



Talent Trends 2020



History of Advance



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ADVANCE STORES

In 1932, Arthur Taubman purchased Advance Stores, LLC from Pep Boys, which consisted of three stores: two in Roanoke, VA and one in Lynchburg, VA.

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Advance Today

- 4,891 company-owned stores¹
- 1,260 independently-owned Carquest stores²
- 152 WORLDPAC branches³
- Over 70,000 Team Members⁴
- \$9.6 Billion generated net sales in 2018⁵



¹ ²³As of October 5, 2019 and agrees to our Q3 2019 Form 10-Q filed with the Securities Exchange Commission

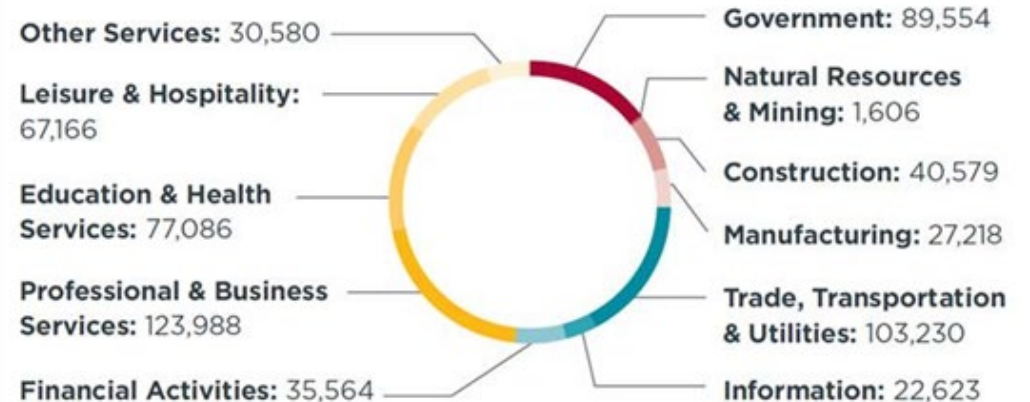
⁴⁵As of December 29, 2018 and agrees to our 2018 Form 10-K filed with the Securities Exchange Commission

Talent Competitive Intelligence in Raleigh

- ✓ As of 2019 the region's population increased by **11.8%** since 2014 and will increase by **7.8%** between 2019 and 2024
- ✓ From 2014 to 2019, jobs increased by **14.7%**
- ✓ 31.5% of Wake County, NC residents possess a Bachelor's Degree (12.7% above the national average)

Wake County Employment by Sector 2019

Total Employment: 619,196



Source: Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW)

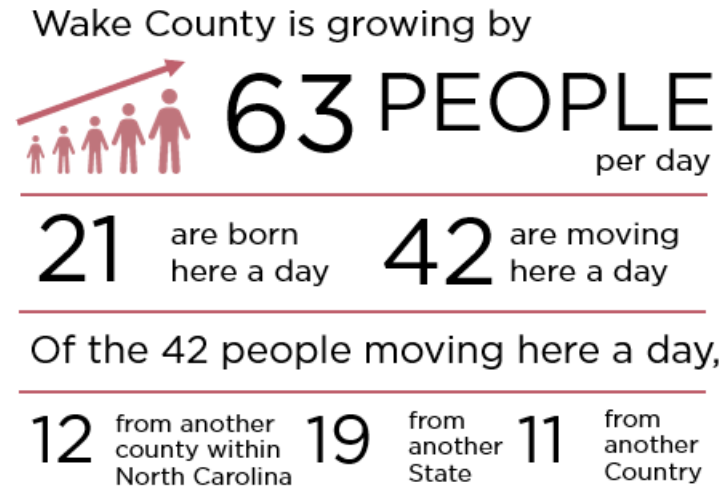
*Sources: Capital Area Workforce Development Board, Wake County Economy Overview

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Wake County Diversity Rankings

- ✓ #1 State for Women in the Tech Sector Workforce
- ✓ #2 Tech Hub that Millennials Prefer To Silicon Valley
- ✓ #4 Best City for Veterans to Live
- ✓ #5 City Where African Americans Are Doing the Best Economically
- ✓ #10 Best U.S. City For Closing the Gender Equality Gap
- ✓ Morrisville, NC Named Most Linguistically Diverse City in NC & 28th in the Nation

TALENT Diversity of Population



Wake County Net-Migrant Population

Top 3 Counties

1. Durham
2. Cumberland
3. Guilford

Top 3 States

1. New York
2. New Jersey
3. Pennsylvania

Top 3 Countries

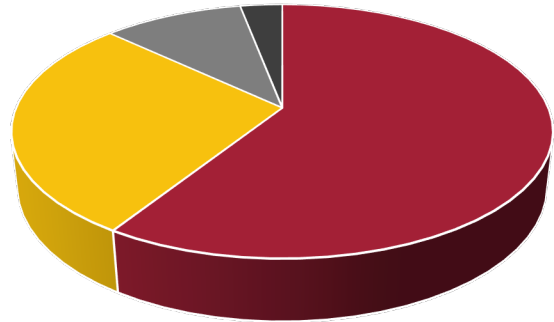
1. India
2. China
3. Mexico

Source: Diversity of Population – Wake County, NC and the Triangle Region.pdf

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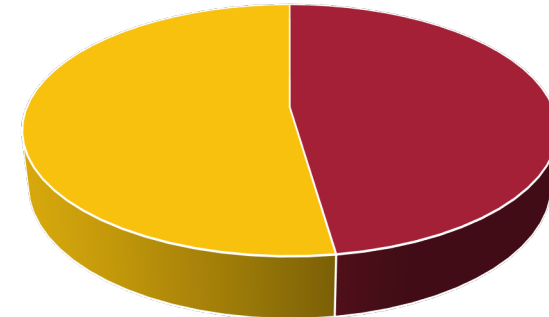
Raleigh Overall & Tech Diversity Landscape

Overall Demographics



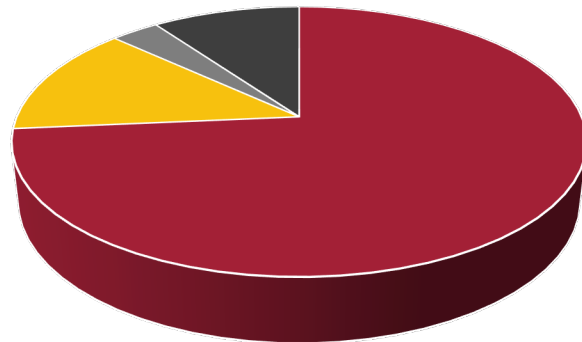
■ White ■ Black ■ Hispanic ■ Asian

Overall Gender



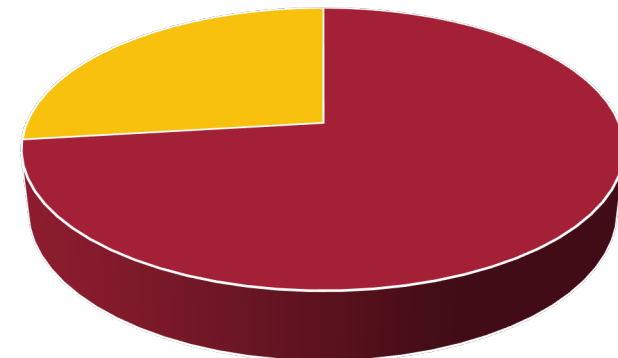
■ Men ■ Women

Tech Demographics



■ White ■ Black ■ Hispanic ■ Asian

Tech Gender



■ Men ■ Women

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Source: NC Chamber of Commerce

We Must Transform to Address Disruptions in our Competitive Landscape



Urbanization and Ride Sharing

- On demand accessibility
- Congestion fees

UBER



Autonomous Drivers

- Sensor and processing solutions

Google



Electrification

- Emission regulations
- Lower battery costs
- Charging station availability
- Consumer acceptance

TESLA









3D Printing

- Parts printed on site
- Less expensive
- Quick production

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AAP's Changing Business Landscape Requires New Capabilities

Disruptors		Business Implications	HR Implications
	Changes in Competitive Landscape	Growth of E-Commerce and Omni-Channel	Recruit qualified talent Upgrade internal skills Continue Culture Shift Laser focus on Employer Value Proposition
	Changes in IoT/Connectivity	Analytics and Digital	Train on capabilities to interpret data Leverage data for decisions
			
	Changes in Capabilities	Vehicle Complexity, Software, Durability	Improve technology/analytical talent Update skills and technical knowledge Leverage Technology for solutions based sales
	Changes in Consumer Behavior	Older Vehicles, Diversity, DIFM Focus	Use data & analytics to advance customer understanding Build new customer facing skills
			

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Our Business Disruptors directly impact our 2020 talent strategy

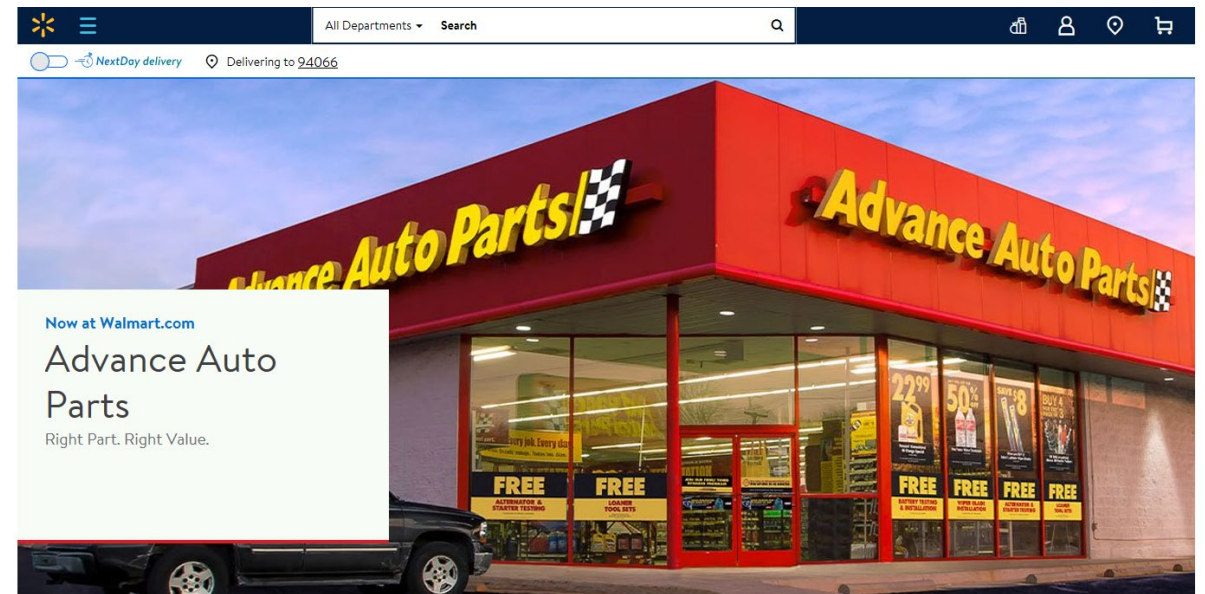
New Capabilities in action at Advance



Hackathons with Data Science Team

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New Partnership with



Team Member Value Proposition: Why would you want to join and grow your career at Advance?



Join

Be valued for who you are, know your voice is heard

- Customer Focused
- People Oriented
- Values and Culture Based
- Inclusive and Diverse
- Innovation Driven

Develop

Benefit from partnerships that help you grow personally and professionally

- Career Paths
- Cross-Functional Opportunities
- Leadership Training and On-The-Job Learning
- Role Based Learning Journeys
- Team Member Networks

Thrive

Take advantage of programs that help Team Members throughout their career

- Rewards and Recognition
- Work/Life Harmony
- Focus on Wellness
- Learning Culture
- Community and Charitable Engagement

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What Our Team Member Cohorts Value

Flexibility

Health

Financial



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