



# *Environmental* — Social — Governance

## **CORPORATE RESPONSIBILITY**

*LKQ Corporation strives to be a responsible corporate citizen with respect to environmental, social and governance matters.*

As the largest recycler of automobiles in the world, LKQ Corporation has a naturally minimal footprint on the environment and has instituted sound business practices for sustaining and protecting the environment. LKQ Corporation employs a staff of environmental compliance professionals to ensure our facilities impact the natural environment in as minimal a manner as possible, and we believe our North American salvage operations maintain the highest standards in the industry. Our salvage vehicle operations recycle more than 95% of the materials from end-of-life vehicles that would otherwise end up in a landfill. From end-of-life vehicles we recycle the salvageable parts that can be used in the repair of other vehicles; the fluids and tires that can be recycled, repurposed or re-used in our operations; and the steel hulks that are processed by metals recycling companies.

With respect to our delivery vehicles, LKQ Corporation has implemented a state-of-the-art logistics program aimed at delivering our products as efficiently as possible to save fuel and minimize emissions. In conjunction with our acquisitions, we conduct environmental due diligence to ensure that LKQ Corporation only invests in businesses with a solid record of environmental compliance. To reduce our impact on the environment, we monitor our use of consumables (e.g., cardboard, paper, packing materials, etc.), while also working with state and local governments to address any sites potentially requiring remediation, and convert them to sustainable operating facilities.

From a social standpoint, our mission statement prominently includes the goal of “building strong partnerships with our employees and the communities in which we operate.” LKQ Corporation is committed to treating all employees with dignity and respect. The maintenance of safe and proper working conditions for our employees is a high priority, and our health and safety department continuously monitors and addresses compliance with respect to working conditions. We recently organized relief efforts for our employees who suffered significant setbacks resulting from Hurricanes Harvey and Irma. The success of these efforts led to the creation of a community foundation that provides disaster relief and hardship assistance to employees and their families who suffer unexpected tragedies. LKQ Corporation also provides a scholarship fund that offers financial aid to the children of our employees to pursue higher education at a college or university, technical college, community or vocational school.

We have more than 350 locations across the United States and nearly 1,500 operating locations in over 20 countries worldwide. The teams at many of these locations are involved in a variety of community outreach efforts. Several of our locations donate time and materials to local fire and police departments to conduct training, allowing local law enforcement to utilize LKQ Corporation facilities to learn, teach and apply first responder techniques and methods to real-life situations. A number of our locations also work with local community colleges and job training programs to teach people the skills necessary to repair vehicles.

We also take data privacy very seriously. LKQ Corporation recently hired a Chief Information Security Officer to oversee the security of our information technology, including the enhancement of our data privacy programs.

LKQ Corporation has implemented various policies and programs to promote good corporate governance. Importantly, our Board of Directors and our executive team is committed to integrity and honesty with respect to operating our business. We strive to be fully transparent in our public disclosures including the reports covering our financial results and financial condition. We have implemented policies aiming for high standards of business ethics, including a Code of Ethics applicable to all directors, officers and other employees and policies addressing workplace harassment and discrimination, anti-bribery and anti-corruption, and export controls. LKQ Corporation has an online, in-house training system through which our employees take classes to help them understand the rules relating to these issues and the importance of adhering to the rules.

