

REVIEWED AND APPROVED BY THE AUDIT COMMITTEE ON MARCH 5, 2020

1.0 PURPOSE

Westport Fuel Systems Inc. ("**WFSI**") and its subsidiaries and affiliates (collectively "**WFS**" or the "**Company**") are committed to the highest possible standards of ethical, moral and legal business conduct through the ethical behavior of its employees and the proper and effective functioning of its accounting and control systems.

In keeping with this commitment, and the commitment to open communication and transparency, this policy ("**Policy**") establishes standards and procedures that allow employees to report concerns or complaints about corporate conduct (so-called "whistleblowing") with the reassurance that they will be protected from retaliation, reprisals or victimization for all such reporting or whistleblowing.

2.0 BACKGROUND

Under the WFS Code of Conduct, every member of the WFS team and global network is asked to flag any concerns he or she may have regarding actual or suspected violations of the law, the Code of Conduct or other WFS policies, using one of several internal communication channels in place, including the ability to report concerns on a confidential or anonymous basis where necessary and allowed by local law.

In addition, regulations applicable to WFSI as a Canadian public company specifically require the audit committee of the Board of Directors (the "**Audit Committee**") to establish procedures for: "(a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters" ("**Accounting and Auditing Concerns**")¹. Accordingly, the Audit Committee has adopted this Whistleblower Policy in order to be in compliance with these requirements.

Similar regulations to encourage and protect whistleblower communications are also present in other countries in which WFS operate.

3.0 POLICY SCOPE

This policy applies to all WFS employees worldwide, including part time, temporary and contract employees.

For the purposes of the policy, the scope of reportable matters ("**concerns**") is intended to be broad and comprehensive and to include any matter which, in the view of the person expressing the concern or complaint, is illegal, unethical, contrary to the Code of Conduct or policies of the Company or in some other manner not right or proper and not limited to Accounting and Auditing Concerns alone.

¹ See Canadian National Instrument 52-110, para. 2.3(7).

4.0 PROCEDURES FOR REPORTING CONCERNS

General

As explained above, this Whistleblower Policy is in place to ensure the reporting and resolution of concerns about conduct within the Company can take place without fear of retaliation.

Most often, areas of concern identified by employees are best addressed with the employee's supervisor or manager or with a member of the management team; however if these direct channels are not deemed satisfactory, there are other resources available.

In particular, the Company has established a confidential and anonymous process to allow reporting of concerns relating to Accounting and Auditing Concerns, unethical or illegal conduct, compliance with laws and regulations, and other possible breaches of the Company's Code of Conduct through an Ethics Hotline portal and phone line service managed by an independent third party provider of corporate compliance services ("Ethics Hotline"). Whistleblower reports through the Ethics Hotline can be made using the portal westport.ethicspoint.com, or by email to alert@wfsinc.com or by telephone to one of the dedicated confidential numbers listed on Appendix 1 to this policy.

Alternatively, concerns may be reported directly to the Chairman of the WFSI Board of Directors at boardchair@wfsinc.com or to the Chairman of the Board's Audit Committee at auditcommitteechair@wfsinc.com.

While general employment-related concerns should continue to be reported through your normal channels such as your supervisor or to anyone in Human Resources, if these direct channels are not deemed satisfactory or safe from reprisal, please report a concern in the manner as outlined in this policy.

Timing

The earlier a concern is expressed, the easier it is to take action.

Evidence

Although the employee is not expected to prove the truth of an allegation reflected in the reported concern, if the employee has evidence to demonstrate that there are sufficient grounds for concern and enough to warrant further investigation, the employee is expected to produce such evidence.

Confidentiality

The identity of the person reporting the concern will be kept confidential unless that person has authorized such disclosure in writing or the Company is required to disclose the same in accordance with applicable laws.

Anonymous Reports

Employees are encouraged to put their names to reports containing their concerns or allegations as appropriate follow-up questions and investigative activities may not be possible unless the source of the information is identified. Concerns expressed anonymously will be investigated, but consideration will be given to:

- the seriousness of the issue;
- the amount of detail provided;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

5.0 HOW REPORTS OF CONCERNS OR COMPLAINTS WILL BE HANDLED

General

All concerns or complaints reported through the Ethics Hotline are promptly brought to the attention of the Chairman of the Audit Committee (or if escalated, to the full Audit Committee) with the assistance and direction of whomever the Chairman or Audit Committee thinks appropriate including, but not limited to, external legal counsel.

When a concern or complaint relating to Accounting or Auditing Concerns, unethical or illegal conduct, compliance with laws and regulations, or other possible breaches of the Company's Code of Conduct is brought forward to management, they are required to inform the Internal Audit, Legal or Human Resources function leader as soon as possible, who are in turn are required to promptly report the concern or complaint to the Chairman of the Audit Committee.

Responsibility of the Audit Committee With Respect to Whistleblower Concerns and Complaints

The Audit Committee has oversight responsibility with respect to effective implementation of procedures for the receipt, retention and treatment of all concerns or complaints regarding Accounting and Auditing Concerns, unethical or illegal conduct, compliance with laws and regulations, and other possible breaches of the Company's Code of Conduct.

Operationally, the Audit Committee has delegated the responsibility for investigating and handling such Whistleblower concerns and complaints to the Company's Internal Audit department, except for those cases where it considers the circumstances or content of the matter reported require direct investigation by the Audit Committee itself or other delegates.

Responsibility of Internal Audit

Internal Audit shall receive, retain, investigate and act on all concerns and complaints that are the subject of delegation by the Audit Committee. The action taken will depend on the nature and the severity of the concern. All concerns and complaints received by the Ethics Hotline or by emails shall be promptly reported to the Audit Committee, reporting how each complaint is being handled and the action taken.

6.0 WHISTLEBLOWER PROTECTION

Harassment, retaliation, victimization or adverse employment consequences for reporting concerns and complaints under this policy against the complainant will not be tolerated and will result in disciplinary action, up to and including termination.

Any person who experiences or believes they have been subjected to any form of the mentioned adverse consequences as a result of submitting a whistleblower concern or complaint, or participating in an investigation, should document the details and immediately raise their concern via alert@wfsinc.com or one of the other confidential communication channels referred to above.

Malicious Allegations and Self-Disclosure

Malicious allegations may result in disciplinary action. This Whistleblower Policy will not protect a person from the consequences of one's own wrongdoing; however, a person's self-disclosure of wrongdoing that is not independently discovered through investigation shall be taken into account when considering the consequences to such person.

7.0 REPORT TO COMPLAINANT

The person reporting a concern or complaint will be given the opportunity to receive the following information on their concern within a reasonable time frame:

- acknowledgement that the concern was received;
- indication as to how the matter will be dealt with;
- an estimate of the time that it will take for a final response; and
- status of investigation.

8.0 COMMUNICATION OF THE POLICY

Management is responsible for ensuring all personnel are aware of the Whistleblower Policy and procedures by including the Code of Conduct and the Whistleblower Policy in the orientation package for all new employees, and requiring ongoing annual certification by all personnel as acknowledgement of this and other Company policies.

This Whistleblower Policy and how to report under it will be available at all times on the Company's intranet and external website.