

ADVANCE AUTO PARTS, INC.  
COMPENSATION COMMITTEE CHARTER

**PURPOSE**

The Compensation Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Advance Auto Parts, Inc. (the Company”) to assist the Board in (i) setting executive compensation; (ii) administration and review of incentive-based and equity-based compensation plans; (iii) executive officer succession planning; (iv) setting director compensation; and (v) preparation of the Compensation Committee reports required by the Securities and Exchange Commission’s (“SEC”) proxy rules for inclusion in the Company’s annual proxy statement.

**RESPONSIBILITIES AND DUTIES**

In furtherance of its purpose, the Committee will have the following authority and responsibilities:

- (a) To review and approve annual corporate goals and objectives relevant to CEO compensation, annually evaluate CEO performance in light of those goals and objectives, provide the Board with recommendations for the CEO’s annual compensation, including salary, bonus, incentive and equity compensation levels based on this evaluation, and approve the CEO’s annual compensation after consideration of other appropriate factors, including feedback provided by the Board;
- (b) To approve the annual compensation, including salary, bonus, incentive and equity compensation for the Company’s executive officers and provide oversight of management’s decisions concerning the performance and compensation of Company executive officers;
- (c) To review the Company’s incentive-based and equity-based compensation plans and make recommendations to the Board with respect to the adoption or amendment of incentive-based and equity-based compensation plans;
- (d) To exercise all the authority of the Board of Directors with respect to the administration of incentive-based and equity-based compensation plans and benefit plans and authorize all equity awards under any such plans to the extent such plans require the Committee’s consent;
- (e) To periodically review and approve the peer group for assessing the competitiveness of the executive compensation program.
- (f) To oversee the Company’s executive compensation recovery (“claw-back”) policy;
- (g) To recommend to the Board compensation guidelines, including principles for determining the form and amount of director compensation for directors who are outside or independent directors within the meaning of applicable legal requirements;
- (h) To prepare the “Compensation Committee Report” required by the rules of the SEC to be included in the Company’s annual proxy statement and review with management the “Compensation Disclosure and Analysis” required by the rules of the SEC to be included in the Company’s annual proxy statement;

- (i) To review and recommend to the Board the Company's proposals to shareholders on executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, incentive and other executive compensation plans, and amendments to such plans (to the extent required under applicable New York Stock Exchange listing requirements) and to oversee engagement with proxy advisory firms and other shareholder groups on executive compensation matters; and review and evaluate the results of advisory votes on executive compensation;
- (j) To develop and approve any special benefits or perquisites provided to executive officers;
- (k) To periodically review an assessment of risks associated with the Company's compensation programs;
- (l) Oversee development and implementation of succession plans for the Company's executive officers other than the CEO;
- (m) To establish and oversee stock ownership guidelines for executive officers; and
- (n) To review and approve any employment, severance, and/or change in control agreements applicable to executive officers.

#### **MEMBERSHIP**

Members of the Committee will be members of the Board who meet the independence requirements of the New York Stock Exchange and who qualify as non-employee directors under Rule 16b-3 of the Securities Exchange Act of 1934. Additionally, members of the Committee, by experience, education or training should have general familiarity with the Company's compensation plans and practices as well as compensation plans and issues generally at publicly traded companies. The members of the Committee will be appointed by and serve at the discretion of the Board. The Committee Chair will be a member appointed by the Board. If the Committee Chair is absent, another member of the Committee will be appointed by the Committee to act as Chair.

#### **NUMBER OF MEMBERS; QUORUM**

The Board will determine the number of Committee members, but in no event will the Committee have fewer than three members. A majority of Committee members will constitute a quorum.

#### **SUBCOMMITTEES**

The Committee will not act through subcommittees but may appoint subcommittees to study and report to it on any matter.

#### **CONSULTANTS AND ADVISORS**

The Committee has the power and authority, in its discretion, to retain (and/or terminate) at the Company's expense such compensation consultant, legal counsel or other expert advisor, as it deems necessary to fulfill its responsibilities, without obtaining the approval of the Board or any officer of the Company. The Committee will have sole authority to approve any such consultant's or advisor's fees and other terms of retention. The Committee has the responsibility to consider and determine the independence of such compensation consultant, legal counsel or other expert advisor, in accordance with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and other applicable law. The Committee will act in reliance on such consultants, counsel and advisors, as well as management, the Company's independent public accountants, internal auditors, and advisors and experts, as it deems necessary or appropriate to enable it to carry out its duties.

**BOARD REPORTS; MINUTES**

The Committee Chair will regularly, or whenever requested by the Board, report to the Board on Committee actions. Minutes of each meeting will be kept.

**COMMITTEE SELF-ASSESSMENT**

The Committee will annually review the Committee's own performance. The Committee will report the results of such self-assessment to the Board.

**AMENDMENT AND REVISION**

Not less than annually, the Committee will review this charter and recommend to the Board any changes it deems advisable. Only the Board may amend this Committee's charter.

*Effective August 6, 2019.*