



code of business conduct

**THIS CODE OF BUSINESS CONDUCT IS NOT A CONTRACT OF
EMPLOYMENT AND DOES NOT CREATE ANY CONTRACTUAL RIGHTS
OF ANY KIND BETWEEN CARMAX, ITS ASSOCIATES, OR THIRD PARTIES,
INCLUDING ANY EXPRESS OR IMPLIED CONTRACT OF EMPLOYMENT.
CARMAX DOES NOT CREATE ANY RIGHTS OR ASSUME ANY DUTIES,
CONTRACTUAL OR OTHERWISE, BY ISSUING THIS CODE.**

a word from **BILL NASH**



When I first joined CarMax over 20 years ago, it was hard to imagine what our Company would become. What we knew was that we were going to do things differently: by being honest and transparent in our business practices, we would change the way used cars are sold. This is what we mean when we say that CarMax was founded on the fundamental principle of integrity, reflected in the way we serve our customers, treat each other, and deliver our products.

Now, we are the largest used auto retailer in the United States, and the high standard of integrity we set for ourselves remains. Our Code of Business Conduct is an embodiment of these values: we do the right thing, put people first, win together, and go for greatness. As a CarMax Associate, there will be times when you may confront difficult ethical situations and have a choice to make. Our Code provides tools and resources to help guide you and to ensure that we continue to conduct our business with integrity. It is our collective responsibility to understand and apply our Code every day, including speaking up when we see someone who is not living up to these standards. Remember, our Code applies to everyone – Associates, managers, executives, and our Board Members.

No Code can cover every possible situation. If you have a question or concern, you can always speak with your manager. If you don't feel comfortable speaking with your manager, contact Human Resources or Asset Protection. You can also contact the Associate Help Line at 1-866-KMX-TIPS (1-866-569-8477) or use the Help Line Reporting Website at www.kmxtips.com, where you can make your report anonymously if you choose. Remember, CarMax has a zero-tolerance policy regarding retaliation.

Thank you for your continued commitment to our Company and for conducting our business with integrity.

A handwritten signature in black ink that reads "Bill Nash". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bill Nash, President and CEO



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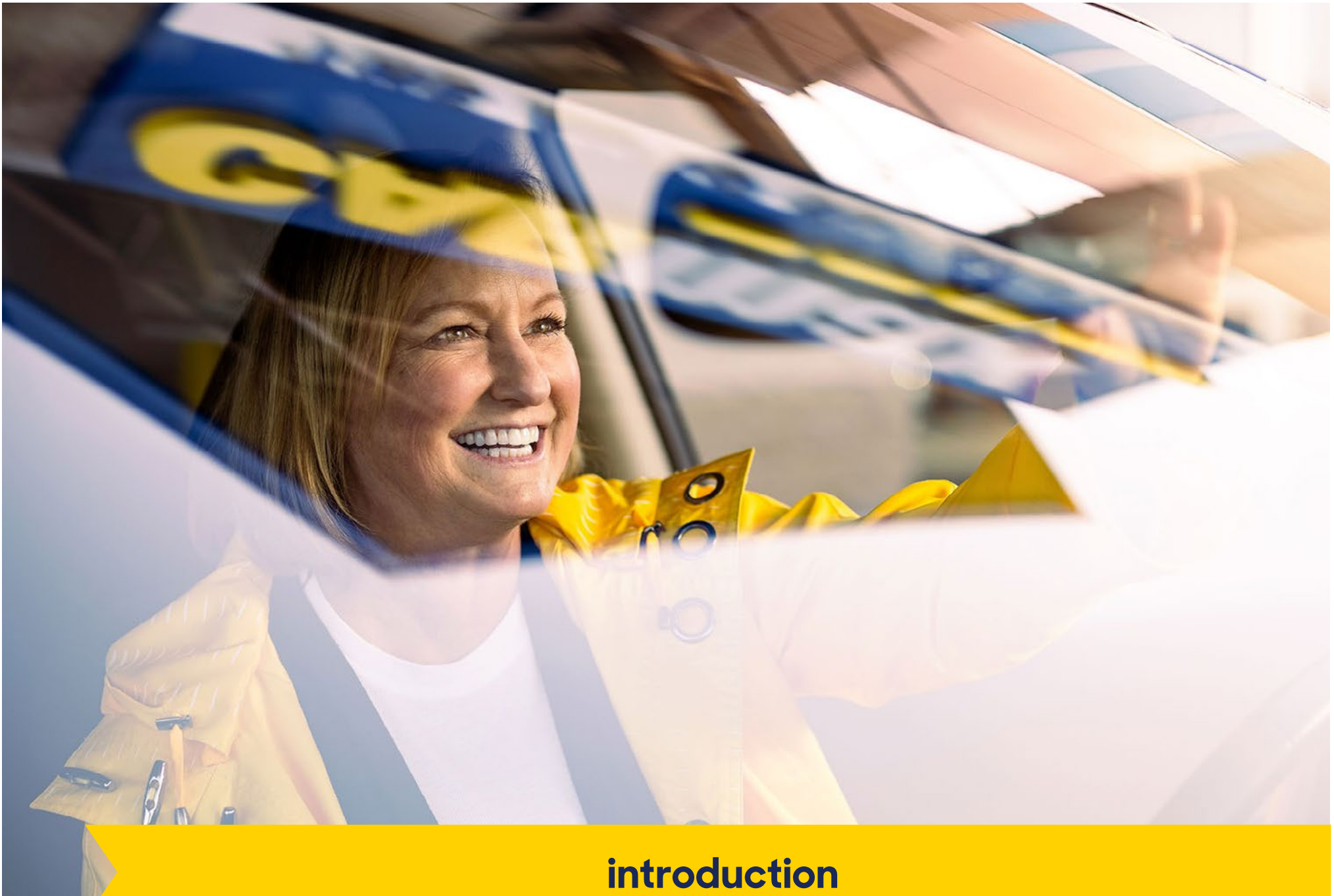
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introduction



**CarMax is committed to
competitive excellence through
lawful and ethical conduct.**



This Code of Business Conduct (“Code”) applies to all CarMax Associates, the members of the CarMax Board of Directors (“Board”), and consultants, contractors, or agents doing business for CarMax. Unless the context requires otherwise, the term “Associate” also refers to Board Members, consultants, contractors, and agents doing business for CarMax. The Code does not cover all relevant laws or CarMax policies. Consult appropriate CarMax resources, including the [Rules of the Road](#) landing page, [CarMax Way](#), or the [Compliance & Ethics Group](#) for additional guidance.

We expect all Associates to comply with all applicable laws, rules, and regulations; to act in accordance with the highest standards of personal and professional integrity at all times; and to share CarMax’s commitment to honesty and integrity. The purpose of this Code is to help you make sound and ethical business decisions. We encourage you to ask questions if ever in doubt.

As a CarMax Associate, you are expected to:

- Learn the details of the specific requirements in this Code;
- Ask for help when you have questions about applying or interpreting any of these requirements;
- Understand your options for raising concerns you or others may have about possible Code violations;
- Promptly raise any concerns; and
- Cooperate in any investigation by CarMax or the Board relating to any potential violation.

Board Members and Associates with management responsibilities are also obligated to:

- Build and maintain a culture of compliance by leading by example and encouraging others to raise concerns regarding ethical issues;
- Prevent and detect compliance issues; and
- Respond to compliance concerns by taking prompt corrective and/or disciplinary action for any violations.



► Applying the Code

As Associates, we are all responsible for compliance with and enforcement of this Code. You must certify compliance with the Code as a condition of employment (Associates) and as a matter of policy (Board Members). Nothing in the Code prevents Associates from discussing their own or other Associates' terms and conditions of employment.

► Our Duty to Report Misconduct

One of our most important responsibilities as CarMax Associates is the obligation to raise a concern about a possible violation of this Code or the law. Sometimes this may seem difficult, and you may even feel it goes against your personal ethical standards to do so. However, significant harm may result if we don't raise concerns, including:

- Serious damage to the health, safety, and well-being of you, your co-workers, CarMax, our customers, and the communities where we live and work;
- Loss of confidence in CarMax by Associates, customers, shareholders, neighbors, and governmental authorities; and
- Fines, damage awards, and other financial penalties against CarMax, and fines and prison sentences for individuals.

By reporting concerns, we are doing our part to support our culture of integrity.

► Getting Answers to Questions and Reporting Concerns

There are several ways to get answers to your questions about this Code or to report concerns. We encourage you to discuss questions or concerns with your immediate manager. You may also raise them to your next-level manager, another manager, or your Human Resources or Asset Protection representative. **If you feel uncomfortable reporting directly or wish to remain anonymous, you can always report issues directly to the Associate Help Line at 1-866-KMX-TIPS (1-866-569-8477) or the Help Line Reporting Website at www.kmxtips.com.**

Our Associate Help Line / Help Line Reporting Website are maintained by a third party so you can share anonymously and openly. In addition, if you wish to report a concern by mail, please send your letter to CarMax Home Office, 12800 Tuckahoe Creek Parkway, Richmond, Virginia 23238, Attn: Compliance & Ethics Group. Associates who report suspected violations may be eligible for alert awards. Please see the [CarMax Alert Award Program](#) for additional information.

Associate Help Line
1-866-KMX-TIPS
(1-866-569-8477)

www.kmxtips.com



INTRODUCTION

Associates reporting questionable accounting or auditing matters should contact the Associate Help Line / Help Line Reporting Website to preserve the confidentiality and, if desired, anonymity of such submissions. All of these reports will be directed to the Audit Committee of the Board of Directors and may also be routed to an appropriate manager or officer. This procedure may also be used if an Associate wishes to report any suspected violation of the Code by a senior CarMax officer or Board Member.

Board Members should contact the Chairman of the Board for all questions regarding Code interpretation, scope, and application, and to report any suspected Code violations if a Board Member or CarMax officer is involved. Board Members should report any other suspected violations to the Associate Help Line/Help Line Reporting Website.

Retaliation for reports made in good faith will not be tolerated. See “Our Zero-Tolerance Policy on Retaliation” that follows.

► Important Help Line Reporting and Policy Information

THE ASSOCIATE HELP LINE:

■ **1-866-KMX-TIPS** (1-866-569-8477)

THE HELP LINE REPORTING WEBSITE:

■ www.kmxtips.com

In addition, policies and procedures are available on the CarMax Way.



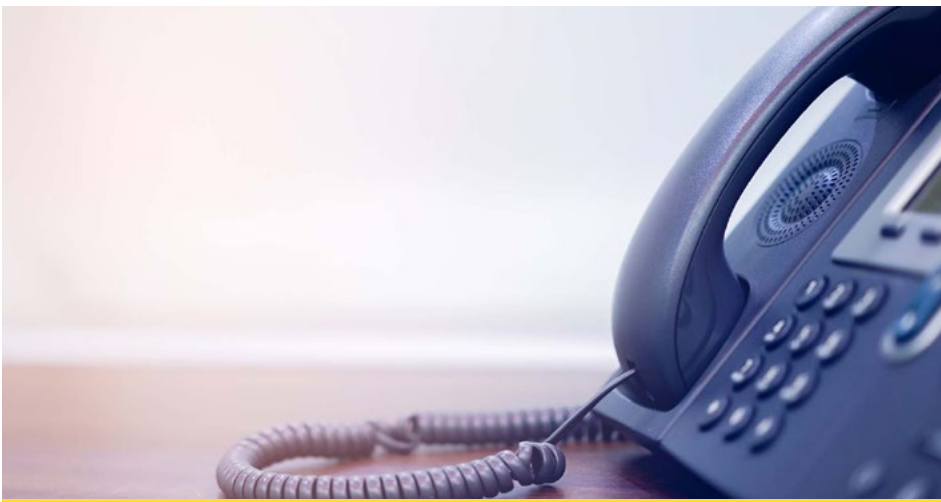
► Enforcement of the Code and Penalties for Violation

If you fail to comply with the requirements set forth in this Code, you are subject to disciplinary action, up to and including termination of employment. Code violations may also result in legal proceedings (civil, criminal, and/or arbitration) against you.

Here are examples of conduct that may result in discipline:

- Actions that violate the requirements set forth in this Code;
- Failure to promptly raise a known or suspected violation of the Code or a policy or procedure;
- Failure to cooperate in an investigation relating to such violations;
- Retaliation against another Associate for reporting a violation or ethical concern;
- Failure to demonstrate the leadership and diligence necessary to ensure compliance with this Code and applicable law; and
- Failure to read and / or acknowledge Company policies or participate in policy-related training.





► **Our Zero-Tolerance Policy on Retaliation**

CarMax will not tolerate retaliation in response to any Associate's use of the various systems and procedures implemented to foster communications or efforts to comply with this Code or CarMax policies, including the obligation to report misconduct. Any retaliation involving a Board Member must be reported to the Chairman of the Board; any retaliation by an Associate must be reported into the Associate Help Line/Help Line Reporting Website. Anyone who acts against a person for making a report or participating in an investigation will be subject to disciplinary action, up to and including termination.

Attempts to limit an Associate's access to higher-level management or, where accounting matters are involved, the Audit Committee, will not be tolerated.

► **Approval of the Code and Amendments to the Code**

This Code has been approved by the CarMax Board. Provision waivers are not permitted without the express approval of the Board's Audit Committee, and only the Board may amend this Code.



“Doing the right thing is quite simply why we exist as a Company. By continuing to live our values every day, we are keeping our promise to each other and our customers to bring integrity and transparency to every interaction. It drives our continued success.”

— Diane Cafritz

SVP, General Counsel, Chief Compliance Officer,
and Chief Human Resources Officer

GUIDE TO ETHICAL DECISION-MAKING

No Code can cover every possible situation that arises in our day-to-day work. When faced with an unfamiliar situation, consider the following guide before taking action.

Ask yourself:




If you are ever UNSURE, stop and get help. You can always speak with your manager. If you don't feel comfortable speaking with your manager, contact Human Resources or Asset Protection. You can also contact the Associate Help Line or use the Help Line Reporting Website at www.kmxtips.com, where you can make your report anonymously if you choose.

If you answered NO to any of these questions, don't do it, and speak up if you notice someone else doing it.





conflicts of interest



**CarMax recognizes and respects
that you may take part in legitimate
financial, business, and other activities
outside of your position with CarMax.**



However, those activities must be lawful and not conflict with your responsibilities to CarMax.

Avoid situations which cause your personal interests, outside activities, or relationships to conflict or interfere (or appear to conflict or interfere) with CarMax interests. A conflict may arise if your actions or interests make it difficult to perform your responsibilities for CarMax objectively and effectively. Conflicts of interest may also arise if you (or your family members) receive improper personal benefits because of your position at CarMax. Before taking any action or making any decision that might create the appearance of a conflict of interest, partner with a manager to determine whether the action or decision is appropriate.

Our policies concerning conflicts of interest are as follows:

► **Associate Investments and Outside Directorships**

You should not have any material financial interest in a competitor, supplier, or any other business that could cause (or appear to cause) divided loyalty, or that would cause you to make, or be tempted to make, decisions that are not in CarMax's best interest. If your professional or managerial responsibility includes working directly with information about a competitor, supplier, or other organization, you must not have any material financial interest in that organization.

If, as a Board Member, you have financial interests or hold other employment or directorships that present potential conflicts of interest, you are expected to disclose that information to the Board and to recuse yourself from any related decision-making.

If, as an Associate, you serve as a member of any other company's or organization's board of directors, or have a financial interest in any other company or organization, you must be aware of the potential consequences of such an interest. If you know or suspect a conflict of interest exists between that directorship or financial interest and CarMax, you must not enter into the relationship, unless pre-approved by the CEO and the Chief Compliance

Officer. If you have any questions regarding a directorship or investment, follow the procedures outlined on pages 7–8 under "Getting Answers to Questions and Reporting Concerns" for clarification.

► **Outside Employment**

As an Associate, you may not engage in outside employment or otherwise solicit or perform work if it would:

- Compete with CarMax's business;
- Provide goods, services, or assistance to CarMax or a competitor; or
- Interfere with your assigned CarMax duties.

Q: John is a CarMax Automotive Technician and has a part-time job as a technician to supplement his income. He works a few days a week at a local automotive retail service center that services vehicles. He makes sure his two jobs do not interfere with each another. Is this okay?

A: No. Outside employment should not compete with CarMax's business. Even if John does not perform retail service at CarMax, his part-time job creates a conflict of interest because the service center is a CarMax competitor. This could negatively impact our business.

► Employment of Relatives and Close Personal Relationships

Except as noted below, we permit the employment of qualified relatives and friends as long as such employment does not, in CarMax's opinion, create actual or perceived conflicts of interest. Associates may not supervise (directly or indirectly) or work within the same scope of influence as relatives or others with whom they have a close personal relationship where actual or perceived favoritism threatens or causes disruption in the workplace. Because of their scope of influence, employment of a relative or close personal friend is prohibited for the following individuals: Board Members, the CEO, Senior and Executive Vice Presidents, the Vice Presidents of Human Resources, and the Head of Audit Services. For more information, please see the [Employment of Relatives and Close Personal Relationships Policy](#).



► Relations with Vendors, Competitors, and Customers

Do not enter into relationships, agreements, or transactions with any individual or business that create or even suggest an unethical business practice or a conflict of interest. The payment or acceptance of bribes and kickbacks is strictly prohibited. Avoid both the reality and the appearance of improper relations with vendors, potential vendors, competitors, or customers. Improper relations may occur in areas such as the acceptance of gifts and entertainment and the selection of vendors, including suppliers of goods and services, consultants, and contractors. It is important to exercise sound business judgment in applying these standards to specific situations.


Do not personally give or receive monetary gifts, including gift cards, to or from vendors, potential vendors, competitors, customers, or anyone else who has a business relationship with CarMax. Unsolicited non-monetary business gifts of small value may be accepted if returning the gift would offend the giver or under other unusual circumstances, but in all cases must be approved by a manager. Associates may only accept unsolicited entertainment (tickets, golf, etc.) if it arises out of the ordinary course of business and is approved by a Regional Vice President or by an officer at the level of Vice President or above. For more specific information on relationships with vendors and customers, please see the [Vendor and Customer Gifts, Tips, and Gratuities Policy](#).

Q: Mary has regular contact with outside paint vendors as part of her job at CarMax. A paint vendor offers to paint her vehicle at no charge as the vendor's way of saying thank you for Mary's continued business. What should Mary do?

A: Mary should not accept free services from any vendor due to its relationship with CarMax. This creates a conflict of interest, violates CarMax policy, and could negatively impact CarMax's business. Mary should immediately inform her manager or Asset Protection.



corporate opportunities



You, either individually or with or through a family member or relative, are prohibited from taking advantage of a business opportunity related to CarMax's business you learned about because of your employment with CarMax or your service as a Board Member.

You owe a duty to CarMax to advance its legitimate interests when the opportunity to do so arises.

You are prohibited from:

- Taking personal opportunities discovered through the use of CarMax property, information, or position;
- Using corporate property, information, or position for personal gain;
- Competing with CarMax; or
- Dealing in products sold or services performed by CarMax.




Our commitment to integrity means we achieve results the right way. As we drive what's possible and disrupt the auto industry yet again, our culture of integrity remains a competitive differentiator and most important asset.

— Shamim Mohammad

EVP, Chief Information & Technology Officer



confidentiality and privacy



**Protect all confidential information
related to CarMax and its vendors,
suppliers, and customers.**



► Confidential Information

Confidential information is any information not generally known to the public about CarMax's business. We are committed to protecting this information, whether in paper, electronic, or any other format. Confidential information related to CarMax and its vendors, suppliers, and customers is to be used solely for internal purposes and remains confidential even after termination of employment with CarMax.

Do not transmit any confidential information to any other person, internal or external, except when legally required, authorized by CarMax, or required for the proper conduct of business. If you have a question or if potential confidential information will be exchanged with vendors or suppliers, ask the Legal Department if a confidentiality agreement is needed before beginning discussions. See the [Confidentiality and Work Product Agreement](#) for more information.



► Privacy

CarMax is committed to protecting personal information it collects from or maintains about its customers and Associates. Individual medical, financial, and other sensitive personal information must be protected from inappropriate use or unauthorized disclosure.

CarMax is committed to the protection of our customers' personal information, including but not limited to, Social Security numbers, driver's license numbers, credit/debit card numbers, and birth dates. Only disclose such information when authorized by the customer, when legally permitted, or in response to a legal process. You may not access or use customer information unless you need it to perform your job. For specific information on how to best protect customer information, please see the [Customer Information Safeguarding Policy](#).

CarMax is committed to respecting your privacy and dignity. Access to Associate personal information, such as payroll or medical records, is restricted to authorized individuals who need this access to perform their jobs; for example, Payroll and Benefits Associates. Those Associates whose jobs require them to have access to confidential records of other Associates are required to maintain the confidentiality of all confidential information obtained in the course of their job duties. Except as set forth above, nothing in the Code prevents Associates from discussing their own or other Associates' terms and conditions of employment.

Q: Michael is at a teambuilder when a customer he has been working with decides to move forward with a vehicle purchase. Michael suggests that the customer send the required stipulations to his personal email address so he can gather the information he needs to complete the sale. Is this okay?

A: No. It is never okay to send or receive data, especially sensitive data, on non-CarMax approved devices and applications. These requirements are in place to prevent disruption of our business and to protect our customers, Associates, and CarMax.

► Media Requests

Establishing and maintaining a positive working relationship with news media outlets is important to CarMax and an important way to protect the Company's reputation. To ensure the timely dissemination of professional, consistent, and accurate information to the news media, CarMax has designated certain spokespersons to handle communications with news media on behalf of the Company. No other individuals are authorized to make disclosures to the news media on behalf of CarMax. Remember to follow our [Contacts with the Media](#) and [One Voice](#) Policies if you are approached by the news media.

► Gathering Competitive Information

CarMax needs to know what our competitors are doing in order to effectively compete. Gathering information about our competitors to evaluate their products, services, and marketing methods is proper and necessary. You may gather publicly available information about our competitors by using any channels through which this information is available to the public, such as media accounts, public filings, and industry surveys.

However, you may not gather confidential nonpublic information from or about competitors (such as pricing, customer lists, or strategic plans) using illegal means, nor should you bring confidential or proprietary information in any form about prior employers into your new position at CarMax. For additional guidance, refer to the [Intelligence Gathering Policy](#).

Q: Dale has just been hired from a CarMax competitor. He has some documents from his former employer regarding monthly budgets, vehicle pricing components, and sales strategies specific to that company. He believes the information would be helpful to his new CarMax team. Should Dale share this information with the team?

A: No, you should not bring materials to CarMax that may contain confidential information from a competitor. Similarly, you may not take CarMax confidential information to another company.

► Document and Records Management

Retain all Company records according to applicable law and consistent with CarMax policies and records retention requirements. Do not destroy, alter, or conceal any record you have been instructed to retain (for example, as part of a Legal Hold Order).

Dispose of information and documents not subject to retention, or for which the retention period has expired. Remember that any records containing confidential information must be disposed of in accordance with our [Document Disposal Policy](#).





fair dealing



**Deal fairly with CarMax's
customers, suppliers, competitors,
and other Associates.**



Do not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing or practice. Learn more about fair dealing expectations in the “Consumer Protection” section on page 32.




No investment we make is as critical as the investment in our people. We are committed to helping enrich every Associate’s career journey by providing opportunities to learn and grow; celebrating and rewarding each other’s accomplishments; and giving back to the communities where we live and work.

– Enrique Mayor-Mora
SVP, Chief Financial Officer



protection and proper use of carmax assets



**You are responsible for protecting
CarMax assets. Maintain the
confidentiality and integrity
of information used to access
computer networks.**

Remember, your work product is also a CarMax asset.

► Protection of CarMax Assets

You are responsible for protecting CarMax assets, including cash, CarMax property, products, inventory, supplies, intellectual property, information technology, customer information, and proprietary information in any form.

If you are a supervisor or manager, you are specifically responsible for complying with and maintaining appropriate internal controls to safeguard our assets against loss from unauthorized use or disposition; ensuring reports and financial statements are prepared from reliable information; and providing a means for accounting for Company assets and liabilities. All Associates are responsible for abiding by internal controls established by management.

You must not commit or contribute to dishonest acts against CarMax, such as fraud, theft, embezzlement, falsification of records, or misappropriation of corporate assets. In addition to appropriate disciplinary action, a criminal complaint may be filed against you.

► Maintaining Computer and Network Security

Computers and other electronic devices, including their associated software, data, and processes are the backbone of CarMax's network and operations infrastructure. CarMax is committed to maintaining the confidentiality, integrity, and availability of our systems. Protect the materials and information used to access computer networks and electronic devices, including identification numbers, usernames, passwords, handheld authentication devices, pass codes, and building access key cards.

Q: Michael is out of the office for a few days and wants to view his paycheck. He tries to log in to Workday® but can't remember his password. He calls a co-worker and asks him to read the password that's written on the sticky note under his computer keyboard. Is this okay?

A: No. It is against CarMax policy to write down your password or share your password with others. You should keep your password secure and never share access information with anyone. These system controls are in place to protect our customers, Associates, and CarMax.

► Associate Work Product

As an Associate, your work product is not created for personal use and is considered a CarMax asset. All inventions you design or create are CarMax property. In addition, all results and proceeds of your employment, including any material suggested, composed, written, performed, recorded, or fixed in any media (the "Works") are considered work made for hire specially ordered or commissioned by CarMax, with CarMax the exclusive owner of all rights therein.

All patents granted for any invention (including divisions, reissues, continuations, and extensions) in the United States or any foreign country shall belong to CarMax. All copyrights for any Works will also belong to and be registered in CarMax's name.

The Associate inventor or author will execute assignments and any other formal confirmations of CarMax's rights in this regard as may be legally necessary to confirm CarMax's ownership of its assets. For additional information, refer to the [Confidentiality and Work Product Agreement](#) and [Intellectual Property Policy](#).



► Social Media

CarMax respects your right to use social media outlets, including blogs, personal websites, Facebook, Instagram, and Twitter, during non-working hours as a medium of self-expression. Information you post on the internet is a personal expression, not a CarMax communication. Only certain designated spokespersons are authorized to communicate on behalf of CarMax. You are personally responsible for your posts.

Please remember that even though social media outlets generally are viewed as a medium of personal expression, the posting of certain comments and information may have a harmful effect on CarMax, its reputation, its Associates, and its customers. Always respect confidential and proprietary information – do not disclose sensitive, proprietary, or confidential information about CarMax, its customers, vendors, or affiliates. Confidential information includes earnings, store or market sales numbers, number of cars sold or appraised, future store locations, and the like. CarMax reserves the right to monitor websites, including all information posted on the internet, in accordance with the law.

When using social media, we must abide by the terms of this Code and all applicable CarMax policies, including the [Social Media](#), [One Voice](#), [Treating Associates with Respect](#), and [Acceptable Use Policies](#).



We are committed to delivering an iconic experience for our customers – everywhere and every time. As we go for greatness by relentlessly improving and innovating, we never do so at the expense of our culture of integrity.

– Jim Lyski
EVP, Chief Marketing Officer



compliance with laws



**CarMax must comply with all laws –
federal, state, and local – applicable
to its business and can be held
accountable for your actions.**



Therefore, we expect you to comply with all applicable laws. Although you are not expected to know all aspects of these laws, you are expected to exercise good judgment and, most importantly, to ask questions when in doubt.

The following are important areas of law that apply to CarMax. The areas identified are not all-inclusive but are significant examples of legal requirements with which CarMax must comply. CarMax is committed to full compliance with all applicable laws. Violation of the law could seriously compromise the reputation and integrity of CarMax and its Associates and result in severe civil and criminal penalties against CarMax and individual Associates.

► Accounting Procedures

CarMax is required by law to maintain books, records, and accounts that accurately and fairly reflect our transactions and financial position. It is critical that you ensure business records and accounts under your control are accurate and supported by appropriate documents in a form suitable for an audit. CarMax expects your cooperation in fulfilling this obligation.

Report complaints or concerns regarding accounting, internal accounting controls, or auditing. You may report on a confidential and anonymous basis by calling the Associate Help Line at 1-866-KMX-TIPS (1-866-569-8477) or by using the Help Line Reporting Website at www.kmxtips.com. All of these reported complaints or concerns will be directed to the Audit Committee.

CarMax has a zero-tolerance policy when it comes to retaliation and will not tolerate retaliation in response to any Associate's use of the various systems and procedures to report concerns.

► Advertising

CarMax must comply with a variety of federal, state, and local laws and regulations concerning advertising. These include laws related to truth in lending, warranties and guarantees, comparative advertising, sales, bait-and-switch advertising and practices, and how we communicate with consumers. We must provide customers with clear and accurate information to make buying decisions – it is the foundation of our advertising practices and distinguishes us from other retailers.



► Antitrust

Antitrust laws prohibit monopolies, restraints of trade, and unfair trade practices, including price fixing, group boycotting, and disparaging a product or service, manufacturer, or vendor. We expect all Associates to comply with antitrust laws. Associates are prohibited from serving as directors or officers of other companies that engage in substantial competition with CarMax. Direct any questions about business decisions involving risks of antitrust exposure to the Legal Department.

► Commercial Bribery, Gratuities, and Kickbacks

You must not directly or indirectly give, solicit, receive, or accept any gratuity, bribe, kickback, or other improper payment, including gift cards, to or from any employee or agent of any vendor, landlord, lessee, competitor, or other entity dealing with CarMax.

Q. Thomas is approached by a dealer who regularly attends CarMax auctions. The dealer asks Thomas to make a price adjustment on the car that the dealer just purchased through the auction lane. The dealer offers Thomas cash to lower the price. What should Thomas do?

A. Thomas should refuse to make any adjustments and immediately report the situation to his manager and Asset Protection. It is a violation of CarMax policy for an Associate to accept anything of value in exchange for any business decision.

► Consumer Protection

Numerous federal and state consumer protection laws affect how CarMax must conduct business. You are expected to exercise prudent business judgment and the highest degree of care and fairness when dealing with the public on CarMax's behalf.

To ensure fair dealings with internal and external customers, we must follow CarMax's rules and regulations. Do not violate any federal, state, or local law governing unfair or deceptive trade practices.

► Copyrights, Trademarks, and Patents

The unauthorized duplication or use of copyrighted materials (including copyrighted computer software), registered trademarks, and patented inventions is a violation of federal law and is prohibited. Written materials do not need to have the © symbol displayed to be protected under copyright laws, and a right to duplicate the work should not be inferred if the © symbol is not present. Certain instances of use without permission (known as "fair use") exist for both copyrights and trademarks. Direct your questions regarding "fair use" and these laws to the Legal Department. For additional guidance, refer to the [Intellectual Property Policy](#).

► Disclosure Obligations Under Securities Laws

CarMax is subject to various disclosure obligations under federal and state securities laws. To comply with these obligations, there should be full, fair, accurate, timely, and understandable disclosure of material information in reports and documents that CarMax files with, or submits to, the Securities and Exchange Commission, and in other public communications CarMax makes.



► Environmental, Health and Safety Laws

CarMax is committed to your health and safety, as well as to a safe environment. We will fully comply with all applicable environmental, health and safety (“EH&S”) laws and regulations. All waste products and hazardous materials must be stored, handled, and disposed of in full compliance with all laws, regulations, and CarMax practices. Promptly report to your immediate supervisor unsafe storage or release of a potentially toxic or hazardous material into the environment.



► Insider Trading

Many Associates have access to a special category of proprietary information, including material information that could influence an investor's decision to buy or sell or otherwise trade in CarMax securities or those of any other company with which CarMax may engage. To maintain the integrity of business dealings, do not disclose any material, nonpublic information to people outside CarMax or to co-workers, unless they have a legitimate business-related need to know.

Federal law and Securities and Exchange Commission regulations make it illegal for you to buy or sell securities based on material, nonpublic information, or to pass this information along to others who may buy or sell securities. Trading in CarMax securities based on nonpublic information may violate the securities laws and may subject CarMax and you to civil and criminal penalties.

Board Members and senior CarMax officers are also obligated to report their CarMax stock transactions to the Securities and Exchange Commission. Procedures for these transactions, and those of other Associates who frequently receive nonpublic information, are detailed in CarMax's [Policy Against Insider Trading](#).

Q: Fred knows his brother wants to buy CarMax stock. Fred also knows CarMax is going to issue a press release next week announcing the roll-out of a major new technology initiative in all its stores. Fred wants to share this information with his brother so his brother can buy CarMax stock before this news is announced. Is this okay?

A: No. Purchasing or selling CarMax stock based on material, nonpublic information is against CarMax policy and illegal. Sharing such information with others who may trade based on that information is also against CarMax policy. In addition, Fred could face civil penalties and criminal enforcement if he shares this information.

► Responding to Government Inquiries and Investigations

CarMax cooperates with lawful government inquiries and investigations. Requests, citations, or orders from government agencies, including court orders, subpoenas, and other forms of legal process, must be forwarded to the Legal Department to protect the Company's property and legal rights. All documents or other information provided in response to a government inquiry or investigation must be complete, fair, accurate, and timely.

Company documents provided to the government on the Company's behalf must be reviewed in advance by the Legal Department, unless otherwise exempted, including when responding to certain law enforcement or government requests, DMV-related inquiries, or EH&S inspections. Refer to the [Law Enforcement or Government Information Request Form](#), [DMV and State Agency Audit Instructions](#), and [Government EH&S Inspections Procedure](#) respectively, for further details.

Q. Mary is a Business Office Associate. In today's mail, Mary receives a Request for Information from the State Finance Commission. The Request for Information references an investigation and lists several questions regarding a CarMax business partner. Mary believes she could easily answer these questions. Should Mary answer these questions herself?

A. No. In addition to providing timely, accurate answers to all government inquiries, CarMax must work to protect its legal rights. Mary should partner with a member of the Legal Department to ensure that CarMax's legal interests are protected.


► Relations with Government Officials

In supporting good citizenship, CarMax recognizes that you may choose to participate in the political process, including voluntary contributions to candidates or parties of your choice. When representing CarMax, conduct all relations with government officials in a manner that will not adversely affect CarMax or the government official. You are required to abide by all federal, state, and local laws and regulations applicable to contacts with government officials. Direct your questions regarding these laws to the Government Affairs Team in the Legal Department.





policy against discrimination and harassment



CarMax is committed to providing Associates and customers with a work environment free from all forms of discrimination and harassment, including sexual harassment. We comply with all laws prohibiting discrimination and other unfair employment practices.



CarMax does not tolerate discrimination or harassment on the basis of race, color, religion, gender, age, national origin, citizenship, gender identity, sexual orientation, disability, military/veteran status, pregnancy, genetic information, or any other characteristic protected by applicable law. Our Treating Associates with Respect Policy sets forth CarMax's commitment to maintain a work environment free from discrimination and harassment, including sexual harassment. All Associates are required to abide by the Treating Associates with Respect Policy and must report violations of this policy, including instances of discrimination and harassment known by the Associate. CarMax has a zero-tolerance policy when it comes to retaliation and anyone who acts against a person for making a report or participating in an investigation will be subject to disciplinary action, up to and including termination.


Q. Skyler's co-worker, Campbell, has made unwelcome sexually suggestive comments. Skyler feels uncomfortable with Campbell's comments and now feels anxious in their working environment. What should Skyler do?

A. Skyler should promptly report the situation to their manager, Human Resources, or Asset Protection. Skyler can always report it to the Associate Help Line / Help Line Reporting Website. CarMax does not tolerate harassment.





diversity and equal opportunity



CarMax is committed to providing equal employment opportunity for all persons regardless of race, color, religion, gender, age, national origin, citizenship, gender identity, sexual orientation, disability, military/veteran status, pregnancy, genetic information, or any other characteristic protected by applicable law.



The CarMax culture of diversity and inclusion is built on a foundation of integrity and respect, driven by our core values. Our Associates live these values, embrace our differences, and challenge perceptions. As a Company, we nurture a culture where innovation thrives and our workforce reflects the communities we serve.

Our policies, practices, and culture support our diversity and inclusion and equal opportunity commitments, as set forth in our Treating Associates with Respect and Equal Employment Opportunity Policies, as well as our Commitment to Diversity & Inclusion Policy, which articulates our commitment to welcoming, respecting, and celebrating the unique attributes of our Associates, customers, and communities.



When we embrace our diverse life experiences and perspectives, we empower each other to share and be heard. True teamwork is achieved through listening, learning, and growing. Our differences make our team stronger as we pursue excellence in all we do. We come to CarMax for its purpose-driven mission, but we stay for the way we feel included, acknowledged, and understood; that's what makes us proud to be on team CarMax.

– Darren Newberry
SVP, Store Operations



drug and alcohol policy



**CarMax is committed to maintaining
a drug-free workplace.**




CarMax expects all Associates to support our goal of maintaining a safe, drug-free environment. The use, possession, purchase, sale, or distribution of illegal drugs by CarMax Associates is strictly prohibited. These restrictions also apply to conduct outside Company property and work hours, such as while representing CarMax, conducting Company business, or operating a Company vehicle. Similarly, do not come to work or conduct business when under the influence of alcohol or illegal drugs, or when impaired by prescription medications or other substances that adversely affect job performance or fitness for duty. These activities subject Associates and customers to unacceptable safety risks, undermine our ability to operate effectively, and erode Company morale. Alcohol consumption at certain functions may be permitted if approved by a CarMax officer.

For more information, please see the [Drug, Alcohol, and Illegal Substance Use and Testing, Driver Safety, and Demo Program Policies](#). Associates in safety-sensitive functions should refer to the [Drug and Alcohol Testing Policy for FMCSA-Regulated Drivers](#).





board member and associate conduct and business practices



You must maintain the highest level of personal integrity in performing your duties and in working with other Board Members or Associates, customers, vendors, and competitors.



Obviously, a policy statement cannot cover all situations. Good judgment coupled with a high sense of personal integrity is the best policy. When situations arise that fall within a gray area, consider the Guide to Ethical Decision-Making on page 10 and, as necessary, follow the steps described under “Getting Answers to Questions and Reporting Concerns” on pages 7-8.



conclusion



This Code provides a broad range of information about the standards of integrity and business conduct we are expected to understand and follow. It does not address every situation or set forth every rule or policy, nor is it a substitute for personal responsibility and accountability to exercise good judgment and obtain guidance when required or necessary. If you have a question or concern, you can always speak with your manager. If you don't feel comfortable speaking with your manager, contact Human Resources or Asset Protection. You can also use the Associate Help Line/Help Line Reporting Website on an anonymous basis. Remember, CarMax has a zero-tolerance policy regarding retaliation.

Board of Directors Approval – January 1, 2022