

AIF

March 25, 2020

SAVARIA CORPORATION 4350 Highway 13 Laval Québec Canada H7R 6E9

Annual Information Form

for the fiscal year ended December 31, 2019

Table of Contents

FORWARD-LOOKING STATEMENTS	- 3 -
CORPORATE STRUCTURE	- 4 -
Incorporation of the Issuer	- 4 -
Intercorporate Relationships.....	- 4 -
GENERAL DEVELOPMENT OF THE BUSINESS	- 5 -
Three-Year History.....	- 5 -
OVERVIEW OF THE BUSINESS	- 7 -
Regulatory Matters	- 7 -
A. Accessibility Segment	- 7 -
B. Patient Handling Segment (formerly referred to as Span).....	- 8 -
C. Adapted Vehicles	- 10 -
RISK FACTORS	- 11 -
DIVIDENDS	- 11 -
GENERAL DESCRIPTION OF CAPITAL STRUCTURE	- 11 -
MARKET FOR SECURITIES	- 12 -
Trading Price and Volume	- 12 -
DIRECTORS AND OFFICERS	- 12 -
LEGAL PROCEEDINGS	- 16 -
TRANSFER AGENT AND REGISTRAR	- 16 -
MATERIAL CONTRACTS	- 16 -
INTEREST OF EXPERTS	- 16 -
AUDIT COMMITTEE DISCLOSURE	- 17 -
Audit Committee Charter	- 17 -
Composition of the Audit Committee	- 17 -
Financial Literacy.....	- 17 -
Internal Control Over Financial Reporting	- 17 -
Whistle-Blowing Policy	- 17 -
Policy on the Approval of Non-Audit Services	- 17 -
Auditors Fee	- 18 -
ADDITIONAL INFORMATION	- 18 -
SCHEDULE A: Audit Committee’s Charter	- 19 -

As used in this annual information form (“AIF”), unless the context indicates otherwise: the “Corporation” or “Savaria” refer collectively to Savaria Corporation and, unless the context otherwise requires or indicates, its subsidiaries.

FORWARD-LOOKING STATEMENTS

This AIF includes certain statements that are “forward-looking statements” within the meaning of the securities laws of Canada. Any statement in this AIF that is not a statement of historical fact may be deemed to be a forward-looking statement. When used in this AIF, the words “believe”, “could”, “should”, “intend”, “expect”, “estimate”, “assume” and other similar expressions are generally intended to identify forward-looking statements. It is important to know that the forward-looking statements in this document describe the Corporation’s expectations as at March 25, 2020, which are not guarantees of future performance of Savaria or its industry, and involve known and unknown risks and uncertainties that may cause Savaria’s or the industry’s outlook, actual results or performance to be materially different from any future results or performance expressed or implied by such statements. The Corporation’s actual results could be materially different from its expectations if known or unknown risks affect its business, or if its estimates or assumptions turn out to be inaccurate. A change affecting an assumption can also have an impact on other interrelated assumptions, which could increase or diminish the effect of the change. As a result, the Corporation cannot guarantee that any forward-looking statement will materialize and, accordingly, the reader is cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements do not take into account the effect that transactions or special items announced or occurring after the statements are made may have on the Corporation’s business. For example, they do not include the effect of sales of assets, monetizations, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Unless otherwise required by applicable securities laws, Savaria disclaims any intention or obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing risks and uncertainties include the risks set forth under “Risks Factors” in this AIF as well as other risks detailed from time to time in reports filed by Savaria with securities regulators in Canada.

CORPORATE STRUCTURE

Incorporation of the Issuer

Savaria Corporation ("Savaria" or the "Corporation") was incorporated by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta) on October 25, 1999. The Articles of the Corporation (the "Articles") were amended by Certificate of Amendment dated January 18, 2000, to delete the private company provisions including restrictions on resale. The Articles were amended again by a Certificate of Amendment dated July 25, 2000, consolidating the issued and outstanding common shares. A Certificate of Amendment dated December 21, 2001, provided for the changing of the name of the Corporation to Savaria Corporation, creating a Series "A" first preferred shares and providing for shareholders' meetings to be held outside of the province of Alberta and were restated by a Certificate of Amendment and Registration of Restated Articles dated January 4, 2002. A Certificate of Amendment and Registration of Restated Articles dated May 27, 2005, provided for a one for one conversion of the outstanding Series "A" preferred shares into common shares of the Corporation.

The Corporation's head office is located at 4350 Highway 13, Laval, Québec, Canada H7R 6E9.

Intercorporate Relationships

The following table indicates Savaria's principal subsidiaries and their jurisdiction of incorporation or formation as at December 31, 2019, all of which are wholly owned.

<i>Subsidiary</i>	<i>Jurisdiction of Incorporation or Formation</i>
Savaria Concord Lifts Inc.	Ontario, Canada
Savaria Sales, Installation and Service Inc.	Ontario, Canada
Savaria USA Inc.	Vermont, USA
Garaventa (Canada) Ltd.	Canada
Garaventa Liftech AG	Switzerland
Silver Cross Automotive Inc.	Canada
Span-America Medical Systems, Inc.	South Carolina, USA
Span Medical Products Canada ULC	British Columbia, Canada
Garaventa USA Inc.	Illinois, USA
Garaventa Lift S.r.l.	Italy
Florida Lifts LLC	Florida, USA

Certain subsidiaries whose assets did not represent more than 10% of the Corporation's consolidated assets or whose revenues did not represent more than 10% of the Corporation's consolidated revenues as at December 31, 2019, have been omitted. The subsidiaries that have been omitted represent, as a group, less than 20% of the consolidated assets and revenues of the Corporation as at December 31, 2019. This table does not include subsidiaries whose primary role is to hold investments in other Savaria subsidiary entities.

GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History

2019

On September 30, 2019, the Corporation completed a sale and leaseback transaction pertaining to its Surrey, British Columbia operating plant, netting proceeds of \$28.4M. The agreement provides Savaria with a long-term lease for the next 25 years.

On September 9, 2019, the Corporation announced that its Board of Directors had approved an increase to the Corporation's monthly dividend, raising it from 3.5 cents (\$0.035) to 3.83 cents (\$0.0383) per common share, representing an increase of 9.4%. On an annual basis, this represents an increase of 4 cents (\$0.04), raising the dividend to 46 cents (\$0.46) per share. This increase applies to the dividends payable monthly starting on October 10, 2019, to shareholders of record of the Corporation at the close of business on September 30, 2019.

On July 1st, 2019, the Corporation acquired all the issued and outstanding shares of the sling manufacturer Silvalea Limited ("Silvalea") and its sister company D-ansermed Limited. for a total purchase price of GBP 4.6 million (approximately CAD 7.8 million). Established in 1993, Silvalea is a leading manufacturer of patient transfer slings and accessories. It specializes in the design and development of challenging and complex patient transfer solutions, with an extensive catalog of over 800 sling designs. D-ansermed is an affiliate of Silvalea that was formed in 2012 to develop innovative safety components used in patient moving and handling operations. Silvalea is headquartered in Newton Abbot, UK.

On May 6, 2019, the Corporation announced that, after 17 years of collaboration and loyal services, Mr. Jean-Marie Bourassa was stepping down as Chief Financial Officer effective May 22, 2019, after Savaria's annual shareholders' meeting and remain as member of the Board of Directors of the Corporation. Savaria announced the appointment of Mr. Mauro Ferrara as Chief Financial Officer of the Corporation effective accordingly.

On April 24, 2019, the Corporation announced that it had completed its previously announced "bought deal" private placement of 5,000,000 common shares (the "Shares") for gross proceeds to the Corporation of \$70,750,000 (the "Offering"). The Shares issued in connection with this private placement were subject to a statutory period which expired on August 25, 2019. The net proceeds of the Offering were used to reduce indebtedness, fund future growth initiatives and for general corporate purposes.

On March 1st, 2019, the Corporation announced that it had acquired Florida Lifts LLC ("Florida Lifts"), an elevator dealer based in Boynton Beach, Florida, for a purchase price of approximately US \$5.6 million (CAD \$7.3 million). Florida Lifts is a full-service elevator and lift company serving the central and south Florida market for over 13 years.

2018

On September 20, 2018, the Corporation announced that its Board of Directors had approved a 17% increase to its monthly dividend, raising it to 3.5 cents per month from 3.0 cents. On an annual basis, this represents an increase of 6 cents and raises its annual dividend to 42 cents per share. This increase applies to monthly dividends payable starting on October 16, 2018, to shareholders of record of the Corporation at the close of business on October 2, 2018.

On August 31, 2018, the Corporation acquired all the issued and outstanding shares of Garaventa Accessibility AG ("Garaventa Lift"). Garaventa Lift manufactures a wide range of wheelchair lifts, including inclined platform lifts, vertical platform lifts and portable wheelchair lifts for persons with disabilities. It also manufactures a full suite of residential elevators and commercial limited use, limited application (LULA)

elevators. Garaventa Lift is headquartered in Goldau, Switzerland and employs some 550 people worldwide. This acquisition provides Savaria with a global sales infrastructure with 15 additional sales offices across North America and Europe, along with over 100 additional active dealers. Furthermore, the Corporation benefits from a more geographically diversified revenue base as over 40% of Garaventa Lift's revenue is generated outside of North America, primarily in Europe, and from additional manufacturing flexibility with complementary production operations in Western Canada and Italy.

On July 20, 2018, the Corporation completed the acquisition of the assets of Visilift, LLC ("Visilift"); it had paid a deposit towards the acquisition back in August 2017. Visilift manufactures and markets round and octagonal panoramic glass or acrylic elevators for the residential market.

On May 4, 2018, the Corporation completed a secondary offering by way of a bought deal of 3.45 million common shares at a price of \$16.60 per share for net proceeds to Savaria of \$53.91 million.

On April 12, 2018, the Corporation acquired the assets of H.E.S. Elevator Services Inc. ("H.E.S.") by way of its subsidiary Savaria USA Inc. H.E.S. is an elevator dealer based in Denver, Colorado. This acquisition complements the asset purchase of luxury elevator maker, Visilift, in Colorado, and helps strengthen its direct sales and installation presence in this market.

On April 3, 2018, the Corporation entered into an amended and restated credit agreement. The agreement amends and restates the original credit agreement by (i) providing the term facility of \$50,000,000 for which the funds were received on April 3, 2018; (ii) adding the option to draw in euros; and (iii) extending by one year the maturity date of the \$110,000,000 revolving facility to April 3, 2023. The interest rate of the term facility is covered by an interest rate swap. Only the interest is payable on a monthly basis. The credit facility is secured by the assets of the Corporation.

2017

On December 14, 2017, the Corporation acquired the assets of Master Lifts Pty Ltd ("Master Lifts") by way of its newly created subsidiary Savaria (Australia) Pty Ltd. Master Lifts is a leading elevator dealer based in Brisbane, Australia. The acquisition of Master Lifts provides Savaria with a national sales platform to gain access to the Australian market.

On August 24, 2017, the Corporation agreed to acquire the assets of Visilift. Visilift manufactures and markets round and octagonal panoramic glass or acrylic elevators for the residential market. The transfer of production activities to Savaria's manufacturing facilities in Brampton, Ontario was completed in the summer of 2018.

In July 2017, the Corporation acquired a 27,000-square-foot building in Toronto, Ontario, to consolidate, under one roof the activities of the *Adapted Vehicles* segment in the Toronto area.

On June 16, 2017, the Corporation acquired, by way of a public offering, all the issued and outstanding shares of Span-America Medical Systems, Inc. ("Span") which were listed on the New York Stock Exchange. Span manufactures and markets a comprehensive line of therapeutic support surfaces and other pressure management products for the medical market, medical beds for the long-term-care market as well as foam mattress overlays and pillows for the consumer market and certain products for the industrial market, mainly foam products.

On the same date, the Corporation completed a "bought deal" private placement of 2.76 million common shares at a price of \$13.90 per share for net proceeds to Savaria of \$36.4 million.

Also, during the 2nd quarter of 2017, the Corporation signed a new financing agreement with its financial institution in the form of a revolving line of credit totaling \$110 million. The agreement provides for an additional credit of \$50 million, available under certain conditions.

On February 10, 2017, the Corporation acquired the assets of Premier Lifts, Inc., a leading elevator dealer in the Baltimore – Washington area that has been installing Savaria products for the last 15 years. This acquisition offers the Corporation an opportunity to continue strong sales and service presence in this marketplace.

OVERVIEW OF THE BUSINESS

Savaria Corporation is one of the global leaders in the accessibility industry. It provides accessibility solutions for the physically challenged to increase their comfort, their mobility and their independence. Its product line is one of the most comprehensive on the market. Savaria designs, manufactures, distributes and installs accessibility equipment, such as stairlifts for straight and curved stairs, vertical and inclined wheelchair lifts, elevators for home and commercial use, as well as ceiling lifts. It also manufactures and markets a comprehensive selection of pressure management products for the medical market, medical beds for the long-term-care market, mattress overlays and foam pillows for the retail market and certain products for the industrial market. In addition, Savaria converts and adapts vehicles to be wheelchair accessible. Savaria records over 75% of its revenue outside of Canada, primarily in the United States. It operates a sales network of some 500 dealers worldwide and 26 direct sales offices in North America, Europe (Switzerland, Germany, Italy, Czech Republic, Poland and United Kingdom), Australia and China. Savaria employs approximately 1,500 people globally and its plants are located in Canada: Laval and Magog (Québec), Brampton, Beamsville and Toronto (Ontario) and Surrey (British Columbia), in the United States at Greenville (South Carolina), in Huizhou (China), in Milan (Italy) and in Newton Abbot (UK).

The Corporation, whose headquarters and vehicle conversion plant are located in Laval, Québec, Canada, in a 57,000-square-foot building, also has a 125,000-square-foot plant in Brampton, Ontario, Canada, a 75,000-square-foot plant in Huizhou (China), a 27,000-square-foot plant in Toronto, Ontario, Canada. Following the acquisition of Span in 2017, the Corporation has a 188,000-square-foot plant in Greenville, South Carolina, USA and a 50,000-square-foot plant in Beamsville, Ontario, Canada. Following the acquisition of Garaventa Lift in 2018, the Corporation has a 111,400-square-foot plant in Surrey, British Columbia, Canada and 23,700-square-foot plant in Milan (Italy). And following the acquisition of Silvalea in 2019, the Corporation also has a 16,385-square-foot plant in Newton Abbot (UK).

Regulatory Matters

Savaria's operating activities and products require certain government permits and licences, in particular requirements of Health Canada, Canadian Standards Association (CSA), Food and Drugs Administration (FDA), American Society of Mechanical Engineers (ASME) BSI Standards Publication and Australian/New Zealand Standard. Savaria believes that it holds all licences and permits required for the proper conduct of these activities in accordance with the law.

The Corporation manages its operations under three operating segments, Accessibility, Adapted Vehicles and Patient Handling. These segments are structured according to the market segments they address.

A. Accessibility Segment

Overview of the business

Through its Accessibility segment, Savaria designs, manufactures, distributes and installs accessibility products such as stairlifts for both straight and curved stairs, vertical and inclined wheelchair lifts and elevators for home and commercial use. The products are manufactured, assembled and customized at the Brampton, Ontario, plant, and through the acquisition of Garaventa Accessibility AG ("Garaventa Lift"), at the Surrey (British Columbia) and Milan (Italy) plants. The products are offered through a network of over 500 dealers worldwide and a network of 26 direct sales offices in North America, Europe (Switzerland, Germany, Italy, Czech Republic and Poland), Australia and China. Opened in 2007, the Huizhou (China) plant is the main supplier of parts and components for the Brampton plant; also, it

assembles product components and finished products mainly for the benefit of the Corporation and for the sale of products on the Asian, European and Australian markets. The operation of this Chinese subsidiary allows Savaria to obtain competitive pricing on its purchases. Through its Silver Cross division, the Corporation operates a network of franchises and corporate stores in which new and refurbished accessibility equipment is sold.

The products are sold on both the commercial market and the residential market. The *Accessibility* segment generated revenues of \$265.7 million in 2019 (2018: \$168.6 million), representing approximately 71% (59% in 2018) of the total revenues of the Corporation.

Production

Savaria designs, manufactures, and tests its accessibility products and elevators at its plants located in Brampton, Ontario, Canada, Surrey, British Columbia, Canada and in Milan (Italy).

Components

Savaria acquires a majority of the standard parts from external suppliers as well as from its wholly-owned subsidiary Savaria (Huizhou) Mechanical Equipment Manufacturing Co. Ltd. ("Savaria Huizhou") located in China. As for customized parts, those are manufactured at Savaria's facilities located in Canada in Brampton, Ontario and Surrey, British Columbia. The inventory turnover rate is approximately twelve weeks.

New Products

The Corporation operates four research and development centers. The most important one is located in Brampton, Ontario (Canada). The other ones are located in Surrey, British Columbia, Canada, in Magog, Québec, Canada and in Huizhou, China.

Competitive Conditions

Over the years, Savaria expanded its business and network by selecting choice acquisition, locations and markets. Accordingly, it keeps a close eye on competitors, changes in market trends and its market shares, enabling it to react in a timely manner and maintaining its competitive position.

Employees

This segment employed approximately 1100 people as of December 31, 2019. At its plant located in Milan, Italy, the Corporation's wholly-owned subsidiary Garaventa Lift S.r.l. which belongs to the organization of labor, the employees are subject to the National collective agreement (November 26, 2016 edition) of the metalworking industry and installation of systems.

Foreign Operations

In 2019, the Accessibility segment generated approximately 58% of its revenues from the U.S., 21% from Europe, 17% from Canada, and the balance from the international market.

B. Patient Handling Segment (formerly referred to as Span)

Overview of the business

In 2016, Savaria designed and launched an innovative ceiling lift product line from its research and development center in Magog, Québec. The products are designed to move patients safely from wheelchair to bed or bath areas using an overhead hoist. In June 2017, Savaria acquired Span-America Medical Systems ("Span"), makers of medical beds, therapeutic support surfaces and pressure

management products used in healthcare facilities such as long-term care and nursing homes. The Corporation manufactures in Greenville, South Carolina (surfaces), and Beamsville, Ontario (beds). Span now sells the Savaria ceiling lift into the home care and institutional sales channels in North America. On July 1st, 2019, Savaria completed the acquisition of Silvalea Limited and its sister company D-ansermed Limited ("Silvalea"), a manufacturer of patient transfer slings and accessories, based in Newton Abbot, UK. Silvalea specializes in the design and development of challenging and complex patient transfer solutions, with an extensive catalog of over 800 sling designs. This acquisition complements Savaria's product offering and provides additional distribution channels for the patient lift segment.

This segment generated \$86.9 million in revenue in 2019 (\$89.8 million in revenue in 2018), representing approximately 23% of the total revenue of the Corporation (31% in 2018).

Production

The Corporation has manufacturing facilities in Greenville, South Carolina, USA, Beamsville, Ontario, Canada and Newton Abbot, UK.

At the Greenville facility, it designs and manufactures therapeutic support surfaces, patient positioners, mattress overlays and wheelchair cushions for the medical market; mattress pads and pillows for the consumer market; and various foam products used in the industrial market. At the end of the year, the Corporation exit the consumer and the industrial market. These products are manufactured on several different production lines which perform basic manufacturing activities, including foam cutting, fabrication, gluing, product assembly, cover sewing and packaging. For products that contain electrical components and pumps, those component parts are generally purchased from various suppliers, assembled and then the completed control boxes are tested, and become part of the finished products. Shortly after the Silvalea acquisition, the Corporation started manufacturing slings as per Silvalea's designs and specifications.

At the Beamsville facility, Canada, the Corporation designs and manufactures bed frames for the medical market. The major production processes include metal cutting and fabrication, welding, assembly, painting, testing and packaging. All component parts for the beds are either manufactured directly by the Corporation or purchased from suppliers based on the Corporation's product specifications.

At the Newton Abbot facility, the Corporation designs and manufactures slings.

Components

The raw materials for the mattresses and the beds consist of polyurethane foam, nylon/vinyl fabric mattress covers and tubes, motors, pneumatic pumps, blowers, bed actuators, steel and metal stamping. In addition, corrugated shipping containers, polyethylene plastic packaging material and hook-and-loop fasteners are used. Certain products are purchased from outside vendors with no additional manufacturing such as *Selan*® skin care products, the *Risk Manager*® bedside safety mat and a variety of bedside furniture, chairs, tables and over-bed tables for use in long-term care facilities. The raw materials for the slings mainly consist of polyester/nylon fabrics and polyester webbing, alongside some plastic components and biodegradable. We believe that the basic raw materials are in adequate supply and are available from many suppliers at competitive prices.

New Products

The Corporation maintains engineering departments in its Greenville, South Carolina, USA, Beamsville, Ontario, Canada and Newton Abbot, UK locations for new-product development. The research and development efforts are focused almost entirely on the medical business for the creation of new products, new features of existing products and product design improvements.

Competitive Conditions

In the therapeutic support surfaces business and other pressure management products, the Corporation faces significant competition for sales of the three main categories of therapeutic support surfaces. These are powered air therapy support surfaces, non-powered air therapy support surfaces and therapeutic foam support surfaces. In the bed business, the Corporation faces competition for sales in the long-term-care market both from manufacturers and national distributors of long-term care beds and related furniture. With respect to sling products in the marketplace, the Corporation operates in a well-established patient transfer marketplace across the UK and Europe. The Corporation faces competition from a number of equally well-established hoist and sling manufacturers in the UK.

Employees

This segment employed approximately 300 full-time employees as of December 31, 2019. The production employees at the plant located in Beamsville, Ontario, Canada are unionized pursuant to a collective agreement that was renewed on November 1st, 2018, and expires October 31, 2022.

Foreign Operations

For the year ended December 31, 2019, approximately 74% of this business segment's revenue came from the U.S., 19% came from Canada, 5% from Europe, and the remaining 2% came from various other countries outside North America and Europe.

C. Adapted Vehicles

Overview of the business

Through its Adapted Vehicles segment, Savaria converts and adapts minivans to facilitate the transport of mobility challenged people via its Van-Action (2005) Inc. (Laval, Québec, Canada) and Freedom Motors Inc. (Toronto, Ontario Canada) subsidiaries. Its Silver Cross Automotive Inc. subsidiary distributes converted vehicles in the provinces of Ontario, Alberta and British Columbia, Canada. The product line-up includes models with rear entry, side entry or dual entry. By adding a ramp and lowering the floor, minivans become accessible to people in wheelchairs. They can be used for personal or commercial purposes.

This segment generated \$21.8 million in revenue in 2019 (2018: \$27.7 million), representing approximately 6% of the total revenue of the Corporation (10% in 2018).

Production

This segment designs, develops crash-tested designs, manufactures, tests and distributes lowered-floor minivans to accommodate wheelchairs. Over 450 vans were converted in 2019. The line includes stages starting with disassembling the interior and mechanical components of the van, cutting open the floor, welding a new floor in place, painting, rewiring the electricity, reassembling the mechanical components and interior of the van and performing road tests.

Components

Several parts are used to convert the vans. Of those, approximately 80% are from external suppliers. The inventory turnover rate is sixteen weeks.

New Products

Two products based on the Chrysler Pacifica platform have been on the market since January 2018. The first is a side entry van and the second is a rear entry van. The Toyota Sienna short floor design was successfully crash tested in 2018 and has been sold since then.

Competitive Conditions

There are major competitors to Savaria in the adapted vehicles market within North America. Accordingly, it keeps a close eye on competitors, changes in market trends and its market share, enabling it to react in a timely manner and maintaining its competitive position.

Employees

This segment employs approximately 100 full-time employees as at December 31, 2019.

Foreign Operations

In 2019, approximately 97% of revenue came from Canada, 2% from the United States and 1% from other regions.

RISK FACTORS

The “Risks and Uncertainties” section of Savaria’s 2019 annual Management’s Discussion and Analysis of Operating Results and Financial Position is incorporated herein by reference. This document is available on the Corporation’s Website at <http://savaria.com> and on SEDAR’s Website at www.sedar.com.

DIVIDENDS

During each of the years indicated, the Corporation declared the following dividends per share:

	2019	2018	2017
Common Shares	\$0.433	\$0.38	\$0.315

Those dividends have been paid in accordance with the Corporation’s existing dividend policy which was set from quarterly to monthly on September 11, 2017.

During the next fiscal year, Savaria intends to maintain its dividend policy, which provides for the payment to shareholders of monthly dividends based on financial forecasts for the current year. Nevertheless, the declaration, amount and date of any future dividends will continue to be considered by the Board of Directors of the Corporation based upon and subject to Savaria’s earnings and financial requirements and any other factors prevailing at the time.

GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of common shares and first or second preferred shares, all with or without nominal value. As at March 25, 2020, 50,623,775 common shares are issued and outstanding as fully paid and non-assessable. No first or second preferred shares are issued and outstanding as at the date of this AIF.

The holders of the common shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per share at meetings of the shareholders of the Corporation and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the common shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Corporation's common shares trade on the Toronto Stock Exchange under the symbol "SIS". The trading price of the common shares for the period of January 1, 2019 to December 31, 2019, was as follows:

Month	Price per Share (\$)			Trade Volume (shares)
	High	Low	Close	
January	15.39	12.80	14.47	3,256,853
February	14.98	12.56	13.39	4,052,289
March	15.45	12.87	15.22	2,583,154
April	15.39	12.90	12.90	6,198,291
May	13.65	12.56	12.99	3,402,811
June	13.89	12.32	13.47	2,343,191
July	13.60	11.92	11.99	2,282,740
August	12.29	10.55	10.96	2,861,136
September	12.48	10.94	12.03	1,966,216
October	13.58	11.79	13.55	2,364,793
November	14.92	13.54	14.40	3,031,898
December	14.69	13.85	13.95	2,239,918

DIRECTORS AND OFFICERS

Directors

The following table lists the Corporation's directors. All information is accurate as at March 25, 2020.

Name and municipality of residence	Director Since	Principal occupation
Marcel Bourassa Georgetown, Ontario, Canada	2002	Chairman, President and Chief Executive Officer of the Corporation
Jean-Marie Bourassa Montréal, Québec, Canada	2002	Consulting Partner at Bourassa Boyer Inc.
Peter Drutz ⁽¹⁾⁽²⁾ Richmond Hill, Ontario, Canada	2002	President of KanKare Home Services Inc. (d/b/a Comfort Keepers)
Jean-Louis Chapdelaine Pointe-Claire, Québec, Canada	2005	President of Saraguay Investment Inc.
Sylvain Dumoulin ⁽²⁾⁽³⁾⁽⁴⁾ L'Île-Bizard, Québec, Canada	2010	Real estate and construction consultant
Alain Tremblay ⁽²⁾⁽³⁾⁽⁵⁾ Laval, Québec, Canada	2011	Senior Vice President Finance & Operations, Gestion Benoit Dumoulin Inc.

Name and municipality of residence	Director Since	Principal occupation
Sébastien Bourassa Burlington, Ontario, Canada	2017	Vice President Operations and Integration of the Corporation
Caroline Bérubé ⁽³⁾ Singapore	2017	Managing Partner of HJM Asia Law LLC

- (1) Lead Director.
(2) Member of the Audit Committee.
(3) Member of the Corporate Governance and Human Capital Committee.
(4) Chair of the Audit Committee.
(5) Chair of the Corporate Governance and Human Capital Committee.

The Directors of the Corporation held the principal occupations set forth above during the five preceding years. Moreover, their past experience is as follows:

Marcel Bourassa is President and CEO of Savaria and Chairman of the Board since 2002. His career started in consulting, but he was quick to realize his entrepreneurial desire to manage his own business. In 1989, Mr. Bourassa purchased Savaria, a small lift manufacturer in Québec that had been founded ten years prior. He was looking for a business with a bright future ahead and he saw that in Savaria, a business providing products to an aging population who would need accessibility equipment in the home, vehicles and public spaces. He grew the business adding new products over the years and expanding into the U.S. market. In 2002 he took Savaria public, and in 2005 the strategic acquisition of Concord Elevator, a leading manufacturer of residential elevators, gave the company new employees, products and added distribution. Marcel Bourassa has continued to lead Savaria with his passionate and driven style. In 2014, he created the Bourassa Savaria Foundation, a registered charity that supports Canadians with mobility challenges. In 2018, Mr. Bourassa was honoured by Les Affaires as CEO of the Year for a medium-sized Canadian enterprise. Mr. Marcel Bourassa has a Bachelor of Business Administration from HEC Montréal. His three adult children all work within Savaria, and he currently resides in the Greater Toronto Area.

Jean-Marie Bourassa is Consulting Partner at Bourassa Boyer Inc. He served as Chief Financial Officer of Savaria from January 2002 to May 2019. He cofounded Bourassa Boyer Inc., chartered accountants in 1980 and served as President until 2018 when he became a consulting partner for the firm. He sits on the board of directors for 5N Plus Inc., a public Canadian corporation listed on the TSX. He has been chairman of the audit and risk management committee for 5N since 2007. Mr. Bourassa served in various roles at the Vaudreuil-Soulanges Palliative Care Residence Foundation from 2010 to 2016 including chairman, co-president and president. He is a chartered professional accountant with a Bachelor of Business Administration from HEC Montréal and holds a certificate of corporate governance from Laval University.

Peter Drutz has an extensive range of senior corporate and entrepreneurial business experience. Since October 2004, Mr. Drutz has been president of KanKare Home Service Inc. (dba Comfort Keepers), a national provider of in-home care for seniors. Previously, he was Executive Vice President, Retail with Indigo Books and Music Inc. from 2003 to 2004 and was responsible for the retail operations of 275 Indigo, Chapters and Coles stores in Canada. Prior to joining Indigo, from 2002 to 2003, he was President of OutThink, Inc. a marketing and strategy firm specializing in fueling business growth. From 1982 to 2002, he was with Amex Canada, Inc. and held progressively responsible positions. In his later tenure, he was Vice President and General Manager of the Travel Services Network and a member of the Canadian executive team. Mr. Drutz, who has been on the Board of Directors of Savaria since 2002, has served on the boards of Amex Bank of Canada, and in the not-for-profit sector on the boards of Temple Har Zion and the Bayview Golf and Country Club (the latter with the portfolio of Governance and Human Capital). Mr. Drutz has a Master of Business Administration from York University (now Schulich School of Business), an Honours BA from the University of Toronto and a Diploma in Human Resources and Labour Relations.

Jean-Louis Chapdelaine founded Saraguay Investments in 1977 and serves as President. Through his company, he has applied his entrepreneurial, financial and operational management skills to a variety of endeavours including investments in real estate and retail markets. Mr. Chapdelaine graduated from the Institute of Graphic Arts in Montréal.

Sylvain Dumoulin gained experience in public companies at Grilli Property Group Inc., holding various positions from 1989 to 2002, the last four years as Vice President Finance and a member of the Board of Directors. In 1992, he was involved in the issuance of shares on the stock market, and from 1996 for several years, on the financial restructuring of the company. Building on this expertise, he is now a consultant for companies in the real estate and construction fields. Mr. Dumoulin began his career at Raymond, Chabot, Martin, Paré (now Raymond Chabot Grant Thornton) as an auditor from 1986 to 1989 after obtaining a Bachelor of Business Administration from HEC Montréal. He is also a Chartered Professional Accountant.

Alain Tremblay has extensive experience in management, particularly in finance and operations for the real estate and construction sectors. From 1996 to 2000, he worked as a financial analyst and then as Finance Director of Internal Audit for Provigo/Loblaw Companies. Subsequently, he served as Controller for Gildan Activewear and was strongly involved in the international implementation of various information systems. Starting in 2002, he served as Vice President of Finance for Grilli Property Group. He then joined Gouverneur Hôtels, successfully leading a new ERP system implementation. Since 2013, he has worked as Senior Vice President Finance and Operations for Gestion Benoit Dumoulin, with a focus on real estate development and residential construction. Mr. Tremblay holds a bachelor degree in Accounting from the Université du Québec à Montréal and a university certification in Corporate Governance from Université Laval. He is a Chartered Professional Accountant (CPA, CA) of the Order of Chartered Professional Accountants of Québec, Certified Corporate Director (ASC) of the College of Corporate Directors of Université Laval, and Chartered Director (C. Dir.) from The Directors College.

Sébastien Bourassa serves as Vice President Operations & Integrations for Savaria. He oversees general operations of Savaria and works with newly acquired businesses to maximize synergies. He began his career at Savaria as a teenager in a hands-on role installing stair lifts and later managing the Montréal sales office. In 2002 he became Production Director for the Corporation's stair lift department. With his keen vision for the future, Mr. Bourassa suggested that Savaria establish a presence in China in order to gain competitive advantages for production and supplier relationships. He opened a division of Savaria in China in 2007, which enabled Savaria to improve its efficiency by building subassemblies for its North American elevating and lift products while working closely with local suppliers to ensure quality standards were met. Mr. Bourassa lived in China from 2009 to 2015. This initiative has provided critical advantages for Savaria and Savaria Huizhou has continuously grown in size. Upon moving back to Canada in 2015, he became Vice President Operations for one year before taking on his current role. Mr. Bourassa has a Bachelor of Business Administration from HEC Montréal as well as an EMBA from Ivey Business School (Hong Kong). He resides in the Greater Toronto Area.

Caroline Bérubé is the Managing Partner of HJM Asia Law (with offices in China and Singapore). She was admitted to practice in New York and Singapore and holds a BCL (civil law) and an LL.B. (common law) from McGill University (Montréal, Québec, Canada). She studied at the National University of Singapore with a focus on Chinese laws in 1998/1999. She worked in Singapore, Bangkok and China for British and Chinese firms before setting up her own firm in 2007. Ms. Bérubé has represented international corporate clients and family-owned companies in M&A cross-border manufacturing and technology transactions and IP in the Asia Pacific region for 20 years. Ms. Bérubé was elected Secretary General of the Inter-Pacific Bar Association in April 2017. She is also the Co-Chair of the China Working Group of the International Bar Association ("IBA") and is an officer of the Intellectual Property Committee of the IBA. In 2015, Ms. Bérubé was selected as the Young Global Leader under 40 by the World Economic Forum given her entrepreneurship mindset and various businesses she started and built over the last two decades in Asia. She teaches at Sorbonne Assas (Singapore campus) and Bocconi University (Milan) IP, Technology Law and M&A courses. Ms. Bérubé is also the author of the book "Doing Business in China" published by Lexis Nexis.

Executive Officers

The following table lists Executive Officers who are not directors of the Corporation. All information is accurate as at March 25, 2020.

Name and municipality of residence	Principal occupation
Alexandre Bourassa Montréal, Québec, Canada	Vice President, Sales (Accessibility Segment)
Mauro Ferrara Laval, Québec, Canada	Chief Financial Officer
James D. Ferguson Simpsonville, South Carolina, USA	Chief Executive Officer, Span-America Medical Systems, Inc.
Vince Sciamanna North Vancouver, British Columbia, Canada	President Garaventa Lift group, Garaventa Canada Ltd.

The Executive Officers of the Corporation held the principal occupations set forth above during the five preceding years. Moreover, their past experience is as follows:

Alexandre Bourassa is Sales Vice President of Savaria. He oversees worldwide dealer sales of the elevator and lift division as well as direct store operations in North America and Australia. Most recently, he has focused his efforts on the integration of Garaventa Lift. Growing up in the business, Mr. Bourassa learned how to safely and correctly install products and subsequently he moved into managing the Montréal sales office. In 2006, he became Regional Sales Manager for the North East U.S. Over the next few years, Mr. Bourassa added responsibilities for the Calgary direct office and international dealer sales. In 2013, he moved into the role of Sales Vice President, managing Savaria's growing team of regional sales managers. Under his strong leadership, dealer sales have continued to grow and distribution has strengthened across the U.S. market. Mr. Bourassa has previously served on the AEMA (American Elevator Manufacturer's Association) board. His acumen for sales and product knowledge has contributed to the leadership position Savaria enjoys today.

Mauro Ferrara is Chief Financial Officer of Savaria. He joined Savaria in May 2019. Mr. Ferrara has more than 25 years of experience, having worked for international and Canadian publicly traded companies in different sectors of activity. Prior to joining Savaria, Mr. Ferrara held the position of Senior Director of Financial Reporting at WSP Global Inc., an engineering designing multinational corporation with offices worldwide. He has also worked for Rogers Sugar Inc., as Director of Financial Services and Corporate Controller. Mr. Ferrara started his career at KPMG LLP and is a member of the Chartered Professional Accountants of Canada.

James D. Ferguson is Chief Executive Officer of Savaria's Span group. He joined Savaria in June 2017 following the acquisition by Savaria of Span-America Medical Systems, Inc. ("Span"). He had joined Span as Materials Manager in 1990. He was promoted to Plant Manager of Span's contract packaging business in 1992, Director of Contract Packaging in 1994, and Vice President of Operations in 1995. Mr. Ferguson was named President and Chief Executive Officer of Span in 1996. From 1981 to 1990, Mr. Ferguson worked for C.B. Fleet in Lynchburg, Virginia, where he served in various manufacturing management positions, ending as Director of Manufacturing. C.B. Fleet is a manufacturer and marketer of various products for feminine care, gastro-care, skin care, oral rehydration and oral care.

Vince Sciamanna is President of Garaventa Lift group. He joined Savaria in 2018 following the acquisition by Savaria of Garaventa Accessibility AG group. Mr. Sciamanna began his career with Garaventa Lift in 1999 as European sales manager. In 2001 he joined the senior management team in North America and in 2015 Vince joined the Garaventa Lift Group management team as Global Director of Business Development. Mr. Sciamanna holds a degree in Civil Engineering from the University of Bern.

Security Holdings

The directors and Executive Officers of the Corporation, as a group, beneficially own or control, directly or indirectly, 15,666,758 or approximately 31% of the issued and outstanding common shares of the Corporation.

LEGAL PROCEEDINGS

In the ordinary course of business, the Corporation is a defendant in a number of legal proceedings, suits, and claims common to enterprises engaged in manufacturing businesses, including cases brought by individual plaintiffs. The Corporation believes that it is not currently involved in any legal proceedings, suits, claims or proceedings, the outcome of which would have a material adverse effect on its operating results and financial condition.

TRANSFER AGENT AND REGISTRAR

The Corporation's transfer agent and registrar is *Computershare* Trust Company of Canada ("Computershare"). Computershare maintains the Corporation's registers at 1500 University Street, Suite 700, Montréal, Québec, Canada H3A 3S8.

MATERIAL CONTRACTS

On April 24, 2019, the Corporation entered into an underwriting agreement with Desjardins Capital Markets, and included the participation of Cormark Securities Inc., Laurentian Bank Securities Inc., PI Financial Corp and TD Securities Inc. for a bought deal private placement of 5,000,000 common shares of Savaria for gross proceeds to the Corporation of \$70,750,000.

INTEREST OF EXPERTS

KPMG LLP are the Corporation's auditors and they prepared the Auditors' Report to the shareholders as of March 25, 2020, with respect to the consolidated annual financial statements of the Corporation for the year ended December 31, 2019. As of the same date, KPMG LLP is objective with respect to the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

AUDIT COMMITTEE DISCLOSURE

Audit Committee Charter

See Schedule A.

Composition of the Audit Committee

Members of the Audit Committee are Sylvain Dumoulin, CPA, CA (chair), Peter Drutz, MBA and Alain Tremblay, CPA, CA. Each member of the Audit Committee is independent and financially literate.

Financial Literacy

All members of the Audit Committee are financially literate and can understand the accounting principles used by the Corporation in its financial statements and assess the general application of those principles. They also have relevant experience in preparing, auditing, analyzing and evaluating financial statements that present a breadth and level of complexity of issues generally comparable with that of the Corporation's financial statements, or in actively supervising persons engaged in such activities. The members also understand the procedures and internal controls regarding the disclosure of financial information. Members of the Audit Committee have acquired relevant experience through their university studies, as members of other boards of directors and as executive officers of various companies. For more details on each member's experience, see pages 13 to 14 of this AIF.

The Board of Directors of the Corporation has determined that Messrs. Dumoulin, Drutz and Tremblay are "financially literate" in accordance with *Multilateral Instrument 52-110 Audit Committees* applicable in Canada.

Internal Control Over Financial Reporting

The "Internal Control over Financial Reporting" section of Savaria's 2019 annual Management's Discussion and Analysis of Operating Results and Financial Position", is incorporated herein by reference. This document is available on the Corporation's Website at <http://savaria.com> and on SEDAR's Website at www.sedar.com.

Whistle-Blowing Policy

The Audit Committee approved in accordance with the Canadian securities laws a whistle-blowing policy with respect to complaints on accounting and auditing matters of the Corporation with the objective to:

- Establish procedures for the receipt, retention and treatment of complaints and/or concerns received regarding accounting, internal accounting controls or auditing matters;
- Establish procedures for the confidential, anonymous submission by employee of concerns regarding questionable accounting or auditing matters; and
- Establish mechanisms in order to ensure that no retaliations or punitive measures are taken against an employee if the complaint was made based on facts, in good faith and was not intended to cause prejudice to a person or in view of gaining any personal advantages.

Policy on the Approval of Non-Audit Services

The Audit Committee adopted a policy and procedures on the pre-approval of non-audit services by the Corporation's external auditors. This policy prohibits the Corporation from engaging the external auditors to provide certain non-audit services to the Corporation and its subsidiaries, including bookkeeping or other services related to the accounting records or financial statements, financial information systems design and implementation, appraisal or valuation services, actuarial services, internal audit services,

investment banking services, management functions or human resources functions, legal services and expert services unrelated to the audit. The policy allows the Corporation to engage the external auditors to provide non-audit services, other than the prohibited services, only if the services have specifically been pre-approved by the Audit Committee.

Auditors Fee

KPMG LLP have served as the Corporation's auditors since fiscal year 2009. For the fiscal years ended on December 31, 2019, and December 31, 2018, billed fees for audit, audit-related, tax and all other services provided to the Corporation by KPMG LLP, were as follows:

	2019 (\$)	2018 (\$)
<i>Audit Fees⁽¹⁾</i>	580,100	530,300
<i>Audit-Related Fees⁽²⁾</i>	32,000	158,417
<i>Tax Fees⁽³⁾</i>	486,989	574,249
<i>All Other Fee</i>	-	-
TOTAL:	1,099,089	1,262,966

- (1) Include work performed on audited annual consolidated financial statements, audited annual statutory financial statements of certain subsidiaries, unaudited quarterly consolidated financial statements and purchase price allocation. The 2018 fees also include work performed on prospectus and exclude an amount of \$110,000 paid to another auditor firm for services related to the 2018 audit.
- (2) Include assistance relating to due diligence. The 2018 fees also include translation and assistance provided with respect to the acquisition of Garaventa Lift and with the adoption of new IFRS.
- (3) Include assistance related to a variety of corporate tax matters, tax compliance, due diligence and transfer pricing.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and options to purchase securities, will be contained in the Corporation's Management Proxy Circular for the shareholders' annual meeting. Additional financial information is provided in Savaria's comparative financial statements for the year ended December 31, 2019. Copies of the foregoing documents may be obtained upon request to the Corporation's Corporate Secretary at its corporate head office. Additional information relating to Savaria may also be found on SEDAR (System for Electronic Document Analysis and Retrieval) at www.sedar.com, and on Savaria's website at www.savaria.com.

SCHEDULE A: Audit Committee's Charter

1. General objectives

The Audit Committee of Savaria (the "Committee") is established by and among the board of directors (the "Board") for the purpose of overseeing the accounting and financial reporting processes, as well as the audit of the financial statements of the Corporation.

2. Composition

The Committee shall be comprised of three or more directors as determined by the Board, none of whom are members of management of Savaria and all of whom are "independent" (as such term is used in Multilateral Instrument 52-110 - Audit Committees ("MI 52-110")) unless the Board shall have determined that the exemption contained in section 3.6 of MI 52-110 is available and has determined to rely thereon.

The expression "independent" shall mean a person with no direct or indirect relationship with the Corporation.

All of the members of the Committee shall be "financially literate" (as defined in MI 52-110) unless the Board shall determine that an exemption under MI 52-110 from such requirement in respect of any particular member is available and has determined to rely thereon in accordance with the provisions of MI 52-110.

The expression "financial literacy" shall mean the ability to read and understand financial statements that are presenting accounting issues that could reasonably be raised in the Corporation's financial statements.

The members of the Committee shall be appointed by the Board at the annual organizational meeting of the Board and remain as members of the Committee until their successors shall be duly elected and qualified.

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. Organization

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The members of the Audit Committee shall meet before or after each meeting without management. As part of its mandate to foster open communication, the Committee should meet at least annually with management and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Chief Financial Officer may, at the discretion of the Committee, be present at meetings of the Committee and may be excused from all or part of any such meetings by the Chairman.

Minutes of all meetings of the Committee shall be taken and the Committee shall report the results of its meetings and reviews undertaken and any associated recommendations or resolutions to the Board. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee shall be a valid resolution of the Committee.

A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.

Members of the Committee may participate in a meeting of the Committee by means of telephone or other communication device or facilities that permit all persons participating in any such meeting to hear one another.

The Committee shall ensure the existence of an annual procedure to assess the performance of the Committee and its members.

4. Responsibilities and Duties

a) Financial Reporting and Disclosure of Documents

To fulfill its responsibilities and duties, the Committee shall:

- a. Review with management and the external auditors the annual financial statements and accompanying notes, the external auditors' report thereon and the related press release, including the information contained in management's discussion analysis, before recommending Board approval and prior to their release, filing and distribution.
- b. Review, with management, the quarterly financial statements and accompanying notes and the related press release, including the information contained in management's discussion analysis, before recommending Board approval and prior to their release, filing and distribution.
- c. Review the financial information contained in the annual information form, annual report, management proxy circular, prospectus and other documents containing similar information and prior to their release, filing and distribution with regulatory authorities in Canada.
- d. Ensure that the quarterly and annual audited financial statements of the Corporation accurately represent the financial situation, in accordance with generally accepted accounting principles, before recommending Board approval.
- e. Review, with the external auditors and management, the quality, appropriateness and adequacy of the Corporation's accounting principles and policies, underlying assumptions and financial reporting practices.
- f. Review, together with the Corporation's management and the external auditors, the proposed changes to the Corporation's accounting principles and policies, as well as the different estimates performed by management that could have a material impact on the financial information.
- g. Review the reports to management prepared by the external auditors and management's responses.
- h. Review of significant auditors' findings during the year, including the status of previous audit recommendations.
- i. Ensure that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements and periodically review those procedures.
- j. Review and update this Charter, as conditions dictate.

b) Risk management and Internal Controls

To fulfill its responsibilities and duties, the Committee shall:

- a. Ensure, through discussion with management and external auditors, the effectiveness of the internal controls and the reliability of the financial information disclosed.
- b. Remain informed, through the external auditors, of any weakness in the systems that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Corporation or from applicable laws and regulations.
- c. Review the financial and accounting aspects of transactions between related parties.
- d. Review risk management policies and procedures of the Corporation (i.e., hedging, litigation and insurance).
- e. Review the liability insurance coverage for the board members (annually and as required).
- f. Review requests for information from the *Autorité des marchés financiers* and any recommendations made and the steps taken by the Corporation to deal with any such issues.
- g. Assist the Board with the oversight of the Corporation's compliance with applicable regulatory requirements.

c) External Auditors

To fulfill its responsibilities and duties, the Committee shall:

- a. Be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- b. Recommend to the Board the external auditors to be nominated for appointment by the shareholders.
- c. Recommend to the Board the terms of engagement of the external auditors, including their compensation and a confirmation that the external auditors shall report directly to the Committee.
- d. On an annual basis, review and discuss with the auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence.
- e. Review the performance of the external auditors and approve any proposed discharge of the external auditors when circumstances warrant.
- f. When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
- g. Periodically consult with the external auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.
- h. Review, in consultation with the external auditors, the audit scope and plan of the external auditors.
- i. Pre-approve the completion of any non-audit services by the external auditors and determine which non-audit services the external auditors are prohibited from providing.
- j. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

d) Ethical and Legal Compliance

To fulfill its responsibilities and duties, the Committee shall:

- a. Establish a procedure for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters.
- b. Establish a procedure for the confidential transmittal, on condition of anonymity, by the Corporation's employees of concerns regarding questionable accounting or auditing matters.
- c. Conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain, and to set and pay compensation for any independent counsel and other professionals to assist in the conduct of any investigation, subject to the Board approving any expenditure in excess of \$10,000 in this regard.
- d. See to the establishment and respect by the Corporation's Executive Management of the disclosure policy and any other governance policy regarding financial information, operations, activities, facts or events having a material impact effect on the Corporation's financial condition.
- e. Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

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SAVARIA CORPORATION

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