined

The Equal Employment Opportunity Commission states that 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 state laws define additional forms of offensive behavior 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

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.

An employee who engages in or aids and abets discrimination or harassment may also be held personally liable for monetary damages under many states' civil laws. The Company will not pay damages assessed personally against an employee.

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 state enforcement agency related to this policy is prohibited.

Our Reporting Procedure

The following steps are available for communicating employee concerns or complaints of harassment, discrimination, and retaliation to Lithia Motors, Inc.

Step 1

Any employee may report a concern or file a complaint by communicating directly with their direct manager, a Department Manager, General Manager, Office or Business Manager or the

Employee Relations 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:

Head of Employee Relations
1-800-866-9213, ext. 3037

An employee may also call the following:

Concern Hotline
1-800-224-8168

In addition, they can submit concerns online at lithiaemployeefeedback.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 state or federal agency.

- **New York Addendums**—If you work or will work in New York, please see the New York supplemental policy and complaint form that further supports Lithia Motors, Inc.'s Anti-Discrimination, Harassment & Corporate Governance Policy. The supplemental policy and complaint form may be found on Spark by searching "New York State" on the DocXplorer.
- **Oregon Addendums**—If you work or will work in Oregon, please see the Oregon policy addendum that further supports Lithia Motors, Inc.'s Anti-Discrimination, Harassment & Corporate Governance policy. The Oregon addendum may be found on Spark by searching for "Oregon" on the DocXplorer. In addition, the Oregon addendum will be provided to employees upon hire and at the time a complaint is made.
- **California Addendums**—If you work or will work in California, please see the information sheet on sexual harassment, which further supports Lithia Motors, Inc.'s Anti-Discrimination, Harassment & Corporate Governance Policy. The information sheet may be found on Spark by searching for "California" on the

DocXplorer. Each of our California locations also contain posted information regarding transgender rights and the illegality of sexual harassment. In addition, and as required by California law, Lithia Motors, Inc., will provide one hour of sexual harassment and abusive conduct prevention training to nonsupervisory employees and two hours of sexual harassment and abusive conduct prevention training to supervisors and managers once every two years. This training will include practical examples of harassment based on gender identity, gender expression, and sexual orientation.

Step 2

Lithia Motors, Inc., 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.

Step 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 co-workers.

Employee Compliance

All employees are required to fully cooperate in carrying out this policy and should avoid acts of discrimination, harassment, or retaliation 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, military or veteran status, or any other consideration protected by federal, state, or local law. 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 will be documented and forwarded to Employee Relations for appropriate follow up. Accounting, internal accounting controls, or auditing concerns will be documented and presented to Lithia Motors, Inc.'s 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 Sarbanes-Oxley Act of 2002 (SOX). Employees may report discrimination, harassment, retaliation, or concerns regarding internal accounting controls or auditing matters to either of the following:

Concern Hotline

1-800-224-8168

or

lithiaemployeefeedback.com

The Concern Hotline and the 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 state health and safety regulations, and preventing accidents, the Company strictly prohibits the use, distribution, sale and possession of alcohol and drugs which 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.

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 to the Company at leaves@lithia.com. For their privacy, employees will not be asked to identify the medication or the underlying illness.

The Company may conduct Reasonable Suspicion or Random Testing, subject to state law, for drugs and alcohol of any employee or group of employees, without notice. Any employee who reports to work under the influence or impaired, and/or is found to have a positive test result showing alcohol, drugs or other controlled or illegal substance, regardless of when or where the substance entered their system, is subject to immediate termination of employment.

The complete Lithia Motors Inc. Drug and Alcohol Policy can be found on Spark by searching "Drug and Alcohol" on DocXplorer.



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 federal and state 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 the Company.
- Any person who enjoys a contractual relationship with the Company, that may place that person in a position to gain knowledge of Inside Information
- Any other person who is rendering services to the Company, 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

Federal and state 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 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.

Transaction 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 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

The Company 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

The Company's will post this policy on its intranet accessible by Lithia Motors, Inc., employees and will summarize the policy in the acknowledgment

made by all 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, 2026

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.

Employees are expected to report suspected security incidents or policy violations promptly. Access to sensitive systems and data is granted only as necessary and regularly reviewed.

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, TikTok, 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, state, 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 state 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.

In addition, this type of advertising and selling of Lithia Motors, Inc.'s services and products should only be done on social media or online business accounts created and owned by Lithia Motors, Inc. 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.

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.—including its brands Driveway, GreenCars, and Driveway Finance Corporation (DFC)—the Company, the Company’s competitors, or the Company’s customers or vendors, because 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.

However, if an account created by an employee is claiming to be, or is advertising for, Lithia Motors, Inc., social@lithia.com should be allowed to request credential information.

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:

Employee Relations Department

employeerelations@lithia.com

California Personal Cell Phone Policy

(California Employees Only)

The Company provides a variety of methods for you to conduct business, perform your job and contact customers, including use of the Company’s desktop telephones and texting from desktops through the Company’s Customer Relations Management software. It is not necessary nor does the Company require employees to use their personal cell phones, smartphones, tablets, or other mobile computing devices for work purposes.

Hourly employees are not allowed to use their cell phones for business purposes outside of regular working hours unless the employee receives prior permission to do so, in which case you must report the time worked (outside of regular working hours) to your supervisor or your General Manager, and the Company will pay you for actual time worked for any business-related purpose.

In the event a customer contacts you outside of regular working hours, you should wait to respond until the next day (during business hours), or inform the General Manager if any time was spent responding to a customer inquiry.

In all circumstances when an hourly employee uses a personal cell phone for a business-related matter, you should submit an expense reimbursement request consistent with this policy. You will receive reasonable reimbursement for the value of the use of your personal cell phone in direct consequence of the discharge of your job duties.

You should submit all necessary cell phone reimbursement requests with appropriate supporting documentation within 30 days of incurring the expense. If supporting documentation is nonexistent, missing, or lost, you should submit a signed statement regarding any such receipts.

Cell phone usage at work is subject to Lithia Motors Inc.'s Anti-Discrimination, Harassment & Corporate Governance Policy. Violation of this policy may lead to disciplinary action, up to, and including, termination.

Employees who work in hazardous areas must refrain from using personal cell phone devices while at work in those areas, as such use can potentially be a major safety hazard.



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 the Company 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 other employees may find offensive
- 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:

Employee Relations

employeerelations@lithia.com

Comprehensive At-Will Employment Agreement

Between the Company and Employee signing this Agreement (Employee):

In consideration of my employment with the Company, including its affiliates, parents, predecessors, successors, owners, directors, officers, managers, employees, agents, and parties affiliated with its employee benefit and health plans, my receipt and continued receipt of pay and benefits from the Company, and the mutual promises contained herein:

I agree as follows: My employment and compensation is terminable at-will, is for no definite period, and my employment and compensation may be terminated by the Company (employer) at any time and for any reason whatsoever, with or without good cause at the option of either the

Company or myself. Consequently, all terms and conditions of my employment may be changed or withdrawn at Company's unrestricted option at any time, with or without good cause.

No implied, oral, or written agreements contrary to the express language of this agreement are valid unless they are in writing and signed by the President of the Company.

No supervisor or representative of the Company, other than the President, has any authority to make any agreements contrary to the foregoing.

This agreement is the entire agreement between the Company and me regarding the rights of the Company or me to terminate employment with or without good cause, and this agreement takes the place of all prior and contemporaneous agreements, representations, and understandings of the Company and me.

Agreement

Between the Company and Employee signing this agreement:

Should any term or provision, or portion thereof, be declared void or unenforceable, it shall be severed, and the remainder of this agreement shall be enforced.

Print Employee Name

Signature of Employee

Date



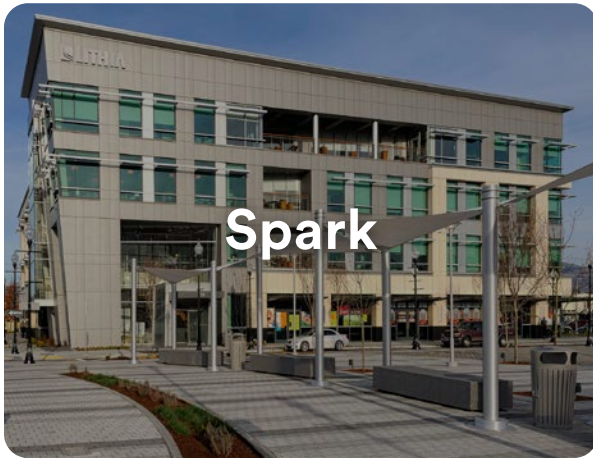
SECTION 09

Fuel for Your Drive

Accelerate your career journey with tools and resources to move forward with confidence.

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Spark

The Spark homepage features several topic tiles—such as for Workday, Employee Resources, Information Security, and Total Rewards—to help you find the info and support you need to succeed professionally and personally. It's a one-stop resource for all team members.

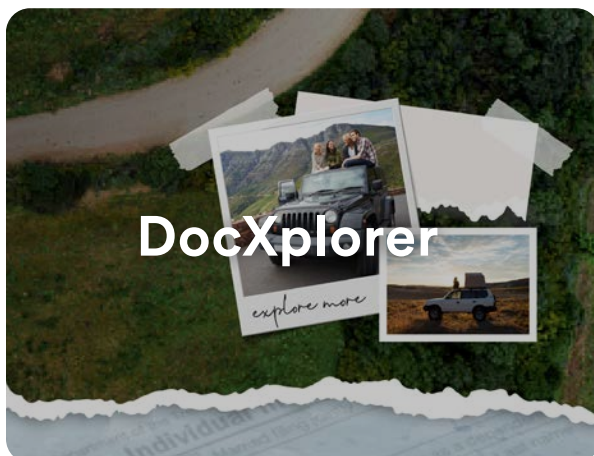
spark.lithiadriveway.com



Careers at Lithia & Driveway

Whether you're interested in working at the Home Office in Medford, Oregon or at one of our hundreds of stores, we have careers to drive your passion, spark your interest, and expand your skill set.

careers.lithiadriveway.com



DocXplorer

DocXplorer on Spark is your go-to resource for company forms and policies, hiring and management procedures, employee needs, and operational materials.

spark.lithiadriveway.com



Investor Relations

We are a publicly held company with a New York Stock Exchange ticker symbol: LAD. We keep investors and employees informed of company news, earnings, analytics, sustainability goals, and corporate governance.

investors.lithiadriveway.com



Corporate Sustainability

Our six sustainability goals help us consume resources respectfully, increase sustainable-vehicle knowledge and sales, create a supportive culture, and give back to our communities.

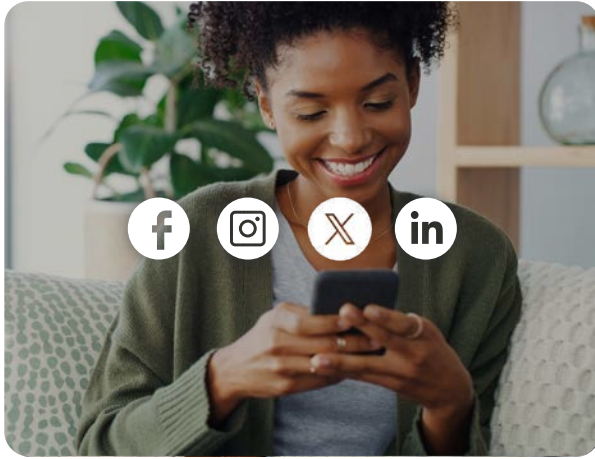
corporatesustainability.com



Lithia 4Kids

Founded in 2008 by Sid DeBoer, Lithia 4Kids is designed to promote community giving by supporting area nonprofits dedicated to advocating for local youth.

lithia4kids.com



Social Media

Stay updated on brand news, benefits, and dealership highlights by following Lithia Motors Driveway, and GreenCars social media accounts on Facebook, Instagram, X, and LinkedIn.



Concur

If your position requires travel and personal expenditures, get familiar with Concur. Your default log-on is your work email address and the password is your employee number.

concur solutions.com



Learn on Workday

Learn is a feature on Workday, where you can manage all your People & Culture items and access professional development resources in one place.

You can track your development and progress easily and find extra support in your career journey. It's another way we elevate your employee experience at Lithia & Driveway.



Auto Done Easy