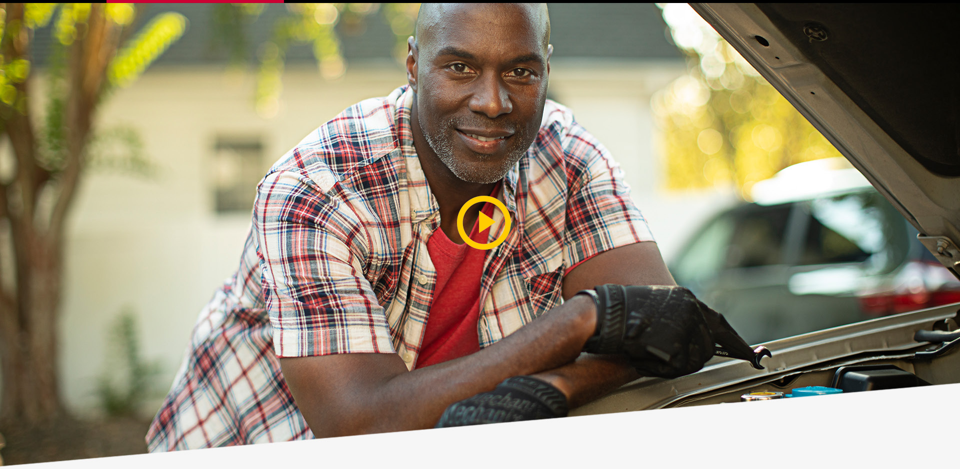
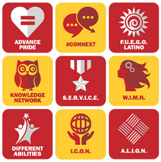


# 2019 CORPORATE SUSTAINABILITY AND SOCIAL REPORT

"Advancing a World in Motion is about driving the performance of our company, and how we develop our people, reduce our environmental impact and give back to the communities in which we live and serve. We do this by focusing on three critical areas: people, planet and community." *– Tom Greco, President and Chief Executive Officer*

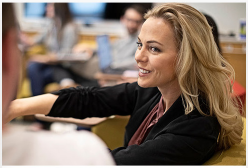
DOWNLOAD FULL REPORT

## OUR PEOPLE



### TEAM MEMBER NETWORKS

We have nine Team Member Networks that allow Team Members from diverse backgrounds and experiences to **Move Forward** with a common goal: drive innovation and provide valuable insights and contributions to our organization.



### ORGANIZATIONAL HEALTH

We survey Team Members annually to help understand our organization's health, which is a critical tool for us to demonstrate our **Be Accountable** Cultural Belief.

### RECOGNITION

Recognizing our Team Members is one of the most important things we can do to build a winning culture and drive strong business results. When we see our Team Members succeed, it is incumbent on us to demonstrate our **Take Action** Cultural Belief.

### TRAINING

Our training culture is a direct result of our **Grow Talent** Cultural Belief: I own my development and the success of those around me. I hire and develop the best talent and commit to my teams' continuous improvement.

### INNOVATION GARAGE

Innovation Garage offers Team Members a way to live our **Speak Up** Cultural Belief – I listen to seek and provide candid, informed feedback to improve performance.

### INCLUSION & DIVERSITY

We are looking for the best ideas to help the business grow. Doing so requires that we live our **Champion Inclusion** Cultural Belief, which says I embrace diversity of people, thoughts, skills and styles to deliver results.

## CULTURAL BELIEFS

At Advance, we believe every Team Member has a role to play in determining our company culture. Having clearly identified Cultural Beliefs helps us all understand how we must think and act to position ourselves to reach our goals and put Advance on a path to success. Whether it's our written communications, the programs we create, or simply the daily interactions we have with each other, our Cultural Beliefs are embedded in everything we do. They are the behaviors that make Advance a great place for our Team Members to work and a preferred destination for our Customers to shop.

TAKE ACTION

### ANGIE COOPER
### MANAGER, PROFESSIONAL LOYALTY PROGRAM
RALEIGH, NC – YEARS WITH ADVANCE: 21

"Never give up and do everything you can to set yourself apart." That's excellent advice from Angie Cooper, manager of Advance's professional loyalty program.

Two decades ago, Angie's car broke down, and her lack of knowledge to fix it made her feel powerless. This experience fueled Angie's desire to learn everything she could about cars, even earning an ASE certification.

It also resulted in Angie's hiring as a part-time driver and cashier at Advance. Fast forward 21 years, and Angie is still learning and advancing. She is a shining example of how Team Members **Take Action** to achieve their goals.

## SAFETY

**8%**

Reduction in Total Recordable Injury Rate

**17%**

Reduction in Lost Time Cases

**18%**

Reduction in Auto Collision Cases

**24%**

Reduction in Restricted Cases

## PLANET

At Advance, we know our stewardship of the environment is inextricably linked with our business success, and it will only grow in importance. That's why we focus on doing our part to reduce our environmental impact across all aspects of our operations.

### ENERGY CONSERVATION

Over the last several years, we have developed many forward-thinking strategies in the areas of energy conservation and recycling, and we're seeing substantial results from our actions. This includes an 11% increase in energy saved, converting over one million light bulbs to LED bulbs and reducing our carbon emissions.

### RECYCLING PROGRAMS

In 2019, we met our recycling goals in the major categories of oil and batteries, and continued to grow our cardboard, stretch wrap and scrap metal recycling programs. Importantly, we also improved the type of materials we are using and moved to higher quality materials that result in lower volumes being used.

## COMMUNITY

One of the most rewarding ways we live by our values – Inspire, Serve and Grow – is by finding ways to enrich the lives of our Customers and Team Members in the communities where we live and work. That's why our commitment to giving back is something we take very seriously. We understand the importance of taking care of one another and creating an environment where everyone can thrive.

### AMERICAN HEART ASSOCIATION

In 2019 we continued our support of the **American Heart Association**, becoming the number one participating company in the country and raising over $1 million.

### BUILDING HOMES FOR HEROES

For nine years, we have been a supporter of **Building Homes for Heroes**, raising $13 million since the beginning of our partnership, including $2 million in 2019.

### JDRF

In 2019 our point-of-sale Sneaker Campaign played a significant role in our fundraising effort for **JDRF**, adding to the more than $45 million we have raised over the past 27 years.

## CORPORATE GOVERNANCE HIGHLIGHTS

Over 89 percent of our directors are independent

Annual election of all directors

Board policy on CEO succession planning

Robust stock ownership guidelines for directors and executive officers

## AWARDS AND RECOGNITION

### HRC CORPORATE EQUALITY INDEX SCORE

Advance proudly joined major American businesses participating in the Human Rights Campaign's Corporate Equality Index for LGBTQ-inclusive workplace policies and practices. With a score of 90 out of a possible 100, Advance achieved the highest ranking among our industry peers.

### CDP SCORE

In 2019, we joined the global nonprofit CDP and scored a "B" rating in the organization's annual climate change report. This is one of the highest possible scores a company can achieve in its first year.

### GOOD360

Advance Auto Parts was presented with the Good360 Circle of Good Award in recognition of our alignment with nonprofit partner Good360's mission of transforming the lives of those in need through the distribution of critically needed goods. The award highlights our commitment to responsible business practices, giving those in need a hand up, and keeping usable parts and supplies out of landfills.

**SHAREHOLDER SERVICES**

Registrar and Transfer Agent:

More Information:

**CUSTOMER SUPPORT**

For Customer Support or general questions outside Investor and Media Relations, please contact our headquarters at:

More Information:

**INVESTOR RELATIONS**

For Investor Relations or Media Relations questions please contact:

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