

# AutoZone Vendor Code of Conduct

## Overview

AutoZone values its reputation for integrity and adherence to the highest ethical standards. The Vendor Code of Conduct has been adopted by AutoZone and is the essence of AutoZone's commitment to its Values and ethical practices. To that end, AutoZone requires its Merchandise vendors to adhere to those same high standards, create a safe place for workers, act ethically and fairly, and use responsible practices where they work with products, make products or perform services for AutoZone.

This Vendor Code of Conduct clearly establishes AutoZone's expectations. It applies equally to all Merchandise vendors and their subsidiaries, affiliates, employees, officers, agents, representatives and subcontractors who provide goods or services to AutoZone or perform work on AutoZone's behalf ("vendor" or "vendors"). Vendors are also responsible for conducting self-assessments, demonstrating compliance, attending AutoZone training related to this Vendor Code of Conduct and conducting their own training with their respective workers.

If a vendor violates this Vendor Code of Conduct, AutoZone may review its business relationship with the vendor, and may investigate, audit and take corrective actions up to and including termination of the business relationship. This Vendor Code of Conduct sets out expectations that build upon AutoZone's legal agreements with vendors and does not establish any additional rights or benefits as to AutoZone, its vendors or third-party beneficiaries.

## Contents

Section	Topic
I	AutoZone's Culture and Values
II	Labor and Human Rights
III	Health and Safety
IV	Environment and Sustainability
V	Ethics and Integrity
VI	Management Commitment
VII	How to Report Code Concerns

## I. AutoZone's Culture and Values

AutoZone's history started with the vision of one man: J.R. "Pitt" Hyde III. After receiving his bachelor's degree in Economics, Pitt joined Malone & Hyde, Inc., a wholesale food company founded by his grandfather. He launched and developed Malone & Hyde's specialty retailing division, beginning with drug stores and expanding into sporting goods stores and supermarkets. During his research into new, potential markets, Pitt recognized the need for a retail automotive parts store that could help ordinary people take care of their vehicles by providing quality parts and Trustworthy Advice.

Pitt believed that the characteristics found in supermarkets - clean, well-organized stores, accessible products, and great customer service - could be applied to the automotive parts business. In 1979, his vision became a reality.

Originally named "Auto Shack", the company first started as a division of Malone & Hyde. On July 4, 1979, we opened our first store in Forrest City, Arkansas. Sales that day totaled \$300. In its first year, Auto Shack opened eight stores in two states: Arkansas and Tennessee, and shipped merchandise out of a 12,000 square foot distribution center.

In 1987, Auto Shack became AutoZone, a freestanding company with Pitt serving as chairperson and CEO. In 1991, AutoZone joined the New York Stock Exchange (ticker symbol: AZO). In 1996, AutoZone launched a commercial program offering credit and delivery to professional technicians. Later, with the purchase of ALLDATA, AutoZone acquired the nation's leading provider of electronic automotive diagnostic and repair software. In 1998, AutoZone expanded its presence outside the U.S. borders to Mexico, opening our first AutoZone de Mexico store. In 2012, AutoZone acquired AutoAnything, one of America's largest and fastest growing online retailers of specialized automotive products. In 2014, AutoZone acquired Interamerican Motor Corporation (IMC), the second largest distributor of OE quality import replacement parts in the United States with an extensive parts line for all European and Asian cars.

Today, AutoZone serves customers in 49 states, Puerto Rico, Mexico and Brazil and employs more than 72,000.

The foundation of AutoZone's success is our culture, which defines how our employees (called "AutoZoners") take care of customers. Each AutoZoner works hard to live the Pledge, share their passion for WOW! Customer Service and Go the Extra Mile every day to continue building and growing AutoZone for our customers.

As we consider our history and culture, no matter where the business takes us, customer satisfaction will remain our number one priority.

# 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.



© 2015, AutoZone, Inc. All Rights Reserved. AutoZone and AutoZone & Design are registered marks of AutoZone Parts, Inc. or its affiliates.

## *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.

## II. Labor and Human Rights

AutoZone believes that all workers deserve an ethical workplace. AutoZone requires its vendors to uphold the highest standards of human rights. Vendors are responsible for identifying and complying with all applicable labor and human rights laws affecting their workforce, services rendered and products manufactured. Any questions, complaints or suspected violations of this section of the Vendor Code of Conduct should be directed to [general.counsel@autozone.com](mailto:general.counsel@autozone.com).

### Fair Treatment

Vendors must promote a workplace free from discrimination and treat all workers with fairness, dignity and respect. AutoZone does not tolerate any form of physical, sexual, psychological, or verbal harassment or coercion, nor does it tolerate abuse of any kind.

### Involuntary Labor

Vendors may not use any form of involuntary labor including slavery, forced work, bonded work, indenture, or prison labor. Vendors must certify that materials incorporated into the product supplied to AutoZone comply with all laws regarding human trafficking and slavery of the country or countries in which they do business. Vendors may not (i) use misleading or fraudulent recruitment practices or fail to disclose the key terms and conditions of work, including wages and fringe benefits, the location of work, living conditions and housing (if provided or arranged by vendor or any agent or other person paid by vendor), any significant costs to be charged to the worker, and, if applicable, the hazardous nature of the work; (ii) charge workers recruitment fees; or (iii) destroy, conceal, confiscate, or otherwise deny access by a worker to the worker's identity documents, such as a passport or drivers' license. All contracts with workers must clearly identify the conditions of employment in a language understood by the workers.

Neither vendors nor any agents or persons paid by vendors are permitted to traffic, transport, harbor, recruit, transfer, receive, or employ any person who was threatened, forced, coerced, abducted, defrauded or deceived by the business or its workers for the purpose of exploitation.

Vendors do not physically restrain workers in the workplace or upon entry to and exit from the workplace.

### Employment Status

Vendors are responsible for validating that their workers can legally work in the applicable locations. Vendors are responsible for maintaining documentation of each worker's work status eligibility.

### Age Verification

Vendors must only employ workers who are over the legal minimum working age in the countries in which they work. Vendors must not ask workers to engage in illegitimate workplace apprenticeships that do not provide benefits to the worker.

## Working Hours and Rest Days

Vendors must comply with all laws regarding overtime, rest days and workweek scheduling in the countries in which the vendors do business.

## Wages and Benefits

Vendors must pay workers in compliance of local laws including applicable standards for overtime, premium and equal pay for all workers without discrimination. When required in the countries in which they operate, vendors must offer vacation, leave, meal breaks, meal cards and time off for legally recognized holidays.

Vendors must communicate worker pay structures and pay periods in a language understood by the workers.

Vendors must pay accurate and timely wages and may not garnish or withhold wages as a disciplinary measure. Any deductions from wages must be legally permitted.

### III. Health and Safety

AutoZone believes that all workers deserve a safe workplace. Vendors maintain high health and safety standards, and maintain a safe work environment. Vendors are responsible for identifying and complying with all applicable health and safety laws affecting their workforce, services rendered and products manufactured. Any questions, complaints or suspected violations of this section of the Vendor Code of Conduct should be directed to [general.counsel@autozone.com](mailto:general.counsel@autozone.com).

#### Occupational Safety, Health and Hazards

Vendors are required to manage and minimize hazards in the workplace using internal processes and controls. Vendors must maintain processes that detect and prevent risks to health and safety.

Vendors must provide workers with appropriate personal protective equipment for the activities required of workers.

Vendors must provide workers with training, postings and communications regarding health and safety hazards in the workplace in a language understood by the workers.

#### Emergency Planning

Vendors must provide workers with training and communication on emergency preparedness and procedures. Vendors must maintain business processes, plans and procedures to respond to manmade or natural events and/or disasters. Vendors must also maintain building permits, proper exits for emergency access, fire equipment and emergency aid kits to cover the size and population of all buildings where workers are present.

#### Working and Living Conditions

Vendors must provide workers with a safe and healthy workplace in compliance with all applicable laws and with reasonable access to clean water and access to toilet facilities. Vendor provided facilities for dining must have sanitary food preparation and storage. Vendor provided dorms must be clean, safe, and provide reasonable living space and include proper exits for emergency access, fire equipment and emergency aid kits.

## IV. Environment and Sustainability

AutoZone recognizes its responsibility to make sound business decisions that support its commitment to the environment and the future of world resources. Vendors are responsible for identifying and complying with all applicable environmental laws affecting their workplace, services rendered and products manufactured. Any questions, complaints or suspected violations of this section of the Vendor Code of Conduct should be directed to [general.counsel@autozone.com](mailto:general.counsel@autozone.com).

### Hazardous Substance Management

Vendors must implement processes to identify, manage and dispose of hazardous substances in compliance with applicable laws and must comply with any restrictions AutoZone may impose regarding a vendor's lifecycle handling of hazardous materials including waste. Vendors must manage non-hazardous waste responsibly, and where possible, implement recycling practices. Vendors must also maintain appropriate documentation regarding the lifecycle handling of hazardous and non-hazardous waste where required by law.

### Resource Reduction

Vendors must proactively manage, monitor and reduce wastewater, air emissions, noise and impact to storm water quality that result from their operations. Where possible, vendors should implement conservation and substitution measures and reduce their consumption. Vendors must also maintain appropriate documentation regarding the resource reduction where required by law.

### Permitting and Reporting

Vendors must maintain all required environmental and fire safety permitting. Vendors are required to comply with any reporting requirements related to permits or regulations based on applicable law. AutoZone may request additional information from its vendors regarding permitting requirements and vendors must promptly provide such information to AutoZone.

## V. Ethics and Integrity

AutoZone expects its vendors to adhere to AutoZone's standards requiring compliance with the highest legal and ethical standards. Vendors are responsible for identifying and complying with all applicable ethics and integrity laws affecting their workforces, services rendered and products manufactured. Any questions, complaints or suspected violations of this section of the Vendor Code of Conduct should be directed to [general.counsel@autozone.com](mailto:general.counsel@autozone.com).

### Compliance with Laws

Vendors doing business with, or on behalf of AutoZone, must comply with the laws and regulations of the locations in which such vendors operate. Compliance is required regarding all aspects of vendor operations including manufacturing and sourcing, as well as throughout the entire supply chain.

### Anti-corruption

Vendors must not obtain unfair advantages for themselves or AutoZone. Vendors must not offer or make an improper payment to a third party in an effort to obtain or retain business or otherwise improperly promote the business interests of AutoZone in any respect. Vendors are prohibited from engaging in corruption, extortion, embezzlement, kickbacks or bribery. This includes a prohibition against making or offering bribes or kickbacks for inspection, testing, auditing, or any process/procedures done on behalf of AutoZone.

Vendors are required under their contracts with AutoZone to understand and comply with the laws and regulations of the country in which they operate in addition to the United States Foreign Corrupt Practices Act ("FCPA"). Vendors are also required to take steps to ensure that their employees, agents and any subcontractors or third-party affiliates are reputable and law abiding, and that they understand and are compliant with such laws and regulations as well as this Vendor Code of Conduct. Vendors are prohibited from providing false or misleading information that could cause AutoZone's books and records to be inaccurate.

### Facilitation Payments

Vendors must not make facilitation payments in furtherance of work performed or service conducted on behalf of AutoZone. Facilitation payments are considered payments made to foreign officials as an incentive for the foreign official to expedite a routine administrative process or secure performance of ordinary government action. AutoZone prohibits vendors from making facilitation payments even in countries where the local law permits such payments.



## Transparent Records

Vendors must maintain accurate and transparent books and records in reasonable detail to verify compliance with this Vendor Code of Conduct and other applicable policies and guidelines depending on the scope of services provided by the vendor, as well as the performance of terms of agreement with AutoZone. These include, but are not limited to, practices related to workplace conditions, labor and human rights, safety and environmental, ethics and integrity compliance. Vendors must promptly supply those records for inspection upon AutoZone's request in the form requested by AutoZone. Vendors must retain, dispose or destroy business records in compliance with applicable laws and requirements and in such a manner to protect confidential and proprietary information.

## Conflicts of Interest

Vendors must disclose to AutoZone all actual or potential conflicts of interest, whether business or personal, relating to their associates, suppliers, factories and competitors of AutoZone. Prompt reporting of all conflicts is to be made to AutoZone's Office of the General Counsel.

## Intellectual Property

Vendors must safeguard AutoZone's intellectual property rights and act in a responsible and ethical manner. AutoZone's intellectual property including but not limited to patents and trademarks (such as, for example, "Duralast", "Valucraft", "SureBilt" and "ProElite") may only be used in a manner specifically authorized in writing by AutoZone. AutoZone's intellectual property may only be used in a manner specifically authorized in writing by AutoZone. Vendors must conduct product reviews and clearances to ensure that products produced for AutoZone do not infringe on any patents, copyrights, trademarks, service marks, trade secrets or any other intellectual or proprietary information of any third party.

## Confidential Information

Vendors must safeguard confidential and proprietary information and require their sub-suppliers to do the same. AutoZone's confidential or proprietary information may only be used in the manner authorized in writing by AutoZone and may only be disclosed to persons and entities (i) with a need to know such information for the performance of services authorized in writing by AutoZone and (ii) who are bound to maintain it in strict confidence. Vendors must protect AutoZone's confidential or proprietary information even after the conclusion of their relationships with AutoZone.

## Insider Trading

Vendors are prohibited from buying or selling AutoZone securities when in possession of confidential, non-public business information that is used to make a determination on the buying or selling of AutoZone securities. That information may include business plans,

products and pricing, proprietary operating procedures and systems, books, records, financial and sales reports.

## Competition / Anti-Trust

Vendors must commit to protecting competition for the benefit of AutoZone customers and AutoZone businesses. Vendors must neither participate in activities that violate applicable anti-trust or competition laws nor participate in activities that could give the appearance of unfair advantage or dealing.

## Gifts and Entertainment

Vendors are not permitted to offer, promise or provide to an AutoZoner gifts, favors, or entertainment in an effort to obtain favorable treatment from AutoZone. Likewise, Vendors are not permitted to offer, promise or provide gifts, favors or entertainment to third parties in an effort to obtain favorable treatment for or on behalf of AutoZone. This means gifts and entertainment must not be offered or given in exchange for an award of business or in order to receive better prices or terms. AutoZone selects products and services on the basis of price, quality and service. AutoZone believes business transactions should be impartial, objective and free of outside influence.

AutoZone permits normal business meals and inexpensive tokens of appreciation such as branded amenities (such as pens, hats, etc.) which are generally acceptable so long as they are modest, customary and infrequent. Business meals, tokens and entertainment must not violate local laws or regulations and must not create even the appearance of impropriety. Any gift, meal or other entertainment offered or provided to a vendor must be consistent with local custom and not violate either the giver or recipient's applicable policies. Additionally, business meals and entertainment must also be conducted in locations and establishments generally recognized as suitable for conducting business for men and women alike and attended by both the host and guest for the duration of the event. These restrictions apply to family members of AutoZoners as well.

## Counterfeiting

Vendors must establish processes and programs to detect and prevent the use or creation of counterfeit goods.

## Customs Compliance

Vendors must comply with all applicable laws, regulations, and standards with respect to the ultimate country of importation. This includes compliance with laws that regulate global trade such as laws governing country of origin, importation, customs entry, export, licensing and sale of imported merchandise. Each vendor must ensure the integrity of the vendor's security practices and communicating such security guidelines to the vendor's business partners within its supply chain.

Vendors must ensure that all product markings are true and accurate and vendors must keep records as directed by the country of export and import, and U.S. Customs where

applicable. Vendors must be able to validate information applicable to all import and export shipments upon request by AutoZone.

## Whistleblower Protections

Vendors must supply workers with a reporting mechanism to safely and confidentially report workplace grievances. Applicable laws may require an anonymous reporting mechanism. Vendors are prohibited from retaliating against workers who report workplace grievances in good faith.

## Violations of Law

Vendors are required to timely report to AutoZone actual or suspected violations of AutoZone policy or applicable laws by anyone (including AutoZone and vendor employees, officers, agents, subcontractors or representatives) acting on AutoZone's or the vendors' behalf.

## VI. Management Commitment

AutoZone sells the best merchandise at the right price. AutoZone selects vendors that embrace high standards of ethical behavior and demonstrate commitment to those standards through rigorous business practices and conduct. AutoZone's Vendor Code of Conduct is ineffective without the commitment from the management of its vendors to adhere to the standards set forth. AutoZone holds its vendors responsible for violations of this Vendor Code of Conduct, up to and including termination of business relationships.

Vendors must implement or maintain oversight and management processes that support the standards in this Vendor Code of Conduct and proactively work to identify and mitigate risks.

### Accountability

Vendors are required to perform regular risk assessments, perform analysis of operations, and conduct periodic audits of their processes that involve third parties, suppliers, and subcontractors.

### Product Safety and Quality

AutoZone is committed to selling quality products that are safe for their intended uses, conform to all laws and regulations and meet relevant industry safety standards. Vendors must produce and deliver superior, safe quality products that ensure their quality is predictable, sustainable and repeatable. Vendors must provide services, and deliver parts and products consistent with their quotes, specifications and samples.

### Subcontractors

Vendors must ensure that their subcontractors are in compliance with AutoZone's Vendor Code of Conduct. Upon AutoZone's request, vendors may be required to obtain a written confirmation from their subcontractors that demonstrates their subcontractors' compliance with AutoZone's Vendor Code of Compliance. Vendors must immediately notify AutoZone of any changes in subcontractors if a material part of the work is performed outside of their facilities.

### Training and Records

Vendors are required to provide timely and relevant training to their employees, agents and subcontractors who perform work on AutoZone's behalf on this Vendor Code of Conduct and AutoZone policies so that its expectations are clearly and accurately communicated. Vendors must maintain records of that training and must permit AutoZone's inspection of these records upon AutoZone's request.

Vendors are required to record, maintain, and report documentation related to (i) topics covered in this Vendor Code of Conduct, and (ii) their financial and expense records, audits and quality reports, and other business documentation in compliance with applicable laws and at the request of authorities.

## Compliance Monitoring

Vendors must allow AutoZone and its designated agents to conduct unannounced audits and reviews of records, privately interview workers and inspect facilities to evaluate compliance with vendor agreement, quality, AutoZone's Vendor Code of Conduct, other policies or audits.

## Incident Management

Vendors must establish mechanisms for grievance reporting within vendor's organization and open communication with vendor's management. Vendors must provide a system for workers to report incidents within vendor's organization as well as a method to track reports that allows for corrective action plans.

## Corrective Action

Vendors must have action plans to address actual or potential risks associated with violations of law, internal or external audits, or AutoZone's Code of Conduct. If a vendor violates this Vendor Code of Conduct, AutoZone may review its business relationship with the vendor, and may investigate, audit and take corrective actions up to and including termination of the business relationship.

## VII. How to Report Code Concerns

To report a suspected Code of Conduct violation, ask questions or raise concerns, contact our Code Hotline:

- **1-800-410-8192** from the United States, Puerto Rico and Canada
- **001-877-292-4135** from Mexico
- **0800-76-25293** from Brazil
- **4001-202734** from China
- **Email: [code@autozone.com](mailto:code@autozone.com)**

If you would rather make an anonymous report, you can do so by mail.

**Mail:** General Counsel, AutoZone, Inc. #8074  
P.O. Box 2198  
Memphis, TN 38101

You do not need to identify yourself when you make a report. If you choose to give your name, it will be kept confidential to the extent allowed by local law. AutoZone never tolerates retaliation against anyone who makes a good faith report.