CALIFORNIA TRANSPARENCY IN SUPPLY CHAIN ACTS BACKGROUND

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (SB657) became law in the state of California. The following statements are made in compliance with this Act. It applies to suppliers in our supply chain that provide goods or services for resale to Advance, Carquest, Worldpac or Auto Part International.

AUDIT

We conduct a social and safety audit prior to engaging Direct Import Suppliers that operate in countries that could be at higher risk for human rights abuses, and then at least every two-years thereafter. These audits are conducted by an independent third party. Audits are typically announced prior to commencement at a supplier location. However, we reserve the right to audit without notice, and suppliers are required to provide access to the auditors within 30 minutes of their arrival.

CERTIFICATION

Our Master Purchasing Agreement (MPA) requires our goods for resale suppliers to ensure that products they sell to us comply with all applicable laws, which would include laws relating to human trafficking and slavery. Our <u>Supplier Code of Conduct</u> also states our expectation that suppliers respect human rights.

VERIFICATION

Advance uses its social and safety audit program to verify that selected suppliers in our Direct Import supply chain do not participate in slavery or human trafficking.

INTERNAL ACCOUNTABILITY

Advance communicates its expectations regarding slavery and human trafficking in its Code of Ethics, Supplier Code of Conduct and MPAs.

The Company offers multiple methods for individuals to report an actual or potential violation of our <u>Code of Ethics</u>, <u>Supplier Code</u>, Corporate Standards, or relevant laws or regulations. The Company promptly and thoroughly investigates all complaints of human rights violations.

TRAINING

Advance Auto Parts requires our team members to follow our <u>Code of Ethics</u>, which covers human rights, and we require training on the Code for new hires and then annually.

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