

## **POLICY STATEMENT**

As a publicly traded company, the integrity, transparency and accountability of the financial, administrative and management practices of AutoCanada Inc. ("AutoCanada") is critical. This information guides the decisions of the board of directors of AutoCanada and is relied upon by its stakeholders and the financial markets. For these reasons, it is critical for AutoCanada and its subsidiaries (collectively the "Company") to maintain a workplace where concerns regarding questionable business or financial practices can be raised without fear of any discrimination, retaliation or harassment.

## **REPORTING PROCEDURES**

All directors, officers, employees and consultants are encouraged to promptly report either orally or in writing to their immediate supervisor, all evidence of activity by the Company, any director, officer, employee or consultant that may constitute any of the following:

- Breaches of AutoCanada's Code of Conduct;
- Inappropriate exchanges of cash or gifts with customers or vendors;
- Conditions that may lead to an unsafe working environment;
- Questionable accounting practices;
- The misleading or coercion of regulators or auditors;
- Instances of corporate fraud; and
- Breaches of any statute, law, legislation, rule or law governing the operations of the Company's business and operations.

In instances where a satisfactory response is not received from your immediate supervisor, or an employee is uncomfortable addressing concerns with their supervisor, AutoCanada has contracted **Xpera ConfidenceLine** ("**Xpera**"), a third party unrelated to AutoCanada, to facilitate whistleblowing reports. Xpera provides the following:

- Access to an online interface and toll-free number 24 hours a day, 7 days a week, year-round;
- Complete anonymity at the employee's discretion;
- Ability to specify if reports should not go to specific individuals; and
- Services in English and French, with translators available for most other languages.

After a report is made, Xpera directs a summary to AutoCanada's Director of Internal Audit and the Vice President of Human Resources for review.

**To make a report using Xpera, employees may do either of the following:**

**Call toll free at 1-800-661-9675 or  
Submit a case online at [www.autocanada.confidenceline.net](http://www.autocanada.confidenceline.net)**

In instances where a satisfactory response is not received, or if you are uncomfortable addressing your concerns through Xpera, the Chair of the Audit Committee of AutoCanada may be contacted by email as follows:

**Barry L. James**  
**AutoCanada Chair of the Audit Committee**  
**[bjames@lloydsadd.com](mailto:bjames@lloydsadd.com)**

Employees and consultants are encouraged to provide as much specific information as possible including names, dates, places and events that took place, the employee's or consultant's perception of why the incident(s) may be a violation, and what action the employee or consultant recommends be taken.

## **INVESTIGATION**

All complaints under this Policy will be investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action and subject to applicable law.

All reports made to supervisors and senior officers in respect of matters specifically covered by this policy will be reported to the Chair of the Audit Committee of AutoCanada.

Any individual who in good faith reports such incidents described above will be protected from threats of retaliation, harassment, discharge, or other types of discrimination including but not limited to respecting compensation or terms and conditions of employment, that are directly related to the disclosure of such reports. If any employee or other person believes they have been unfairly or unlawfully retaliated against in respect of a report made by such employee or person under this policy, they may file a complaint with their supervisor or through Xpera.

AutoCanada reserves the right to discipline any individual who makes an accusation without a reasonable, good faith belief in the truth and accuracy of the information or who knowingly provides false information or makes false accusations, and such discipline may result in termination in the case of a director, officer or employee or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings.

All directors, officers, employees and consultants have a duty to co-operate in an investigation. Should an employee or consultant fail to co-operate or knowingly provide false information in an investigation, AutoCanada will take effective remedial action commensurate with the severity of the offence. This action may include disciplinary measures up to and including termination in the case of a director, officer or employee or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings