



**AutoZone<sup>®</sup>**

**PARTS ARE JUST A PART OF WHAT WE DO**

**CORPORATE SOCIAL RESPONSIBILITY REPORT 2019**

# Auto Shack

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# STARTING LINE

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**AutoZoners always put customers first!**  
**We know our parts and products.**  
**Our stores look great!**  
**We've got the best merchandise at the right price.**

AutoZone Pledge, est. 1986

At AutoZone, our culture is what sets us apart from the competition. For more than 40 years, we have been dedicated to offering the best merchandise at the right price while also providing WOW! Customer Service. Across more than 6,400 stores, distribution centers, our Store Support Centers and ALLDATA, the foundation of our success at AutoZone is sustained by a rich culture that our employees, affectionately called AutoZoners, strive to live by. Every day, AutoZoners Go the Extra Mile for our customers and the communities where we all live, work and play. Guided by a set of Values, we strive to create a welcoming, diverse atmosphere at AutoZone with our commitment of caring about customers, fellow AutoZoners, our communities, and the environment.

Our unique AutoZone culture, created by dedicated AutoZoners who live our Pledge and Values, keeps us devoted to constantly innovating and aspiring for better ways to serve our customers, communities, fellow AutoZoners, and shareholders.

## RECYCLING

- Nearly 11 MM gallons of oil were recycled through AutoZone in fiscal year 2019
- 19,000 tons of cardboard and 18,000 tons of scrap metal were recycled in fiscal year 2019

## ENERGY SAVINGS

- 39% reduction of kWh usage per square footage since 2012

## INCLUSION AT EVERY LEVEL

- 24% of our workforce and management is made up of women
- 57% of our workforce and 44% of management is ethnically-diverse

## DIVERSITY IN GOVERNANCE

- 33% of the Board of Directors is ethnically diverse, and 25% are women
- 92% of our Board members serve as Independent Directors

## AWARD WINNING

- WayUp Top 100 Internship Programs (2018, 2019)
- Women's Choice Award (2014) for America's Best in Automotive: Auto Parts Retailer
- Retail Innovation Award (2017)
- \$34 million to St. Jude Children's Research Hospital through the Thanks and Giving campaign - earning the St. Jude Corporate Partner of the Year Award (2017, 2019)

## PUTTING SAFETY FIRST

- For fiscal year 2019 our Supply Chain's OSHA:
  - Recordable Injury Rate for General Warehousing and Storage is 48% lower than the national rate
  - Lost Time Rate for General Warehousing and Storage is 66% lower than the national rate

# FROM THE DESK OF BILL RHODES

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On behalf of our over 95,000 AutoZoners serving customers in more than 6,400 stores in the United States, Mexico and Brazil, we are proud to present AutoZone's 2019 Corporate Social Responsibility Report. Since we opened our very first AutoZone store in Forrest City, Arkansas, on July 4, 1979, AutoZone's top priority has been our commitment to Customer Satisfaction, which remains true today. Our unique and powerful culture of serving the customer is embodied in the first line of our Pledge, "AutoZoners always put customers first!" Every day, we remain passionate about our Pledge, Values, and culture to earn our customers' trust and business.

I am honored to report that our commitment to the customer goes far beyond selling and distributing the highest quality automotive aftermarket parts and products at the right price. This commitment extends to our diligent focus on always being a responsible and trustworthy corporate contributor. Whether creating a diverse, safe, and inclusive work environment for our amazing AutoZoners or developing environmentally sustainable and ecofriendly initiatives, we are committed to ensuring that our best days are ahead.

Over the past several years, including fiscal year 2019, we continued to make good progress at becoming an ever better and more trusted corporate contributor. During fiscal year 2019, our AutoZoners, in the U.S. alone, were responsible for recycling nearly 11 million gallons of oil, 802 tons of plastic, and over 220,000 tons of batteries. We also continued to work closely with our community partners to ensure that our charitable giving, volunteerism, and resources have meaningful and tangible impact. In 2019, among other accomplishments, we were honored to be recognized by our friends at St. Jude Children's Research Hospital as its Corporate Partner of the year.

But, despite our tremendous gains and accomplishments in 2019, we still have room to grow and are never satisfied with resting on our past performance. For fiscal year 2020, with an operating theme of "40 Years of WOW! Customer Service!" – we will strive to build on our many successes to create a better, safer, and more sustainable environment for today and generations to come. Thank you for staying in the Zone with us for all these years!

Sincerely,



**Bill Rhodes**  
Chairman, President, and  
CEO, Customer Satisfaction





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# UNDER THE HOOD OF AUTOZONE

Originally named "Auto Shack", AutoZone began as a division of Malone & Hyde, Inc. Our founder, J.R. "Pitt" Hyde III started the business with college classmate, Peter Formanek, and a few key members of the Malone & Hyde management team.

Pitt, who had assumed the leadership role for Malone & Hyde, a wholesale food distributor, in 1968 at the age of 26, wanted to diversify into other businesses.

Always focused on the future, he diversified into pharmacies, sporting goods and other businesses before deciding on retail auto parts.

**1979**



J.R. "Pitt" Hyde III opens the first Auto Shack in Forrest City, Arkansas.

**1987**

Auto Shack changes its name to AutoZone. In 1991, we become a publicly traded company on the New York Stock Exchange (ticker symbol: AZO).



**1996**



We launch our Commercial program offering credit and delivery to professional technicians and acquire ALLDATA, the nation's leading provider of electronic automotive diagnostic and repair software.

The AutoZone Pledge is coined by AutoZoners setting the standard for our commitment to customer satisfaction. In 2007, six Values are introduced.



**1986**



AutoZone launches Duralast.

**1989**



Our website, AutoZone.com, debuts. In 2000, the ability to sell parts online and deliver to a customer's home is added to the site. In 2010, AutoZone.com goes mobile.

**1996**

After visiting a few auto part stores, the team recognized the need for retail auto parts stores that could help anyone take care of their vehicles by providing quality parts and Trustworthy Advice. They believed that the characteristics found in supermarkets could be applied to the auto parts business: clean, well-lit, well-merchandised stores and exceptional customer service.

On July 4, 1979, the first Auto Shack store opened in Forrest City, Arkansas, about forty miles west of our headquarters, called the Store Support Center (SSC), in Memphis, Tennessee.

Today, AutoZone is the leading retailer and a leading distributor of automotive replacement parts and accessories in the U.S. AutoZone currently boasts more than 6,400 stores and 95,000 AutoZoners across all fifty states in the U.S., the District of Columbia, Puerto Rico, St. Thomas, Mexico, Brazil, and supporting operations on four continents.

## 1998

We establish our international presence in Mexico. In 2012, we opened our first store in Brazil. By 2015, we were represented in all 50 U.S. States.



## 2002



We develop Hub stores to substantially increase local market availability of parts. In 2014, Mega Hubs, carrying twice as many parts as hub stores, are added.

## 2019



The first AutoZone store opens in St. Thomas, the U.S. Virgin Islands. AutoZone stock exceeds \$1,000 per share.

We open DataZone in Chihuahua, Mexico to support electronic cataloging and commercial.



## 2000



We announce our Next Day Delivery Program. Using AutoZone.com, customers can order more than 100,000 parts and products as late as 10 p.m. and have them delivered to their doorstep the following day.

## 2018

# ONE TEAM

At AutoZone, we are the leading retailer and a leading distributor of automotive replacement parts and accessories in the Americas. Each AutoZone store carries an extensive product line for cars, sport utility vehicles, vans and light trucks, including new and remanufactured automotive hard parts, maintenance items, accessories, and non-automotive products.

Many stores feature commercial sales programs providing commercial credit and prompt delivery of parts and other products to local, regional and national repair garages, dealers, service stations, and public-sector accounts.

We also offer the ALLDATA brand of diagnostic and repair software through [www.alldata.com](http://www.alldata.com) and the ALLDATA sales team. Digitally, we sell automotive hard parts, maintenance items, accessories, and non-automotive products through [www.autozone.com](http://www.autozone.com) and our commercial customers can make purchases through [www.autozonepro.com](http://www.autozonepro.com). AutoZone does not derive revenue from automotive repair or installation.



**95,563** TOTAL  
AUTOZONERS



**6,411** TOTAL  
STORES

We employ 85,364 AutoZoners in the United States and 10,199 internationally (China, Brazil, Canada, Mexico and Germany) **for a total count of 95,563\* AutoZoners.**

We operate 5,772 stores in the United States, 604 stores in Mexico, and 35 stores in Brazil **for a total count of 6,411\* stores.**

\*as of August 31, 2019





# CARES ABOUT PEOPLE

Most companies have a mission and/or vision statement, but at AutoZone, we have a Pledge and a set of Values. Our Pledge and Values signify something stronger than a vision – a promise to our customers that guides our actions and decisions. Through four simple, clear, concise, yet actionable lines, AutoZoners

in our stores, Distribution Centers and other parts of the organization have a clear plan of What It Takes To Do The Job Right, or what we call, WITTDJR®. Every AutoZoner, from executives to AutoZoners in our stores, strive to LIVE the Pledge.

## OUR CHEER

Meetings at AutoZone begin with our Cheer to remind us of our commitment to customer satisfaction and our promise to put customers first. The Cheer is high energy, exciting and is practiced in our stores, at our distribution centers, at the Store Support Center (SSC) and any other location where AutoZoners gather.

How the Cheer Works: An AutoZoner leads the Cheer and all other AutoZoners in attendance respond.

**Give me an: A-U-T-O-Z-O-N-E  
Who's the best? AutoZone!  
Who's number one? The customer!**

## EXTRA MILER

Following the Cheer and Pledge, an Extra Miler story is read. This story may be a letter from a satisfied customer or from an AutoZoner recognizing a peer for going above and beyond the call of duty.

Reading an Extra Miler story before each meeting is another way to:

- Reinforce the AutoZone culture of customer satisfaction
- Emphasize that AutoZoners work hard to provide WOW! Customer Service
- Remind AutoZoners to put customers first
- Recognize behaviors to be replicated



## OUR PLEDGE

Most companies have a vision and/or mission statement. At AutoZone, we are unique - we have a Pledge. A Pledge to ourselves and, more importantly, a Pledge to our customers. This simple yet profound Pledge, applies to all AutoZoners and guides their actions through four concise statements and, of course, it starts with the Customer, like everything at AutoZone.

# PLEDGE & VALUES

**AutoZoners always put customers first!**  
**We know our parts and products.**  
**Our stores look great!**  
**We've got the best merchandise at the right price.**



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### *An AutoZoner Always...*

#### **PUTS CUSTOMERS FIRST**

Exceed your customers' expectations by providing WOW! Customer Service and going the Extra Mile. Understand your customers' needs and solve their problems. Treat each customer as your only customer.

#### **CARES ABOUT PEOPLE**

Treat people with dignity and respect. Recognize great work and provide frequent feedback. Demonstrate concern for others and your community. Create a safe environment. Own your development and help develop others.

#### **STRIVES FOR EXCEPTIONAL PERFORMANCE**

Be accountable and honor your commitments. Act in a manner of the highest legal and ethical standards. Use resources wisely and promote a culture of thrift. Take strong initiative, act quickly and do the job right the first time.

#### **ENERGIZES OTHERS**

Share your passion for the business. Generate enthusiasm, motivate others and promote innovation. Listen and assume positive intent in others.

#### **EMBRACES DIVERSITY**

Welcome each individual's heritage, differences and unique qualities. Build teams with diverse thoughts, skills, knowledge and backgrounds. Value the ideas and opinions of others.

#### **HELPS TEAMS SUCCEED**

Actively contribute to team goals and seek opportunities to lead. Be a reliable and supportive team member. Strive for accurate and clear communication. Place team goals over personal goals.



## FOUNDATION

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# THE AUTOZONE BRAND WAS FOUNDED ON EXTRAORDINARY SERVICE

## AND DOING WHAT IT TAKES TO DO THE JOB RIGHT.

Helpful, friendly people in clean, well-lit, well-merchandised stores have been the cornerstone of the AutoZone brand since our opening in 1979. Originally called Auto Shack, the name was later changed to AutoZone, but the core principles remained intact.

## CODE OF CONDUCT

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At AutoZone, we go the Extra Mile to provide service that exceeds expectations. As a leader in the auto parts industry, we adhere to high standards of behavior and integrity. We demonstrate to our customers, vendors and each other that we know what it means to do the right thing, and we expect the same from our vendors and partners.

The AutoZone Code of Conduct, or “Code,” is firmly rooted in our Pledge and Values. While our business and customers may change, our culture continues to be committed to providing WOW! Customer Service and Trustworthy Advice in an ethical manner.

Our Code provides practical ways to achieve the goals defined by our Pledge, Values and Culture, and it is important for us to apply these principles in our lives as AutoZoners and as people. Updated annually, the document contains standards set for all AutoZoners. It is designed to provide guidance to help AutoZoners make responsible decisions and navigate the best course of action when faced with challenges or questions. Ultimately, we encourage AutoZoners to look to our Pledge and Values for guidance.

## HUMAN RIGHTS

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At AutoZone, we are committed to our Values, which are centered on putting customers first and caring about people. We are also focused on providing competitive compensation, benefits and training opportunities to all AutoZoners. It is our stated philosophy to deliver a competitive, total rewards package that is at the market median and provides opportunities to exceed the median based on performance. We align AutoZoners' variable compensation to the successful delivery of our strategic priorities and business results, and use compensation to reward and retain our top talent.

Every AutoZoner can expect regular performance evaluations, development and growth opportunities, and promotions based on merit and other objective measures, without favoritism. At AutoZone, we are committed to upholding basic human rights in all areas of our business.

We have a history of succeeding through honest business

competition. When we market our products, we do it fairly, accurately and truthfully. Regardless of who we are working alongside, they can expect us to act with integrity.

Since we know our business partnerships reflect our reputation and culture, we require our vendors to adhere to our Vendor Code of Conduct which describes our standards and expectations for where we source the products and services that keep our business running.

We commit ourselves to doing the right thing and require our suppliers to do the same. We will not tolerate child labor, forced labor or human trafficking, and we do not purchase parts from or maintain relationships with companies that do. We only seek out ethical, law-abiding suppliers, and we establish lasting relationships with companies that meet our high standards. We also avoid doing anything to give one supplier an unfair advantage or biased preferential treatment over another.



# PRODUCT SOURCING, QUALITY, AND COMPLIANCE

## VENDOR QUALIFICATION AND FACTORY AUDITING

At AutoZone, we fulfill our promise of offering the best merchandise at the right price by sourcing Qualified Suppliers worldwide. To be considered a Qualified Supplier, we require all globally sourced vendors to pass both our internal and contracted annual assessments. In 2019, we spent more than 4,000 hours conducting internal assessments and approximately 7,000 hours were spent on assessments by our third party partners.



The Workplace Security Verification (WCA) verifies factory working conditions and ensures products are manufactured at a facility that meets both local laws and standards. The WCA provides AutoZone with transparency by asking questions around the wages of employees, the environmental management systems in place, the air emissions controls, and the handling of waste water, to name a few.

In addition, vendors must acknowledge and adhere to the AutoZone Vendor Code of Conduct. We have qualified hundreds of global suppliers who have shipped thousands of products to AutoZone stores following this process. Some of the tools we use in this process include:

**The Gap Analysis** is an internal analysis that evaluates the vendor's overall processes with an emphasis on its environmental and workplace conditions.

**The Workplace Security Verification (WCA)** is a third-party assessment that evaluates the working conditions at a factory in compliance with local and national laws.

**The Supplier Qualification Program (SQP)** is a third-party assessment that provides information on the continuous improvement processes that a vendor has in place.

**The Global Security Verification (GSV)** is a third-party assessment that evaluates the location's security measures per AutoZone and U.S. Customs' criteria.

**Product Qualification Testing** consists of third-party and internal testing to ensure the products AutoZone sells meet the industry's strictest safety and quality standards.

**Pre-Shipment Inspection** consists of third-party and internal inspections of the products AutoZone purchases globally. This ensures the products that arrive in our store meet the same standards set forth in product qualification testing. Products that don't pass this inspection are not sent to the stores.

"An AutoZoner  
Always...  
Helps Teams  
Succeed"

"AutoZone operates and sources products on a global scale and expects our vendors to adhere to AutoZone's high ethical standards, maintain safe working conditions, and use responsible business practices in the manufacture, sale, transportation, distribution and other provision of services for or on behalf of AutoZone."

- AutoZone Vendor Code of Conduct



hardware



Brake Drum

# ENVIRONMENTAL RESPONSIBILITY

As our company expands, we know our responsibility to the environment grows, and we take this very seriously. From our stores, to our Distribution Centers, to our transportation fleet, to our Regional offices, and our Store Support Centers, we seek to meet the needs of the present while protecting our future.

## WE WILL BE SAFE TODAY

A safe working environment is one of the many ways we demonstrate one of our core Values, Cares About People. Our goal is to send every AutoZoner home just as healthy as they were when they came into work.

We continuously strive to improve workplace safety by utilizing data to understand opportunities, and we act on that data to enhance and develop periodic training, communications, and processes. We study and communicate workplace accidents to understand different ways to implement preventative tools and training. Dedicated Safety Managers implement safety programs that include thorough on-boarding training, continuous improvement measures and personal recognition awards focused on safety which strive to reduce year-over-year OSHA recordable incidents.

Annual safety awards include Safest Region, Most Improved Region, and Safest Distribution Center of the Year, our most prestigious safety award. These awards recognize teams exhibiting outstanding safety practices and are celebrated at our annual National Sales Meeting.

## RECYCLING

**IN FISCAL YEAR 2019,  
AUTOZONE RECYCLED:**  
**715,423 WOOD PALLETS**  
**19,146 TONS OF CARDBOARD**  
**18,118 TONS OF SCRAP METAL**  
**802 TONS OF PLASTIC**

These efforts prevented more than **250,000 metric tons** of greenhouse gas emissions.





# CUSTOMER RECYCLING

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At AutoZone, we are dedicated to protecting the environment by providing customers with a safe and easy way to dispose of used oil, batteries and car parts.

We offer one of the largest recycling programs for these items. Customers may recycle automotive batteries, oil and oil filters, cores from remanufactured parts, and damaged merchandise by simply dropping items off in most of our stores.

## OIL RECYCLING

We recycled nearly **11 million gallons of oil** at our stores in fiscal year 2019



## BATTERY RECYCLING

In fiscal year 2019, we sent **over 220,000 tons** of batteries back to suppliers to be recycled and remanufactured



## OIL FILTERS

We recycled roughly **2 million** oil filters at our stores in fiscal year 2019

## REMANUFACTURED PARTS

In fiscal year 2019, approximately **30,000 tons** of used and worn out auto parts were sent back to our suppliers to be recycled and remanufactured



# DRIVING INTO THE FUTURE

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## Vehicle Safety and Emissions

AutoZoners who drive company vehicles must complete a required Driver Safety Training course before operating any AutoZone fleet vehicle. This training underscores safe driving techniques and reinforces procedures for reducing fuel use and emissions.

AutoZone fleet vehicles are equipped with in-cab technology to identify and report performance, which allows for re-training of AutoZoners, policy updates to comply with new laws, and enhancements for performance improvements.

### Transportation Fleet

- Reduced idle-time by 43% through the use of auxiliary power units to reduce fuel and related emissions
- Improved average MPG by over 13% through the use of enhancements to our tractor-trailer fleet to reduce fuel consumption, including:
  - Utilizing advanced air faring packages on tractors and trailers
  - Limiting maximum travel speed to 65 mph
  - Utilizing wide-based tires

### Commercial Business Vehicles

- Better fuel efficiency and less maintenance by upgrading to more efficient vehicles
- 2.1 tons of CO<sub>2</sub> per truck reduced by replacing 6 cylinder models with 4 cylinder models
- 1.2 tons of CO<sub>2</sub> per sedan reduced by replacing 6 cylinder models with 4 cylinder models
- 27 basis point reduction in OSHA reported incidents, 17 basis point reduction in lost time injuries



# ECOFRIENDLY INITIATIVES

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At AutoZone, we have implemented several energy efficient conservation programs across our stores and Distribution Centers:

- Centrally managed Energy Management System that controls HVAC and Lighting
- LED Sensor Enabled Interior Lighting
- LED Exterior and Sign Lighting
- Energy Efficient Roofing that reduces heat build up during summer months
- Weather Sealing on Doors
- HVAC upgrades with peak power reduction
- Third-party energy conservation audits in the Distribution Centers

# DRIVING FORWARD

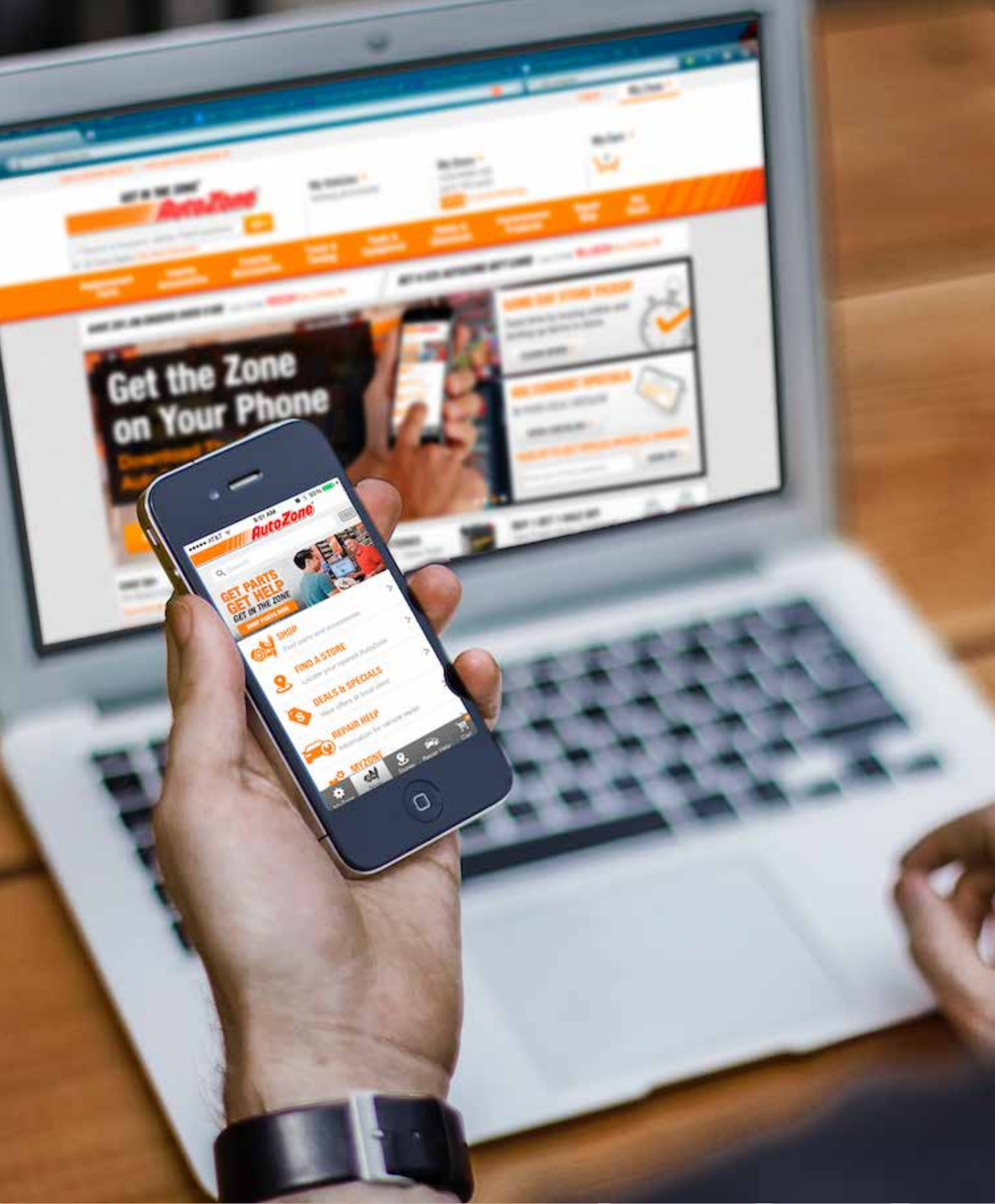
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At AutoZone, we have made great strides in reducing waste, but we continually look for ways to improve. On the horizon, AutoZone will test new technologies to reduce our footprint including:

- Solar Energy Panels to significantly reduce energy costs
- HVAC Solar Assist to reduce energy loads
- Smart Irrigation to receive real time visibility to leaks and prevent over/under watering

SINCE 2012, WE HAVE **REDUCED kWh USAGE PER SQUARE FOOT BY 39%.**





# DATA SECURITY

As our Pledge and Values state, “An AutoZoner Always... Cares About People.” As a part of this pillar, one of our top priorities is protecting employee and customer privacy through strong data security practices. In fact, earning, maintaining, and enhancing the trust of our customers is fundamental to our business, and this includes data privacy.

We use multiple security methods and measures to protect our customers’, vendors’ and employees’ data and information. While we strive to offer protections above and beyond what

is required by applicable regulatory agencies, including the recommended best practices of agencies such as the National Institute of Standards and Technology, unauthorized access to data and information by malicious third parties is still possible. If an unfortunate unauthorized data access event incident occurs, we will swiftly and thoroughly respond to such incidents, communicate openly and transparently with those affected, and implement improvements to our processes and controls.



# AUTOZONER RECOGNITION



## President's Club

Recognizes an elite group of AutoZoners - the top five percent of AutoZone Store Managers



## Sales and Leadership Council Award

Recognizes the best of the best from the Commercial and Retail sales team



## WITTDJR®

Recognizes AutoZoners who do What It Takes To Do The Job Right



## Shrinkbuster

Recognizes AutoZoners who protect AutoZone's assets and prevent loss in our Stores, Distribution Centers and across our company by providing good-faith tips and information



## Starters Club

Recognizes a group of AutoZoners who create a program that has a significant impact on AutoZone operations, growth or development



## Years of Service

Recognizes AutoZoners annually for their years of service



## Military Service

Recognizes AutoZoners who have served or are currently serving in any branch of the U.S. Military



## Automotive Service Excellence (ASE)

Awards AutoZoners who have passed an independent industry-wide certification called the ASE certification tests



## Ray of Hope

Distinguishes an AutoZoner who has demonstrated extraordinary compassion and/or has provided significant service to help people, a community or a cause



## Safety

Recognizes individuals or groups of AutoZoners who demonstrate safe practices or take action to maintain a safe environment for our customers and AutoZoners



# AUTOZONE RECOGNITION

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At AutoZone, we strive to position our company as an Employer of Choice. We are proud of the recognition and accomplishments we have received.

- Received Top Employee Engagement Award by ORC International
- Ranked in the 2019 Forbes: America's Best Employers by State List
- Honored by WomenCertified as the Women's Choice Award for America's Best in Automotive: Auto Parts Retailer
- Recognized by Prudential for Exemplary Leadership in Retirement Plan Education and Communications
- Selected by Benefit Focus as one of their most progressive Benefit clients to ring the opening bell at NASDAQ on 2019 National Employee Benefits Day
- Announced as the Automotive Service Council of California's Partner Spotlight for work on uniting automotive professionals

# RECOGNIZING THE MILITARY

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At AutoZone, we proudly support our military veterans and their families. We believe our company is a great place to work for all people and are honored that 10% of our workforce includes active, separated or retired military.



In recognition of our significant organizational support of the National Guard and Reserve, we are a recipient of The Seven Seals Award promoting Employer Support of the Guard and Reserve (ESGR) mission across the Nation.



# RESPECT IN THE WORKPLACE

At AutoZone, we are committed to treating people with dignity and respect. This applies to the way we treat our customers and how we treat each other.

It is important to create an environment where every AutoZoner's contributions are valued and treated with respect. At AutoZone, we do not discriminate, and we expect all employment decisions to be made based on a person's knowledge, skills and abilities to fulfill the requirements of the position. We never make employment decisions based on:

- Race, Skin Color, or Ethnicity
- Gender or Gender Identity
- Physical or Mental Disability
- Family Leave Status
- Sexual Orientation
- Veteran Status
- National Origin
- Religion
- Ancestry
- Martial Status
- Medical Condition
- Age

or any other characteristics protected by law.

This applies to recruiting, hiring, training, promotions, compensation, benefits, transfers, education and all other aspects of employment with AutoZone. We make all employment decisions based solely on job-related requirements.

We are also committed to keeping AutoZone harassment-free. We do not tolerate any derogatory comments, jokes, insults, slurs, intimidating behavior, inappropriate physical contact, sexual advances or any other actions that make AutoZone an uncomfortable or hostile place for someone to work.

## REPORTING GRIEVANCES

We have a formal grievance procedure for AutoZoners to report allegations of unlawful conduct such as harassment, discrimination and/or retaliation. The process includes:

- multiple avenues of reporting (including anonymously)
- a model complaint form
- a commitment to thoroughly investigate allegations
- a guarantee that complaints will not be subject to retaliation
- a mandate that managers who observe or become aware of unlawful conduct must immediately report such conduct to Human Resources

Our commitment to fairness and mutual respect also extends to our customers, vendors and candidates for employment.







energizes  
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embraces  
diversity

teams  
succeed

...individuals help  
...and unique  
...the thought

...contribute to the  
...work opportunity  
...and a



# DIVERSITY & INCLUSION

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"An AutoZoner always...Cares About People and Embraces Diversity." These are two of our Values that are a vital part of our strong culture. Whether helping customers, serving the community, or working together as 1TEAM, an AutoZoner always welcomes each individual's heritage, differences and unique qualities. AutoZoners build diverse teams, and treat everyone with dignity and respect.

At AutoZone, we are committed to creating and sustaining a diverse and inclusive work environment and organization. Diversity and Inclusion (D&I) makes AutoZone a great place to work and thrive for everyone, and it is a vital part of our teams' ability to provide WOW! Customer Service by valuing each other's unique contributions, background and make-up.

Talent processes play a pivotal role in building diverse teams and helping teams succeed. This is why we embed D&I into our talent acquisition, training and development, engagement and retention, and performance management processes. Some examples include:

- Planning, launching, and supporting Business Resource Groups (BRGs) to attract, retain, engage and develop diverse talent
- Offering company provided Short-Term Disability with an additional parental leave benefit for mothers, spouses and domestic partners
- Providing Unconscious Bias Training inclusive of hiring practices to our Human Resource and leadership teams throughout the company
- Using a multi-tier leadership development program, called the AutoZone Leadership Academy, to engage and develop diverse, high-performing talent from throughout the organization
- Creating diverse teams through strong relationships with Historically Black Colleges and Universities





## BUILDING DIVERSE TEAMS

AutoZone is a great place to work and shop, and we strive to promote our industry as inclusive and welcoming to all people. Our diversity brings a richness of heritage, knowledge and backgrounds that help us better serve our customers, communities and AutoZoners. At AutoZone, we are proud of our Diversity and Inclusion initiatives which fuel our passion to continue to grow results in this area.

AT AUTOZONE, **WOMEN REPRESENT 24%** OF OUR WORKFORCE AND **24% OF MANAGEMENT ROLES**, AND **ETHNICALLY-DIVERSE AUTOZONERS REPRESENT 57%** OF OUR WORKFORCE AND **44% OF MANAGEMENT.**

**"An AutoZoner Always... Embraces Diversity"**

"AutoZone is a diverse company, full of caring, committed AutoZoners, who are passionate, service-focused, problem-solvers. When you are an AutoZoner, you are part of something special – a culture unlike any other that pledges to Put Customers First in all we do. As AutoZoners, our Values define and guide us. It is our commitment to those Values, along with the diversity of skills, knowledge, abilities and backgrounds possessed by our more than 95,000 AutoZoners that make AutoZone a winning team."

- Bill Rhodes, Chairman, President, CEO, Customer Satisfaction

# BUSINESS RESOURCE GROUPS

## EMBRACE DIVERSITY. BUILD COMMUNITY. DEVELOP LEADERS.

At AutoZone, we embrace diversity by welcoming all people, encouraging different philosophies, and valuing the ideas and opinions of others. Our Business Resource Groups help to facilitate a welcoming and creative environment across the organization.

Our BRGs support AutoZoners who share common interests, backgrounds and characteristics and have a mission to contribute their voices, time, and talent to helping AutoZoners connect, learn and grow in their careers. They provide networking, mentoring, community engagement, and learning opportunities while supporting our efforts to attract, engage, retain and develop diverse talent. All events and activities across each of the BRGs are inclusive to interested AutoZoners across all levels.

When asked about the importance of our BRGs, Bill Rhodes, Chairman, President and CEO, Customer Satisfaction, said, “when you think about AutoZone’s Business Resource Groups, you think about helping every single AutoZoner become the best AutoZoner they can be. That is critical to create the next leaders of AutoZone.”

Each BRG is supported by Executive Sponsors, who volunteer their time to advise, guide, and champion D&I efforts.



AZ WIN, AutoZone's Women in Network, was established to help strengthen women's development by facilitating networking and leadership training opportunities. The AZ WIN motto is, "Engage. Embrace. Empower." AZ WIN currently has chapters in locations throughout the organization including our store regions, Store Support Center (SSC), Distribution Centers, ALLDATA, Mexico and Brazil.



AZ NextGen, AutoZone's Next Generation of Leaders, focuses on AutoZoners between the ages of 21 to 40 by providing opportunities to connect and grow with other AutoZoners, practice and extend their leadership skills, and introduce innovative thinking and practices.



AZ BE BOLD, Building Opportunities for Leadership Development at AutoZone, raises cultural awareness for black professionals while encouraging a diverse and inclusive environment by connecting AutoZoners through networking, learning opportunities and community.



AZ ¡HOLA!, Hispanic Organization for Leadership at AutoZone, focuses on engaging, developing and inspiring AutoZoners to build relationships and drive business by establishing a strong reputation for AutoZone as a great place to work and shop.



**"An AutoZoner  
Always...  
Cares About  
People"**

AutoZone will continue to drive and support D&I through the launch and expansion of our Military and Veterans BRG.





## DRIVING DIVERSITY

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As AutoZoners, we are ITeam, focused on putting customers first. This is the commitment our company was founded on, and this commitment has not wavered.

Through the efforts of our D&I Initiative, AutoZoners bring their passion and energy to enhance our company and the communities we serve.

Looking forward, our D&I work will continue to help AutoZoners and potential AutoZoners understand and prepare for tremendous career opportunities. We serve millions of customers each week in our stores, commercial programs, at ALLDATA, [autozone.com](https://www.autozone.com) and [autozonepro.com](https://www.autozonepro.com), and we strive for exceptional performance with each customer wherever they are. D&I supports AutoZoners who serve our customers as ITeam delivering diverse, inclusive and intentional WOW! Customer Service.

# Volunteer Hub









# IN THE ZONE

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AutoZone's Summer Internship Program is designed to give college students a challenging, hands-on experience in the corporate retail industry. Students are offered opportunities in a variety of departments that serve to support our stores throughout the United States, Mexico and Brazil.

AutoZone interns receive a broad range of experiences during their time at the Store Support Center including:

**The Navigator Program:** an AutoZoner mentoring program enabling interns to gain exposure to cross-functional areas and assist with personal career goals

**Foundations Training:** an inside look into AutoZone history and culture with on-site visits to our Distribution Centers and Stores

**Tune-Up Tools:** a workshop designed to assist interns in resume writing, interviewing skills, and understanding social media presence

**Final Pitch:** a presentation identifying and researching ideas and solutions to operational issues and opportunities, and pitched to our managers, directors and senior leadership

**AUTOZONE'S SUMMER INTERNSHIP PROGRAM HAS BEEN RECOGNIZED AS ONE OF THE TOP 100 INTERNSHIP PROGRAMS NATIONALLY BY "WAYUP" FOR 2018 AND 2019. TWO AUTOZONE INTERNS WERE RECOGNIZED AS THE TOP 100 INTERNS NATIONALLY BY "WAYUP" FOR 2019.**

WayUp PRESENTS  
**TOP 100**  
INTERNSHIP PROGRAMS 2019



## COMMUNITY INVOLVEMENT

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### Transforming lives, one part at a time

Led by Pitt Hyde's dedication and commitment to philanthropy, AutoZone was built on a solid foundation of giving back to communities. Pitt and his wife, Barbara, continue to be visionaries and standard-bearers of philanthropy, community involvement and high-impact initiatives. At AutoZone, each and every day, we exhibit our Values inside and outside the walls of our stores, Distribution Centers and Store Support Centers.

Our charitable giving programs include grant programs, in-kind donations, active civic leadership, and volunteerism with a focus on five key pillars:

- Health and Wellness
- Education and Youth Development
- Community Development
- Diversity and Inclusion
- Arts and Culture

AutoZoners are encouraged to volunteer in the communities where they live, work and play. This is one of the ways AutoZoners Live the Pledge and exemplify our Values.

# CHARITABLE GIVING PRIORITIES



## HEALTH AND WELLNESS

Improving health and wellbeing through affordable healthcare options and preventative healthcare methods

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## EDUCATION AND YOUTH DEVELOPMENT

Fostering youth through Cradle to Career Education

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## COMMUNITY DEVELOPMENT

Advancing the community through place based development and social services

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## DIVERSITY AND INCLUSION

Highlighting community initiatives that provide diverse and inclusive objectives and spaces

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## ARTS AND CULTURE

Ensuring access to the Arts and a wide-variety of cultural experiences

# AUTOZONE GRANTS

**AUTOZONE HAS SUPPORTED ST. JUDE CHILDREN'S RESEARCH HOSPITAL BY RAISING MORE THAN \$34MM FOR FINDING CURES AND SAVING CHILDREN IN THE DAWN OF LIFE.**



In 2006, AutoZone began its partnership with St. Jude Children's Research Hospital. In that year, we collaborated to create an innovative, in-store, point-of-sale campaign, now recognized across many companies as the Thanks and Giving Campaign.

Through the Thanks and Giving Campaign, we have raised over \$34MM due to the generosity and help of our loyal customers. In this year alone, we hit a personal record of \$4.4MM in donations for the hospital, earning us the title of the 2019 St. Jude Corporate Partner of the Year Award.

AutoZone's support does not stop there. AutoZone also supports St. Jude Children's Research Hospital through grants, volunteerism, employee giving campaigns, in-kind donations, and sponsorships in the St. Jude Memphis Marathon, the AutoZone Liberty Bowl, and the FedEx St. Jude Invitational World Golf Championship.





**AUTOZONE HAS DONATED OVER \$5.5MM TO THE MID-SOUTH FOOD BANK PROVIDING OVER 16.75MM MEALS TO THE COMMUNITY.**



The Mid-South Food Bank has been a Community Partner with AutoZone since our former parent company Malone & Hyde's inception in 1927. Throughout the partnership, AutoZone has provided yearly grants, Capital Campaign Support, employee matching funds, board leadership, usage of tractor trailers and equipment, and endless volunteerism.

With AutoZone's support, the Mid-South Food Bank relocated to a larger building in 2019, significantly expanding support to over 400,000 Mid-Southerners who experience food insecurities.

In recognition of AutoZone's support, the Mid-South Food Bank named their public food space the AutoZone Agency Mart and replicated the look and feel of an AutoZone store.

**AUTOZONE HAS SUPPORTED THE ARTS COMMUNITY WITH OVER \$3.5MM SINCE 2012.**



At AutoZone, we view a thriving arts community as a key component to creating and sustaining an economically strong, authentic and dynamic community. We support arts and cultural initiatives through funding programs, civic leadership and employee engagement.

Operating with a grants program called ArtsZone, this support provides funding for dozens of emerging and established arts initiatives and events like outreach and mentoring programs for underserved youth, accessible art displays and community endeavors, and growth for minority arts groups.

In recognition of our substantial support, Americans for the Arts named AutoZone as one of the Top 10 Businesses Partnering with the Arts in America.



# EMPLOYEE GIVING

At AutoZone, we encourage AutoZoners to be active members of the community through volunteerism, the AutoZone Matching Gift program and payroll-deduction giving.

Our leadership walks the walk, with more than 70% of our Senior Leaders serving on nonprofit and industry boards, sharing their expertise and helping nonprofit organizations best serve the community.

The Matching Gift and payroll deduction programs are donations we make to match AutoZoner's charitable contributions to eligible nonprofit organizations.

Our Matching Gift program is available to all full-time AutoZoners and allows AutoZoners to donate to qualified charities of their choice and be matched dollar-for-dollar by AutoZone up to specific limits.

**MORE THAN 70%  
OF OUR SENIOR  
LEADERS SERVE  
ON NONPROFIT AND  
INDUSTRY BOARDS.**





## AUTOZONER ASSISTANCE FUND

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The AutoZoner Assistance Fund (AAF) is a 501(c)3 nonprofit organization that was established in 2000, with the intent to support fellow AutoZoners who are experiencing short-term emergency funding needs resulting from natural disasters and personal tragedies. Direct financial assistance is provided to AutoZoners to cover basic needs like shelter and food following a house fire or natural disaster. The AAF also provides support for unexpected personal situations like funerals.

The AAF is all about AutoZoners helping AutoZoners. It is managed by a volunteer board of fifteen AutoZoners.

Over 3,600 AutoZoners have received assistance, totaling more than \$3.8 million, in the last 3 years. The AAF receives approximately 200 requests for assistance each month and awards almost \$100,000 monthly. That is more than \$1MM of assistance provided annually by AutoZoners to AutoZoners.

**SINCE ITS INCEPTION, THE  
AUTOZONER ASSISTANCE  
FUND HAS PROVIDED OVER  
\$6.5MM IN FINANCIAL  
ASSISTANCE.**

# GOVERNANCE

Our primary corporate governance objective is to maximize long-term business success and increase stockholder value, while adhering to the laws of the jurisdictions where we operate and conducting our business with the highest ethical standards. We are committed to good corporate governance as a key to maintaining the trust of our investors, customers and AutoZoners, and we comply with all applicable requirements outlined in the New York Stock Exchange Corporate Governance Listing Standards.

At AutoZone, our corporate authority resides in our Board of Directors as the representative of the stockholders. Our Board has adopted Corporate Governance Principles, charters for each of its standing committees (Audit, Compensation, and Nominating and Corporate Governance), and policies to lead our governance practices. Additionally, each Director acknowledges a Code of Conduct and a Code of Ethical Conduct for Financial Executives.

Our Board uses its business judgment and due care in its oversight of AutoZone's management and to ensure appropriate procedures are in place to identify and mitigate risks. Each of our Directors must stand for re-election annually, and are elected by majority vote of our shareholders. Our current Board is composed of 92% Independent Directors. Our Board believes having a combined Chairman, President and CEO with independent members and chairs of Board committees and an independent

Lead Director currently provides the best Board leadership structure for AutoZone.

At AutoZone, we recognize the importance of Diversity and Inclusion in conducting our business, and we extend these values into nominating Board members from diverse backgrounds and professions. This ensures our Board has a variety of experiences, business judgment and perspectives that contribute to an effective decision-making process. Our Directors are diverse, with 25% being women and 33% being ethnically diverse. The average tenure of our independent Directors is 8 years, with an average age of 61 and 25% of our Directors have two years of service or less.

To adequately fulfill the Board's complex roles, from monitoring senior management performance to approving our strategic plan, a host of core competencies are represented on the Board, with each member contributing knowledge, experience and skills in one or more domains: Retail, Information Technology, Accounting/Finance, International Markets and Strategic Planning/Business Development.

For more information on our Corporate Governance practices, policies and procedures, visit <https://investors.autozone.com/>.

Director	Board Committees			Leadership		Board Core Competencies/Experience				
	Nominating Committee	Compensation Committee	Audit Committee	CEO/C-Suite Leadership	Public Directorship	Retail	Information Technology	Accounting/Finance	International Markets	Strategic Planning/Business Development
Douglas H. Brooks		•		•	•		•	•	•	•
Michael M. Calbert			•	•	•	•		•		•
Linda A. Goodspeed		•	•	•	•		•	•	•	
Earl G. Graves, Jr	•			•				•		•
Enderson Guimaraes	•			•		•		•	•	•
D. Bryan Jordan	•		•	•	•		•	•		•
Gale V. King		•		•				•		
W. Andrew McKenna		•	•		•	•	•	•		•
George R. Mrkonjic, Jr.		•	•	•	•	•		•	•	•
Luis P. Nieto	•		•	•	•	•		•	•	•
William C. Rhodes, III				•	•	•	•	•	•	•
Jill A. Soltau	•			•	•	•	•	•	•	•
<b>Total</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>12</b>	<b>9</b>	<b>7</b>	<b>6</b>	<b>12</b>	<b>6</b>	<b>10</b>

Board Highlights					
Age		Tenure		Diversity	
< 60 Years	6	0 - 4 Years	3	Women	3
61 - 70 Years	5	5 - 9 Years	4	Ethnically Diverse	4
> 71 Years	1	10+ Years	5		

•	Chairperson
•	Member





J.R. "PIT"  
HINE  
FOUNDER







## FINISH LINE

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On behalf of over 95,000 AutoZoners across more than 6,400 stores in all fifty states in the U.S., the District of Columbia, Puerto Rico, St. Thomas, Mexico and Brazil, we, at AutoZone, are proud to release our inaugural Corporate Social Responsibility Report. Ingrained throughout our culture are processes and programs that have allowed us to provide WOW! Customer Service to our customers, communities and AutoZoners for over 40 years.

We are proud of the success we have had, but, more importantly, we remain dedicated to living our Pledge and Values for the next 40 years and beyond.

As the first line of our Pledge states, "AutoZoners **always** put customers first!" and we will keep this promise for many years to come.

Thank you!

