

2025 RESPONSIBILITY REPORT

STEERING TOWARDS TOMORROW

CARMAX®



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About This Report

CarMax Inc. (“CarMax” or the “Company”) is pleased to present our annual Responsibility Report (“Report”) which communicates progress and updates regarding our initiatives and programs for our people, communities, and the environment.

In this report, we detail our ongoing efforts to support our associates, invest in our communities, uphold transparent and ethical business practices, and advance our commitment to mitigate environmental impacts and climate risks. This Report outlines our approach to creating sustainable value for all our stakeholders, guided by our strong corporate values and a focus on driving long-term success.

Our Responsibility Report continues to reflect our environmental, social, and governance (“ESG”) priorities, and incorporates references to key industry reporting standards including:

- The SASB (Sustainability Accounting Standards Board) Standards, now part of the International Financial Reporting Standards (“IFRS”)
- The Global Reporting Initiative (“GRI”) Universal Standards
- The United Nations’ (“UN”) Sustainable Development Goals (“SDGs”)
- The Task Force on Climate-Related Financial Disclosures (“TCFD”), now part of the International Financial Reporting Standards (“IFRS”)

The development of this report was a collaborative effort between our ESG Leadership Team (“ESGLT”), associate subject matter experts and advisors, and CarMax’s Board of Directors (the “Board”). The reporting period covers our fiscal year (“FY”) 2025 (“FY25”), the period beginning March 1, 2024, and ending February 28, 2025. Unless otherwise noted, all data and information in the report reflect performance and initiatives during FY25.

To learn more about CarMax, please visit CarMax.com.



Overview

A Message From Our CEO

For over 30 years, our company has thrived by staying true to the values that have always defined CarMax. These principles have not only guided us through decades of successful business operations but have also enabled us to navigate an evolving macro environment with resilience and adaptability. We take great pride in our organization's ability to anticipate and respond to change, enabling us to continue to serve our associates, customers, and communities.

In FY25, by upholding our values and leading with action, we marked another year of positive achievements worth celebrating. We strengthened our workplace, expanded our positive impact on communities, fostered innovation and partnerships, and delivered value to our customers.

EMPOWERING OUR ASSOCIATES

As a testament to our investment in people — the driving force behind our success — we are proud to be consistently recognized as an employer of choice. Over the past year, we received accolades such as Fortune Magazine's 100 Best Companies to Work For®, PEOPLE's "100 Companies That Care," and recognition from U.S. Veterans and Military Magazine. As part of our core value of putting people first, we also remain committed to championing a culture of inclusion, connection, and belonging that values diversity of perspective, experience, and thought.

This past year, we placed an emphasis on well-being by expanding our mental health offerings and fostering conversations around mental health awareness. By prioritizing these initiatives, we strive to make sure our associates feel supported in all aspects of their lives – both professionally and personally.

These efforts are also reflected in our ongoing focus to act on feedback from our Associate Voice Survey, leading to multiple program enhancements. For example, we introduced a tool to make it easy for managers to provide specific and timely feedback to associates to support their development. Additionally, we strengthened our communications to clearly demonstrate how associate input has directly shaped the implementation of new programs and offerings. By transparently sharing these connections, we empower our associates to continue contributing and driving meaningful change at CarMax.

As the market and customer expectations continue to evolve, so does our focus on enhancing associate skills. We expanded professional development opportunities, providing more avenues for associates to upskill and grow their technical expertise. We also introduced our Manager Skills Certification Program to help leaders foster strong, trusting relationships with their teams.

PROTECTING OUR ENVIRONMENT

We continue to make meaningful progress in reducing our environmental impact and remain on track to achieve our calendar year 2025 ("CY25") GHG emissions reduction target. Our commitment to sourcing renewable energy has positioned us as an industry leader in renewable energy management, earning us recognition among the Environmental Protection Agency ("EPA") Green Power Partnership's top 15 retail companies.

We remain focused on becoming the leading retailer of used electric vehicles ("EVs"), expanding our hybrid and EV capabilities, enhancing store infrastructure, expanding consumer resources on our website, and establishing innovative EV-related partnerships. By providing customers with more tools and resources, we are empowering them to evaluate their options with confidence.

BUILDING STRONGER COMMUNITIES

The success of our business is deeply connected to the vitality of our communities. Our associates actively support community programs, focusing on the causes that matter most to them. This year, more than 85% of our associates engaged in one or more community initiatives, reflecting our associates' collective and meaningful impact.



Further, we partnered with nonprofits to expand economic opportunities, build more resilient communities, and support local military families. These partnerships not only fostered companywide connections but also allowed us to make a meaningful difference, strengthening relationships among our communities, customers, and associates.

ENSURING GOOD GOVERNANCE

Our success is built on a foundation of integrity, which remains central to our strategic decision-making and business conduct. As part of our ongoing efforts to strengthen transparent and accountable governance, we regularly evaluate and improve our practices. From compliance to data privacy, our oversight and risk management protocols are designed to protect the integrity of our business and culture.

Recognizing the evolving digital landscape, we continue to maintain a risk-based approach to safeguarding data, and we proactively monitor cybersecurity developments. We are also exploring new opportunities presented by the advancements in AI to enhance our customer experience, improve our associate engagement, and create efficiencies. Guided by our internal AI Center of Excellence, we uphold the responsible and ethical use of generative AI, alongside strict adherence to legal compliance. These proactive measures ensure we remain resilient in the face of emerging risks and opportunities while continuing to build trust with our associates and stakeholders.

THANK YOU

We are pleased to present you with this Responsibility Report in which we demonstrate how our ongoing strategy and corporate values reinforced our successes in FY25.

Thank you for your interest in CarMax, and a heartfelt thank you to our associates, whose dedication continues to drive our success and bring our values to life every day.



Bill Nash
Chief Executive Officer

About CarMax

COMPANY HISTORY

When CarMax opened its first store in 1993, our mission was to revolutionize the car buying and selling experience. Today, CarMax is a FORTUNE®500 company and the nation's largest retailer of used cars, CarMax has sold over 12 million retail cars since inception.

From day one, our goal has been to offer a fair, transparent, and straightforward experience. By introducing no-haggle pricing, we redefined car buying, making it simple and stress-free. Our commitment to best-in-class customer service is driven by our team of over 30,000 associates across our over 250 locations in 41 states, all dedicated to delivering a seamless, customer-focused experience in every interaction.



FY25 MILESTONES

$110 million+
invested in our communities through CarMax and The CarMax Foundation since 2003

Over
12 million
used vehicles sold at retail locations since 1993

Over
8,000
dealers participating weekly in online wholesale auctions

1.1 million
customer accounts representing $17.6 billion in vehicle loans

RECOGNITION AND AWARDS

- Fortune Magazine's 100 Best Companies to Work For® list for the 21st consecutive year
- PEOPLE's 2024 list of 100 Companies That Care
- US Veterans and Military Magazine's "Top Veteran-Friendly Employer" rankings
- Shamim Mohammad, CarMax Chief Information and Technology Officer, named to CIO Hall of Fame

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OUR PURPOSE AND VALUES

We drive integrity by being honest and transparent in every interaction. This commitment is reflected in how we treat one another, support our customers, and deliver our products and services. Our core values — Do the Right Thing, Put People First, Win Together, and Go for Greatness — define who we are as a company and shape our interactions with our customers, associates, communities, and shareholders.

Do the Right Thing | Go for Greatness | Win Together | Put People First

[1] We recondition every used vehicle we retail to meet our CarMax Quality Certified standards.

What we do

Omni-Channel Platform: Our omni-channel platform empowers customers to purchase cars on their terms – whether online, in-store, or a seamless integration of both. This capability provides customers with a personalized experience that meets their needs and preferences.

Customer-Centric Approach and Continuous Innovation: An integral part of our customer value proposition is driven by our industry-leading innovations from our introduction of the first used vehicle "no-haggle" buying and selling experience to our ongoing product enhancements. This year, we rolled out new systems that enhance consumers' shopping experiences, support conversion and enable our associates to be more efficient.

Edmunds: Our wholly owned subsidiary Edmunds is an industry leader offering expert car reviews, consumer ratings and reviews, road tests, buying guides and videos, as well as a best-in-class EV research hub, all on Edmunds.com.

Financing to Customers: Through CarMax Auto Finance ("CAF"), we offer used vehicle financing and loan servicing. Our digitized finance application and approval process facilitates our omni-channel experience for customers. Our multi-lender pre-qualification product, Finance Based Shopping ("FBS"), provides customers with credit decisions across our inventory with no impact to credit scores via a simple application online or in our app. Personalized financing results are delivered in minutes, allowing customers to quickly and easily secure financing at any point in their shopping journey.

Vehicle Reconditioning Process: Our extensive vehicle reconditioning process helps ensure every vehicle meets our standards before becoming a CarMax Certified quality vehicle. The National Highway Traffic Safety Administration's recall information is easily accessible on our website, and any unrepaired safety recall information is reviewed with our retail customers before purchase. This year we also opened our second standalone state-of-the-art vehicle reconditioning facility.

Wholesale Vehicle Auctions: We are one of the nation's largest operators of wholesale vehicle auctions. Our online auctions are supported by our national footprint of stores and standalone auction locations, reaching over 8,000 dealers weekly.

Launch of New Reconditioning Centers

CarMax continued investment in our facilities and associates by opening an additional stand-alone reconditioning center in FY25, with more planned for the future to meet production demand. These state-of-the-art facilities are dedicated to reconditioning used vehicles for sale at CarMax stores. These sites supplement our existing approach of combining reconditioning facilities with retail spaces. By creating spaces dedicated to reconditioning vehicles, we are not only optimizing space utilization and increasing capacity but also enhancing the work environment for associates. The reconditioning centers have dedicated training bays for associates to learn and practice vehicle reconditioning, along with engagement rooms for collaboration and connection. Building on the success of this facility, we have expanded with a new reconditioning center in Richland, Mississippi, and plan to open four reconditioning and auction combination centers in FY26. These efforts are also creating over 200 jobs in each location, attracting skilled automotive talent.





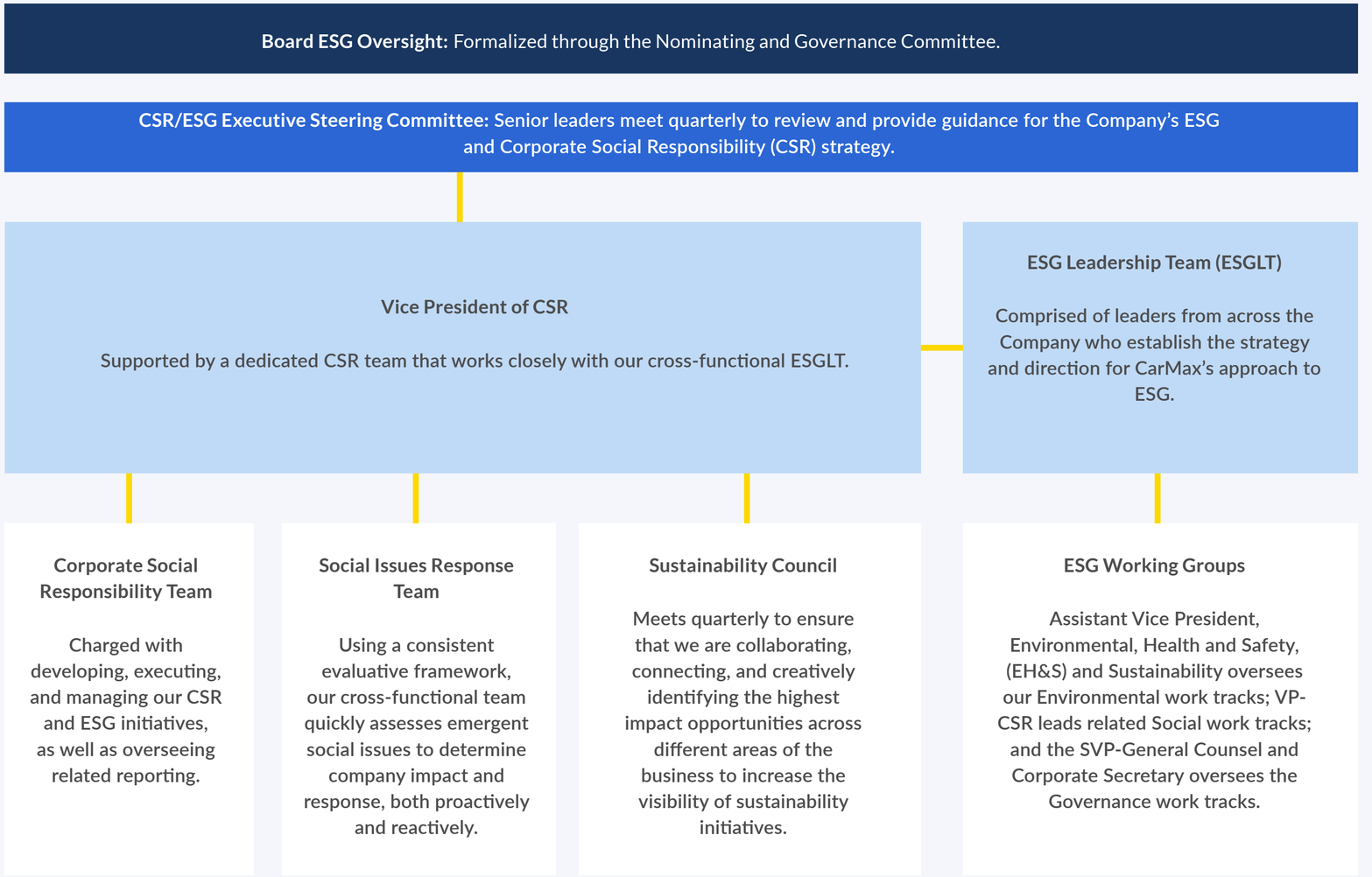
The CarMax Consumer Difference

CarMax offers customers a convenient and personalized experience and the ability to buy on their terms. Our key offerings and differentiators include:

- An unrivaled customer experience, including a broad selection of quality used cars at “no haggle” prices, the ability to shop on your terms (whether that’s online, in-store, or a combination of both), and supportive customer service that will help you find that car that’s right for you.
- The peace of mind of an industry-leading 10-day Money Back Guarantee where customers can return the vehicle for any reason for a full refund within 10 days of purchase.
- The freedom to explore our entire 50,000 CarMax Certified cars and the ability to ship cars from any of our 250 stores with no commitment to buy. Shipping fees may apply.
- Helpful online tools like free vehicle history reports, the ability to get prequalified with no impact to your credit score, and interior and exterior 360-degree photos to explore all cars.
- Express pickup available nationwide to save time in store.
- A limited 90-day or 4,000-mile limited warranty on all cars that covers a vehicle’s major systems.
- Free appraisal offers to sell your car, available online or in-person, that are good for seven days.
- Our nationwide inventory of carefully chosen CarMax Certified used cars, all of which undergo a rigorous 125-point inspection and are reconditioned.

Our Approach to ESG

As we have grown from our first store in Richmond to 250 stores across the country, we remain deeply committed to being an impact-driven and responsible corporate citizen. We believe this commitment enhances the value we create for our customers and all stakeholders. Our dedication to Corporate Social Responsibility ("CSR") is embedded throughout our business operations, reflecting our culture of integrity while prioritizing people, mitigating climate-related risks, and identifying opportunities to enhance our consumer offerings. Together, our ESG and CSR leaders developed a multi-year roadmap of actionable steps and initiatives to strengthen our ESG program and achieve our targets.





A COMPANYWIDE COMMITMENT

The Nominating and Governance Committee ("NGC") of our Board of Directors oversees our ESG framework and receives periodic updates from our Vice President of Corporate Social Responsibility ("VP CSR") and our Assistant Vice President of Environmental, Health and Safety, and Sustainability ("AVP of EH&S and Sustainability"). The NGC evaluates issues related to corporate social responsibility, environmental, and sustainability matters, including climate-related risks and opportunities, as well as making recommendations to the Board as it deems necessary or advisable. Additionally, our Compensation and Personnel Committee ("CPC") oversees and monitors CarMax's human capital management and strategies.

At the Company level, our CSR/ESG Executive Steering Committee meets quarterly to review and advise on policies and practices while implementing Companywide initiatives and programs. The committee is comprised of senior leaders representing the breadth of our business, including four members of executive management.

Additionally, our ESGLT, comprised of leaders from various disciplines across the Company, drives the strategy and direction of CarMax's approach to our ESG program. To support ESG-related initiatives at CarMax, we have formed three working groups, each dedicated to one of the three pillars of ESG. These working groups are tasked with overseeing the initiatives within their respective areas of expertise and reporting to the ESGLT.

Our VP CSR works closely with our ESGLT and is supported by a dedicated CSR team. The team oversees initiatives across the Company meant to create positive social impacts while building sustainable value for CarMax and our stakeholders. The responsibilities of the CSR team include developing, executing, and managing our CSR initiatives, as well as overseeing ESG reporting.

Recognizing that there are several groups at CarMax working on sustainability-related initiatives concurrently, we have a Sustainability Council, which helps ensure that we are collaborating, connecting, and creatively identifying opportunities to mature our efforts across the Company. The council encompasses representatives from Environmental, Health, and Safety ("EH&S"), CSR, sourcing, operations, logistics, corporate development, treasury, tax, marketing, and product with a goal of collaboratively building strong sustainability practices while yielding financial benefit to the Company.

We have adopted a similar approach to addressing social issues with our Social Issues Response Team. This cross-functional team, comprised of representatives from our regional, communications, human resources, marketing, legal, and CSR teams proactively monitors and evaluates emerging social issues while also reacting swiftly when needed. The team provides insights and recommendations to senior leadership, including our VP CSR, to inform decision-making and support internal and external communications.

To read more about our **Board Committees**, refer to the Corporate Governance section of this report.

Key Topic Identification and Core Focus Areas

We completed an assessment in FY22 to identify ESG issues that are highly impactful to our long-term success and the sustained growth of our business. We leveraged input from CarMax leaders across our business, spanning various levels of management and a range of business functions including: CSR, human resources, legal, investor relations, health and safety, energy, community relations, diversity and inclusion, public relations, and cybersecurity, among others.

We identified several priorities and continue to evaluate the relevancy of these topics to CarMax today. Ongoing engagement with external stakeholders, including shareholders, suppliers, regulators, customers, and others, help to validate and monitor our evolving priorities.

Three guiding statements inform our ongoing CSR and ESG program and guide our approach:

- **CarMax champions** access and opportunities that open new doors;
- CarMax is an automotive retail industry **leader in EH&S** and **sustainability**; and
- CarMax is known as a **purpose-driven company** and employer.

These principles, coupled with our ESG priorities, serve as the north stars of our CSR initiatives and practices. With these identified priorities in mind, we have established internal objectives, developed roadmaps to guide and mature our CSR strategy, and track and benchmark our progress.

The following updates, aligned with our key topics, offer a glimpse into our ongoing commitment and transparent approach to addressing the ESG issues that are most critical to our business and stakeholders.

Topic	FY25 Highlights
Environmental	
Waste Management and Recycling Energy Consumption Fleet Fuel Economy / Utilization Emergency Preparedness and Response Climate Change-Related Physical Risks Electric / Hybrid Vehicles GHG Reduction Strategies / Net-Zero Targets	• In 2024, CarMax remained in the top 15 retailers of the EPA's Green Power Partnership • Renewable energy consumed increased to 22.3%, representing a 62% increase compared to last year • 32.7% reduction in Scope 1 & 2 emissions compared to 2018 baseline • Standardized fleet planning to improve efficiency and reduce environmental impact • Expanded capabilities, infrastructure, and partnerships to pave the way for increased EV sales • Purchased credible Renewable Energy Certificates ("RECs") and carbon offsets
Social	
Associate Engagement and Satisfaction Results Diversity and Inclusion Professional Development and Education Retention Efficacy Labor Availability and Hiring Efficacy Volunteerism Philanthropy Environmental, Health, and Safety - Compliance and Audits Workplace Health Management Associate Safety Training	• Improved well-being and mental health offerings and enhanced benefits based on associate feedback • Expanded professional development offerings across different levels, including targeted programs • 100% of our locations participated in volunteering events, achieving over 85% participation across all community relations programs • Donated over $110 million to support the growth and well-being of our local communities since 2003 • Over 12,000 associates participated in our two companywide "Walk or Run" initiatives, creating meaningful team-building opportunities while supporting causes they care about • Recognized as one of the FORTUNE 100 Best Companies to Work For® for 21 straight years
Governance	
ESG Oversight Structure Fair Marketing and Transparent Pricing Equal Access to Financing and Anti-Discrimination Political Contributions Cybersecurity Risks and Response Protocols Consumer Privacy and Data Protection Product Quality Controls	• Engaged CSR/ESG Executive Steering Committee to review and provide guidance for the Company's ESG and CSR strategy • AI experimentation governed by an internal AI Center of Excellence, ensuring responsible, ethical use and legal compliance • Established process for eligible shareholders to call a special meeting



Putting People First

Putting people first is central to CarMax's culture, and it's something that we work toward every day. We believe a workplace built on trust, respect, and integrity is essential to creating an exceptional experience for our associates, one that fosters pride, ownership, and accountability.

Taking care of our associates is a pivotal part of our strategy and operations. Our people-centric approach continues to guide our efforts to build a strong, inclusive, and purpose-driven community that reflects our core values.

FY25 Highlights

- Expanded professional development offerings, including the Manager Skills Certification Program and field observation feedback tool;
- Developed and launched two companywide inclusion trainings;
- Enhanced benefits based on associate feedback; and
- Expanded well-being and mental health offerings.

Employee Engagement and Satisfaction

We take great pride in our ongoing efforts to foster industry-leading associate engagement and satisfaction at CarMax. As our business continues to evolve, so do our initiatives to create an iconic workplace culture. By developing and supporting a highly engaged workforce, we strive to deliver exceptional customer experiences and professional growth for our associates.

Partnering with our associates is a hallmark of the Company's strategy. We conduct surveys that provide a platform for associate voices, including bi-annual Associate Voice Surveys, Pulse Surveys, and Benefits Surveys. In FY25, we continued to exceed industry benchmarks and maintain high survey participation rates.

To ensure we capture evolving perspectives, we regularly refresh our Associate Voice Survey, focusing on key areas such as manager relationships and connection with company culture. Survey results are shared transparently with associates, and opportunities for improvement are identified and addressed through action plans developed by managers and their teams.

The thoughtful and candid feedback from our associates plays a role in shaping the future of CarMax. We use these insights to drive meaningful improvements across the business, from introducing new products to refining key processes. We provide "Your Feedback in Action" communications to our associates to highlight the initiatives inspired by survey feedback. Some of the changes implemented over the past year include:

- Introduced the Associate Experience Dashboard to enhance visibility for field managers, enabling leaders to better support associates, evaluate engagement levels, and identify areas to celebrate successes or address challenges.
- Launched the Observations application for field managers to document competency-based, job-specific observations of associates, providing transparent feedback and supporting their growth and development.
- Improved our local action planning initiative, with over 90% of managers submitting tailored action plans focused on impactful team priorities.
- Enhanced communication of associate benefits to better meet associate needs.
- Rolled out a new best-in-class enablement system offering associates and managers more flexibility and functionality related to scheduling with plans to expand more broadly next year.
- Focused on creating memorable experiences throughout the associate journey.

Associate Care and Connection Initiative

Our Associate Care and Connection initiative provides resources and opportunities for associates to engage with their managers and grow within their roles. As part of this effort, we expanded the Manager Skills Certification Program in FY25 to help managers build strong, trusting relationships with their teams.

To reinforce and strengthen our people management capability, we created a 12-month program consisting of six modules: Fostering Relationships, Prioritization and Planning, Change Management, Talent Management, Hiring Talent, and Associate Connections Basics. Each module is completed over two months, following a structured "Learn, Practice, Demonstrate" approach. Managers are observed throughout the program and receive a proficiency rating from their senior manager upon completion.





Talent Acquisition

We prioritize recruiting top talent and retaining associates by offering comprehensive professional growth and personal development opportunities. The market remains competitive for top talent; however, CarMax is able to maintain a strong pipeline of candidates. Key components of our hiring strategy that drive our success include:

- **Recruitment:** We continue to utilize recruitment channels including social media outlets, professional networking sites, campus recruitment, trade school and military recruitment partnerships, job advertisements and paid campaigns, and recruiter networks. We lean heavily on our current associates to find skilled talent, leveraging associate referrals as a key component of our recruiting strategy. Typically, we offer associates a $500 referral bonus for successful hires. We also leverage the Candidate Relationship Management (CRM) tool to efficiently utilize our talent pipeline and streamline candidate outreach. Our ongoing marketing efforts and social media presence bring us closer to potential candidates and give us the ability to showcase what it is like working at CarMax.
- **Assessments and Interviews:** We look for candidates who embody our core values and demonstrate the motivation to go above and beyond for our customers. As part of our interview process, most candidates complete an online assessment that helps us gauge their potential for success. The process also includes at least one, and in many cases multiple, in-person or virtual interviews focused on role-specific skills, ensuring the right functional and values fit.
- **Onboarding:** Once hired, we welcome our new associates into the CarMax community. Leaders at CarMax are responsible for delivering a personalized onboarding experience for each new hire that incorporates regular check-ins with other CarMax associates. To help ensure comprehensive support upon joining the CarMax team, all new associates work with their managers to create a personalized Position Development Plan (PDP) that pairs them with an onboarding buddy and other managers.
- **New Location Openings:** Before opening a new location, CarMax conducts extensive market research into the local community. Once we decide to open a new location, we prioritize developing relationships with local residents and organizations. These relationships are mutually beneficial as CarMax looks to recruit talent straight from the local community.

Military Automotive Technician Academy

We continued to invest and expand in our Military Automotive Technician Academy, a program that supports those transitioning from military to civilian life, by offering hands-on experience through assignments across our Service Operations. To date, we have had service members participate at over 40 CarMax locations. In FY25, 92 individuals completed the program, leading to 36 full-time hires.



Professional Development

We partner with our associates on their development goals and help find avenues to expand their careers at CarMax. We offer comprehensive and customizable talent development processes and programs. For example, our learning management systems provide associates with a range of tools, including personalized development plans, learning materials, meaningful and efficient performance reviews, formal and informal mentorship opportunities, and job-specific curricula.

We continue to receive positive feedback from our launch of DevelopU, a one-stop shop platform where associates can find tools for their career development. We have also partnered with multiple third-party content providers to supplement our career resources with in-depth and research-backed training.

In FY25, through our Technology Reskilling and Upskilling Program, we continue to roll out new content quarterly. This program provides associates with the opportunity to reskill and sharpen their technical abilities. As technology continues to advance, there is a growing need to fill various roles with skilled individuals. With that in mind, we are also testing an accelerated technician development program to improve career growth opportunities for technicians. Initial tests are focused on building a curriculum that shortens the training time for mid-level technicians to grow to highly skilled technicians. Through these continuous efforts, we aim to increase the skill level of existing associates and build a talent pipeline.

We also facilitate the development of future leaders through our Management Development Program (MDP), Senior Management Development Program (SMDP), and Leadership Development Program (LDP) — all designed for associates and managers seeking greater responsibility in more senior roles.

Rotational Programs

CarMax has two rotational programs to help associates jump-start their careers at CarMax. During our 14-month Technology Rotation Program, associates participate in a bootcamp to learn about CarMax and the technologies and tools used to support our business. Two six-month rotations within the CarMax engineering teams provide exposure to and hands-on experience with various programming languages, new technologies, platforms, and tools while working on real projects impacting CarMax. In addition, we have an Analyst Rotation Program with three rotations in a 24-month period. During these rotations our associates are exposed to different types of analyst and data science roles across the Company, including but not limited to, business strategy, finance, auto finance, and marketing. The rotations allow our associates to work with different teams and build new skillsets while contributing to meaningful business initiatives.

Diversity and Inclusion

Our approach to diversity and inclusion reflects CarMax's values of Putting People First and Winning Together. We celebrate and champion a culture of inclusion, connection, and belonging that values diversity of perspective, experience, and thought, which we believe meaningfully strengthens our ability to innovate and continue expanding the value we provide customers.

We are committed to ensuring that everyone is treated fairly and impartially. This commitment extends beyond our associates and is reflected in every facet of our business interactions, from associates within CarMax to job applicants, customers, vendors, shareholders, and business partners.

LEADERSHIP AND OVERSIGHT

Our oversight structure is designed to ensure effective integration of inclusion and belonging initiatives into our culture to deepen connections between the Company's strategy and daily operations. Our CSR/ESG Executive Steering Committee provides input and direction on these initiatives.

Our senior executive team members actively discuss workplace well-being, industry trends, and best practices to ensure a supportive and inclusive workplace. Additionally, the Diversity and Inclusion Council meets regularly to provide input and feedback from across the organization, ensuring our efforts to foster inclusion align with CarMax business priorities.

LEARNING AND ASSOCIATE RESOURCES

In FY25, we developed and delivered two inclusion trainings where we customized the themes based on associate feedback, to reflect the needs of leaders and associates.

These internally developed trainings are designed as 15-minute, easy-to-digest lessons, followed by a reflection guide led by team leaders where associates are encouraged to reflect on the key themes from the lessons. Sessions often take place in a team format, with optional activities available for those who wish to explore the topics in greater depth.

- **Introvert, Extrovert, Ambivert:** A training that celebrates varied personality types and learning styles, fostering deeper self-awareness and a better understanding of others.
- **Finding Common Ground:** A lesson that demonstrates how finding common ground, using active listening techniques, and establishing mutual purpose are key strategies to bridge differences and foster a supportive work environment. It highlights the tremendous value of staying focused on our shared purpose while also recognizing and embracing what we have in common with our fellow associates.

We offer our associates additional resources and engagement opportunities, including:

- **Leader Perspective Videos:** Videos featuring authentic conversations from leaders across the organization as well as highlighting stories that bring our focus on diverse perspectives, experiences, and thoughts to life.
- **Manager Conversation Guides:** Practical conversation guides are provided to facilitate manager discussions and foster inclusive discussions.
- **Resources Library:** Associates have access to content, information on observances, and learning opportunities through a dedicated page on the CarMax World—CarMax's internal website.
- **Share Your Stories:** Personal stories from associates at all levels across the company on topics highlighting the diverse perspectives and experiences of our associates.

SUPPLIER INCLUSION

We consider a wide set of different suppliers when conducting business, with a continuous focus on supporting small, local businesses. A diversified supplier base remains essential to CarMax's strategy of mitigating sourcing risks and remaining resilient. Such efforts are paramount as they enable CarMax to continue providing unmatched value and service to our customers. To this end, our suppliers vary in size and geographic location to help ensure we can meet the needs of our customers and mitigate supply disruptions due to weather and other factors.

We continue to leverage the external supplier inclusion webpage where potential suppliers can learn more and register with CarMax, helping us better identify suppliers for procurement opportunities.



Compensation and Benefits

At CarMax, taking care of our associates is a top priority. We aim to provide robust and fair benefits and competitive compensation packages to ensure the well-being of our associates.

- **Associate Compensation:** At CarMax, we offer associate compensation structures that reflect the variety of roles in our business. We regularly review Companywide pay structures to ensure we maintain a compensation strategy that is equitable, competitive, reflective of our core values, and compliant with all applicable laws.

  We annually review our pay in each geographic market to ensure we are providing a fair and competitive wage. We review pay equity annually based on objective factors, such as position, tenure, and location, and remain committed to ensuring equal pay for comparable work. As of February 28, 2025, all our associates were paid above the applicable minimum wage.

- **Associate Benefits:** At CarMax, we regularly engage with associates to ensure that our benefits evolve with their needs, at every stage of their career. We survey our associates on their benefits needs and externally benchmark our benefits every other year. In response to our associates' concerns about healthcare costs, we now provide four offerings to provide associates enrolled in a CarMax Anthem medical plan with high clinical-quality solutions at no cost:

  - **Eden Health:** A virtual primary care provider that offers 24/7 concierge healthcare treatment for acute, preventive, and chronic care—delivering best-in-class healthcare through a convenient mobile app.
  - **Hinge Health:** A virtual physical therapy coaching benefit that offers one-on-one support and resources for managing musculoskeletal pain in the back, knees, hips, shoulders, and neck.
  - **Rx Savings Solutions:** A secure online tool that matches patients with clinically effective, lower-cost medication alternatives to help them save money on their prescriptions.
  - **Inclusive Care:** A guide that supports members of the LGBTQ+ community who are navigating the healthcare system.



BENEFITS AT CARMAX:

- **Healthcare:** We offer our associates high-quality healthcare, dental, and vision coverage at a variety of prices to meet individual needs. Our CarMax medical plans offer robust virtual care for physical and behavioral health as well as physical therapy-based exercises and coaching. Our associates also have free access to Teladoc Medical Experts, a service that enables associates to receive advice regarding a diagnosis or treatment options from the nation's leading medical experts.
- **Retirement Plans and Stock Purchase Plans:** Our associates are eligible to participate in our 401(k) plan, through which we help associates save for retirement with a 100% match on up to the first 6% they contribute and immediate vesting, starting on an associate's first day at CarMax. Eligible associates can also take advantage of our Employee Stock Purchase Plan and become CarMax shareholders.
- **Paid Time Off and Holiday Pay:** CarMax has a "Time Away" benefit, open to all salaried employees, that does not limit vacation, sick, or personal time off, provided workload coverage arrangements are made. Commissioned and hourly associates are eligible to accrue vacation time. Our short-term disability pay policies and personal leave policy allow our associates to manage their personal needs with flexibility. We also have six paid Company holidays, offer one floating holiday and one personal day for all associates, and offer holiday pay for certain roles. Our parental leave program allows eligible associates to receive 100% of pay for six weeks following a birth or adoption.
- **Tuition Assistance:** CarMax tuition assistance offers associates up to $5,250 in reimbursements for qualified classes or certifications, with up to $2,500 for part-time associates.

FOUR PROGRAMS THAT DIFFERENTIATE CARMAX'S AWARD-WINNING WORKPLACE:

- **Wellness Programs:** All CarMax associates and their spouses or domestic partners have access to extensive mental health and wellness services, health screenings, and digital tools like Headspace, a virtual meditation app. We provide rewards and medical plan credits for participating in wellness activities and additional support for associates taking a leave of absence and for those that have experienced the loss of a loved one. In FY25, we enhanced our mental health and well-being initiatives in response to associate feedback. Key efforts included:
  - Expanding access to Headspace for associates and their friends and family members;
  - Launching the "Pause & Connect" campaign to promote Mental Health Awareness Month;
  - Hosting a well-being focused working session during the annual senior manager summit; and
  - Rolling out a companywide challenge focused on building resilience and managing stress.
- **Flexible Work Policy:** We offer flexible work options, including flex time and compressed or reduced schedules. Specifically, we offer many of our corporate associates flexibility to work a hybrid schedule to balance work and personal life.
- **Relocation Program:** If associates are relocated, CarMax assigns a relocation counselor to ensure a smooth transition as these associates navigate a new normal, find housing, and become acquainted with the community they are joining.
- **Associate Discount Program:** CarMax associates and eligible family members receive discounts of up to $3,000 off, per car, on up to three cars per year.

Safety

The safety of our associates, customers, and others with whom CarMax interacts is a top priority. Our occupational and personal safety programs help ensure associates are equipped with the training and tools necessary to work mindfully and safely.

OCCUPATIONAL SAFETY

CarMax's occupational safety and health program is rooted in our core values of Putting People First and Doing the Right Thing. Our Code of Business Conduct and our Environmental, Health, and Safety ("EH&S") Principles establish clear occupational health and safety expectations for all associates.

We expect every associate to take responsibility for keeping themselves and those around them safe. Our location managers are expected to quickly resolve associate safety concerns, maintain tools and equipment, ensure access and use of personal protective equipment, and hold associates accountable to EH&S requirements.

Transparency and accountability are the foundation of a safe workplace. Our commitment to these principles is supported by CarMax's open-door policy, which encourages all associates to raise any concerns through their manager, a human resources representative, the internal EH&S team or reporting anonymously using the associate helpline.

In FY25, we initiated the installation of **additional side cameras on our fleet trucks** to enhance visibility, improve safety, and optimize operational efficiency.

PERSONAL SAFETY

CarMax has a zero-tolerance policy for workplace violence, discrimination, harassment, or retaliation. Our Workplace Violence Prohibition and Protection Policy outlines reporting procedures and investigation strategies for potential issues and includes information on common warning signs to educate and prepare associates for potential risks. These personal safety policies apply to all CarMax associates as well as non-associates such as vendors, contractors, and customers on the Company property.

The variety of business functions within CarMax means that certain conditions or tasks may pose greater risks than others. To address this, we developed and codified Personal Safety Guidelines to address specific activities with greater risk and to empower associates to keep themselves safe during these potential activities. We have established Personal Safety Guidelines for test drives, store opening and closing procedures, after-hours and overnight work, and home deliveries. CarMax also has an Asset Protection Policy that outlines rules, expectations, and examples for protecting CarMax assets, including our people, property, and our culture of integrity.

Additionally, all CarMax associates are subject to evaluations and background screenings as part of the hiring process, and our security controls help prevent and deter potentially dangerous interactions with risky individuals or situations.





Protecting Our Environment

Minimizing our impact on the environment is a key aspect of CarMax's responsible business approach. In 2021, we formalized our GHG emissions reduction and net-zero targets, committing to measure and achieve progress. To advance our reduction roadmap and reduce our environmental footprint, we continue to drive energy efficiency, water and waste management, and fleet optimization, while exploring sustainable growth opportunities like expanded EV-related sales and services.

FY25 HIGHLIGHTS:

- CarMax continues to rank among the top 15 retail leaders in renewable electricity sourcing, as recognized by the EPA Green Power Partnership ("GPP") in 2024.
- We are on track to achieve our CY25 emissions reduction target.

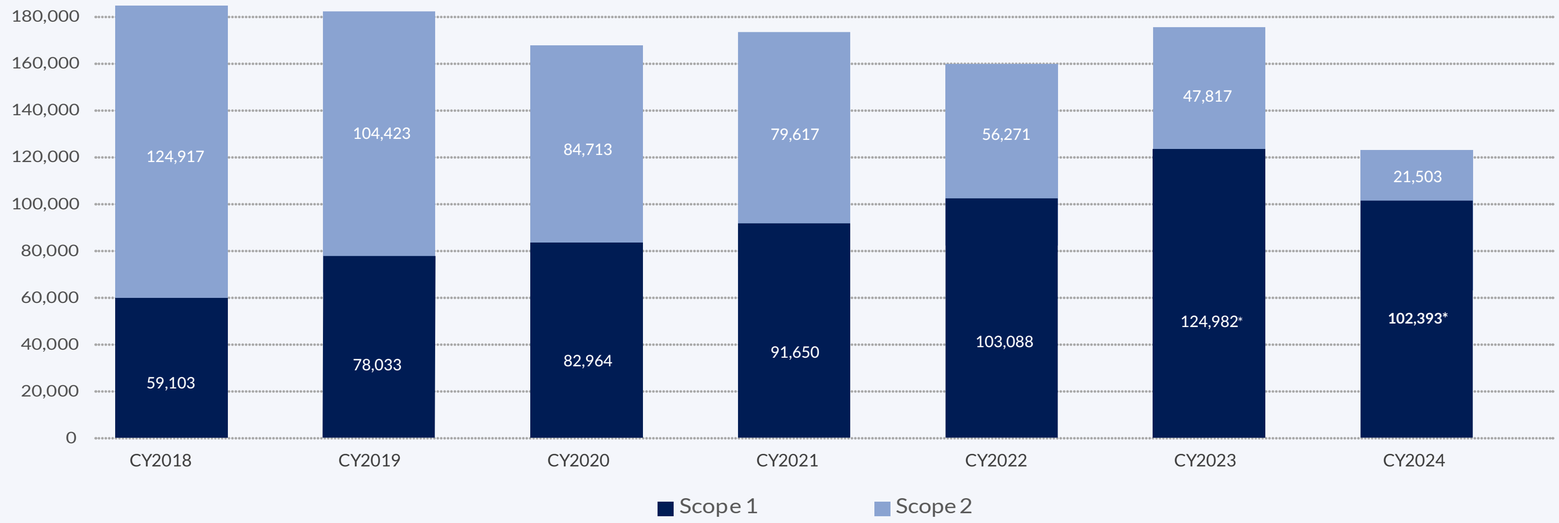
Our Path to Net Zero

CARMAX'S GHG REDUCTION TARGETS:

1. Reducing CarMax's Scope 1 and Scope 2 GHG emissions by 50% by the end of CY25 against our CY18 baseline; and
2. Achieving net-zero carbon emissions by 2050.

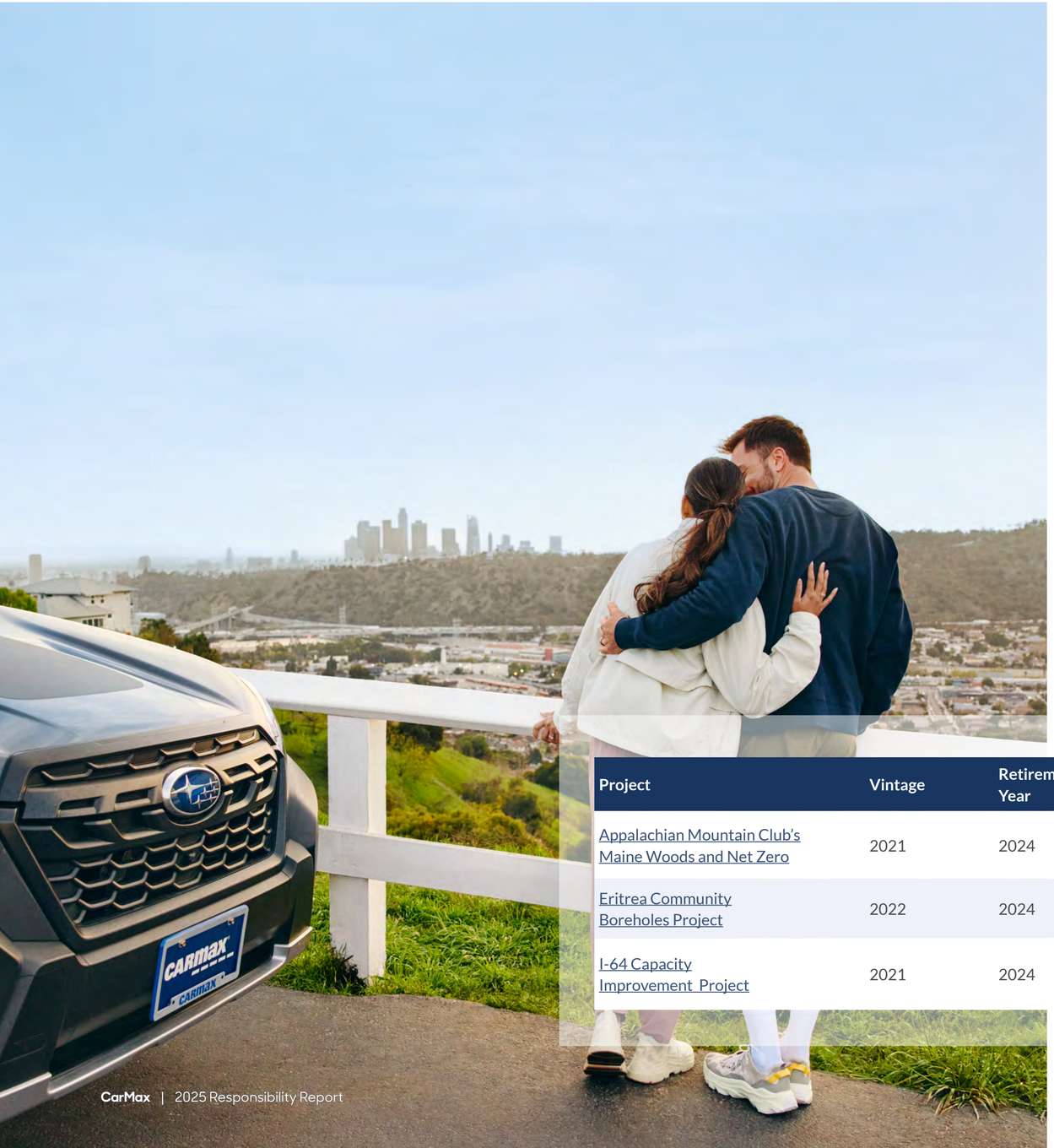
Momentum continues to build toward our CY25 emissions reduction target. By the end of Calendar Year 2024 ("CY24"), we had achieved a 28.3% reduction in total Scope 1 and 2 emissions year-over-year which represents a 32.7% reduction in emissions compared to our 2018 baseline, bringing us closer to our 2025 year-end target.

CarMax GHG Emissions (MTCO2e)



*The totals have been adjusted to account for CarMax's purchase of carbon offsets in CY23 and CY24 which amounted to 17,000 MTCO2e and 34,000 MTCO2e respectively. CarMax's purchase of carbon offsets is part of our overall strategy to mitigate its environmental impact and progress towards net zero emissions.

GHG Emissions (MTCO2e)	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Scope 1	59,103	78,033	82,964	91,650	103,088	141,982	136,393
Carbon Offsets	-	-	-	-	-	(17,000)	(34,000)
Scope 1 (Adjusted for Carbon Offsets)	-	-	-	-	-	124,982	102,393
Scope 2	124,917	104,423	84,713	79,617	56,271	47,817	21,503



The following multifaceted strategies have been identified and implemented to support our GHG reduction roadmap:

Transparent emissions tracking

Collecting and monitoring reliable data lays the foundation for tracking progress against our reduction targets and identifying areas of improvement.

Improving energy efficiency

Reducing energy consumption through technological advancements and process optimization helps reduce operational costs and decrease our carbon footprint.

Increasing the use of renewable energy

Our ongoing efforts incorporate renewable energy into electricity procurement and include unbundled RECs to reduce our reliance on carbon-intensive energy.

Purchasing credible carbon offsets

Investing in verified and high-quality projects helps to offset our emissions.

As part of our strategy to mitigate emissions, we offset 34,000 MTCO2e in CY24 through carefully screened carbon offset projects that conformed with the World Resources Institute guidance and core principles for high-quality carbon offsets. These criteria include:

- **Additional:** A project must be developed in response to the incentives provided by a carbon offset market.
- **Permanent:** Emission reductions or removals are permanent if they are not reversible; that is, the emissions can't be rereleased into the atmosphere.
- **Real and safeguarded against leakage:** GHG emissions released to the atmosphere should be lower due to the implementation of the offset project, relative to a business-as-usual baseline scenario.
- **Enforceable:** One credit can only credibly offset one ton of CO2e emissions; as a result, it must be tracked, and it must be possible to enforce its ownership and use.
- **Verified:** Credible offset programs require that emission reductions be monitored and regularly verified by an independent, qualified third party.

Project	Vintage	Retirement Year	Location	Quantity Purchased and Retired Credits	Type	Supplier	Third-party verifier	Originated
Appalachian Mountain Club's Maine Woods and Net Zero	2021	2024	Maine, USA	17,500 tCO2e	Avoidance	SCB Brokers	American Carbon Registry	Appalachian Mountain Club
Eritrea Community Boreholes Project	2022	2024	Eritrea	13,877 tCO2e	Avoidance	SCB Brokers	Gold Standard Certified	Gold Standard Registry
I-64 Capacity Improvement Project	2021	2024	Virginia, USA	2,623 tCO2e	Avoidance	GO2 Markets	Verified Carbon Standard – Verra Registry	Global Emissionairy Project

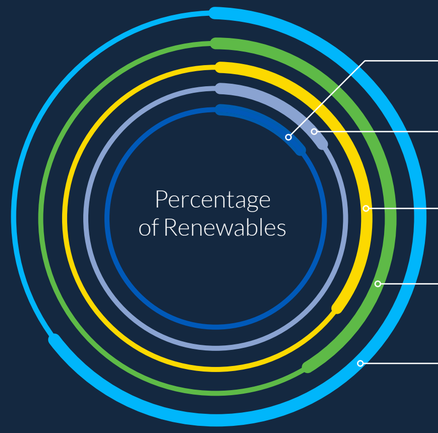
Climate Strategy

CarMax continues to monitor and adapt to evolving physical and transition risks related to climate change and provide continued response to natural disasters and weather-related risks to safeguard our associates, communities, and assets. We are advancing our climate mitigation strategies and preparedness measures and plan to comply with the reporting requirements outlined in California SB-261, SB-253, and SB-219 on emissions data and climate-related financial risk. For more information on climate-related governance and CarMax's specific climate-related risks and opportunities, please refer to the TCFD Appendix and the Supplemental Climate-related Disclosures section of our website.

Energy

Our approach to energy management prioritizes energy efficiency and the increased utilization of renewable energy. We have implemented energy-efficient LED exterior lighting across all our retail locations, and we are continuing efforts to retrofit interior lighting. Additionally, in CY24, 65.5% of our total electricity consumption was derived from renewable sources, representing a 62% increase over the prior year and 87% more than CY22. This improvement is primarily attributable to increased purchases of credible RECs.

CarMax Electricity Consumption (kWh)



		Renewables	CarMax Total
15.6%	CY20	41,734,833	267,985,929
17.2%	CY21	47,638,904	276,438,541
35.5%*	CY22*	95,884,945	269,946,439
41.2%	CY23*	110,751,014	268,515,437
65.5%	CY24*	179,465,281	274,045,343

CarMax Energy Consumption (GJ) in CY24

Total Energy Consumed (Gigajoules)	3,124,641
Percentage Grid Electricity	31.6
Percentage Renewable Energy	22.3**

*CY22, CY23 and CY24 renewable total includes direct REC purchases
**Includes direct REC purchase, Virginia PPA, renewable retail supply, and renewable diesel purchases

The primary sources of renewable energy used at CarMax include:

- A Power Purchase Agreement ("PPA") in CarMax's home state of Virginia that serves most of our Virginia operations with renewable energy sourced from a Virginia biogas project.
- Retail electric supply contract in Texas that includes Green-e certified RECs from a wind resource in Texas.[2]
- Two Kansas City CarMax locations are powered with 100% renewable energy through a renewable tariff offered by Evergy.
- Retail electric supply contracts in Maryland, Pennsylvania, and Texas covering 10 locations that include Green-e certified RECs.

In CY24, CarMax also completed our CY24 bulk purchase of unbundled RECs, retiring 146,000 MWh of RECs from a variety of projects, including:

- Traverse Wind Energy, LLC
- Young Wind, LLC
- Solar assets in TX and FL

We continue to evaluate the potential of Virtual Power Purchase Agreements ("VPPAs") and on-site renewable generation as part of our broader renewable energy strategy.

[2]Supply contract included RECs up to June 2024.



Electric Vehicles

We are actively preparing for the future of EVs and positioning ourselves to capture long-term growth opportunities by investing in capabilities to meet the rising retail demand for used EVs and hybrids. While EVs currently represent a small share of our retail sales, we recognize the vast growth potential for CarMax. A cross-functional leadership group composed of associates from marketing, product development, strategy, process engineering, and other functions, is driving our EV strategy. The group focuses on coordinating research, building internal expertise, ensuring operational readiness, and spearheading EV marketing efforts.

This past year, we have been actively pursuing opportunities to expand hybrid and EV sales, investing in key capabilities such as:

- **EV Research Hub:** We have expanded efforts to provide EV education and resources for customers. Our newly launched EV research hub on CarMax.com offers comprehensive information on all things EV and hybrid, from tax credit details to insights from current EV owners.
- **Edmunds Resources:** Edmunds continues to play a significant role in the used EV market and is recognized as offering one of the best EV shopping experiences available. To read more please visit the Edmunds.com EV Hub.
- **Battery Life Partnership:** EV battery life is a top consideration for customers considering purchasing used EVs, and we recognize the importance of offering battery health information to our customers. Over the past year, we have partnered with Recurrent, a startup that provides detailed information about used EV batteries, and we continue to explore solutions as more data becomes available.
- **Home EV Charging Partnership:** To provide our customers with the education and access to install fast and effortless home charging, we have further expanded our partnership with Treehouse, an electrification company that delivers turnkey installations for home EV charging. As of December 2024, Treehouse is now offered as an optional part of the CarMax EV buying experience across our stores nationwide.
- **Enhanced Search:** We enhanced our search functions on CarMax.com with EV-specific filters, including options to display vehicles eligible for tax credits. This addition helps our customers make informed decisions and better understand the financial benefits when evaluating buying options.
- **Associate EV Training:** We are proactively expanding our capabilities to support increased EV sales and better serve our customers by enhancing EV-specific training for associates. This includes ongoing internal EV knowledge development and resources to help associates feel more confident when assisting customers.

We are committed to the continued transformation of the acquisition, reconditioning, pricing, and sale of used EVs. Positioning ourselves as a leader in used EV retail offers both a compelling business opportunity for CarMax and a way to reduce our environmental footprint. We are proud of the progress we have achieved this year and remain excited about the possibilities ahead.



Building Design and Systems

We consider the environmental impact of our building operations as we continue to develop our business. When planning building construction and upgrades, we integrate best practices from the Leadership in Energy and Environmental Design ("LEED") principles. For example, 100% of our exterior lighting is energy-efficient LED, and we continue to upgrade our interior lighting to LED. When designing new locations, we optimize for function and size to reduce energy usage throughout the useful life of the building.

We continue to focus on improving energy efficiency and air quality within our retail, wholesale, and production facilities as well as our offices through various initiatives, including:

- Reducing the need for electric lighting by using skylights and large storefront glass to bring more natural light into our showrooms and production shops.
- Reducing electric lighting usage by monitoring natural light levels with automatic dimmers.
- Reducing the amount of heat absorbed by the roof and the energy needed for cooling by using white thermoplastic polyolefin reflective roofs.
- Improving air quality in our buildings by using specific fixtures and materials to limit use and impact of low volatile organic compounds ("VOC") interior paint, flooring materials, adhesives, and sealants.

Our energy management program allows us to track energy usage at our buildings and quickly recognize and fix operational problems. We also continue to optimize our heating, ventilation, and air conditioning ("HVAC") systems by investing in energy-efficient building controls and adjusting building conditions based on seasonal change and occupancy. Our facilities are regularly assessed to determine when to replace HVAC units that are inefficient or in disrepair.

Additionally, we continue to participate in the U.S. EPA's ENERGY STAR® partner program and use its recommended energy management and analysis practices. We continue to leverage energy-saving best practices including automation to reduce the run time of equipment and lighting across our locations when not in use.



Fleet Operations

Optimizing our fleet logistics remains central to our ongoing efforts to reduce the overall footprint of our operations. As our operations require the transportation of vehicles between locations to ensure the right selection at stores to meet customer demand, we strategically use a mix of CarMax-owned fleet vehicles and third-party providers to optimize efficiency and flexibility of vehicle transport.

Our logistics initiatives leverage cross-functional collaboration, integrating logistics expertise and data science capabilities to create innovative solutions. For example, in FY25, we launched a standardized load-planning solution that utilizes computer modeling to generate daily work plans for drivers. By standardizing this process, we can refine and optimize driver routes and vehicle transport loads, applying these insights across our entire network to reduce miles driven and fuel consumption.

Additionally, we collaborate with our partners and providers regularly to ensure we are implementing the latest technology. For example, in FY25, we continued our all-electric semi-truck pilot to assess the viability of expanded use of electric semi-trucks in the CarMax fleet.

Waste

At CarMax, we are committed to enhancing the quality of the vehicles we sell and extending the life cycle of used cars through our vehicle reconditioning process. We actively evaluate and identify solutions to reduce and recycle the various waste streams generated by both vehicle reconditioning and general maintenance of vehicles across our operations.

We have recycling programs in place for a wide variety of materials, including used oil, non-automotive batteries, automotive lead-acid battery cores, tires, scrap metal, windshield glass, electronic waste, and paper products. Additionally, in FY25, we established a food waste recycling program at our California stores, ensuring we meet local regulations and adhere to waste management best practices.

Water

CarMax continues to utilize water conservation practices across our locations. Our car washes are designed to reclaim and reuse approximately 85% of the water used in the washing process. We apply xeriscape landscaping principles where possible in new store construction, including reducing the use of grass lawns and planting water-efficient, drought-tolerant plants. We also utilize irrigation systems with rain sensors and drip irrigation to optimize water usage. Additionally, new stores are equipped with low-flow faucets and facilities to reduce water consumption. In FY25, we also expanded water monitoring practices to better identify and remediate leaks.



Caring for Our Communities

CarMax is committed to putting people first, including our associates, customers, and the communities we serve. Creating positive social impact and helping communities thrive is at the heart of who we are and how we do business.

Our associates take pride in being part of that impact. We support what matters most to our associates by providing opportunities and empowering them to give back. Through initiatives such as volunteering and philanthropic investments, we are dedicated to making a meaningful difference where we operate. We believe the well-being of our customers and communities is deeply connected to our corporate purpose and the strength of our business.

FY25 HIGHLIGHTS:

- Together, CarMax and The CarMax Foundation have invested more than $110 million in the communities where we live and work since 2003.
- Over 12,000 associates participated in our two companywide “Walk or Run” initiatives this year, creating meaningful team-building opportunities while supporting causes they care about.
- 100% of CarMax locations participated in volunteer programs in FY25.
- We achieved participation from more than 85% of associates in one or more community programs.
- We continue to develop new, innovative ways for our associates to give back and support their communities.

Associate-Driven Impact

At CarMax, we strive to give back to the communities in which we operate and do so through several channels, including donations, volunteerism, and community-focused initiatives. The CarMax Foundation continues to serve as the main vehicle of our philanthropic activities and allows our associates to support causes that are important to them. In FY25, CarMax reached over 85% participation across all philanthropic programs. Associates' choice of programs supported by The CarMax Foundation include:

BOARD SERVICE

To cultivate leadership in conjunction with our community giving, we provide board service grants and board service training for associates and eligible family members who serve on a nonprofit governing, advisory, or young professionals board.

CARE CARDS

This program empowers our associates to allocate funds from The Foundation to an eligible nonprofit organization of their choice, in connection with Giving Tuesday, the global day of giving following Thanksgiving. In FY25, more than 23,000 associates participated, supporting 7,000 nonprofits.

MATCHING GIFTS

The Foundation supports causes that matter to our associates by matching both financial contributions (Matching Dollars) and volunteer hours (Matching Hours) from associates and their eligible family members. Requests for Matching Gifts can include a mix of donations and volunteer hours, with a maximum match of $5,000 for monetary donations and up to $1,000 for hour submissions.

VOLUNTEER TEAM-BUILDERS (VTB)

Our associates are empowered to volunteer with community causes and nonprofit organizations they care about, completing thousands of volunteer projects across the country each year. In honor of their efforts, The Foundation may make a donation of $500 or more to the selected cause. In June, our dedicated month of service, grant amounts double, increasing the impact of our associates' volunteerism.

In FY25, we organized two companywide "Walk or Run" initiatives that enabled associates to connect to causes they care about while also providing meaningful team-building opportunities. All CarMax associates were invited to participate by walking or running for an hour within a two-week timeframe to show their support for the cause. After completing the walk, The CarMax Foundation donated $50,000 to each nonprofit organization on behalf of everyone who participated.

May Walk in Honor of The Mission Continues

For two weeks in May, more than 4,200 associates walked in honor of Military Appreciation Month. Following the event, The CarMax Foundation donated $50,000 to The Mission Continues, an organization that connects veterans with new missions in under-resourced communities.





September Walk for the CarMax Associate Disaster Relief Fund

During the last two weeks of September, more than 7,800 associates participated in the walk to support the CarMax Associate Disaster Relief Fund, which helps associates facing disasters and other hardships. The $50,000 donation to the fund will provide support to CarMax associates when they need it most.

Building Better Community

100% of CarMax locations participated in volunteering events in FY25 to give back to the communities we serve. We further amplify our social impact through our collaboration with two national nonprofit partners, Points of Light and KABOOM!. Through these partnerships, we create memorable days of service for thousands of associates that leave a lasting impact on neighborhoods near our locations.

Points of Light is a nonpartisan, global nonprofit organization that inspires, equips, and mobilizes millions of people to create positive change through volunteering and civic engagement. Through work with nonprofits, companies and social impact leaders, the organization galvanizes volunteers to meet critical needs in communities. Our work with Points of Light enables our associates to select and participate in projects that resonate with them, positioning our associates as change-makers within their communities.



"It was inspiring to see CarMax's teamwork, results focus, and the ingenuity of the local partner come together making a significant impact in the community. The hydroponic garden built will yield 60,000 pounds of produce annually, providing much-needed food for Hartford's hungry residents and serve as a model for other communities seeking to address food insecurity."

- Kristen Kaplan, Sr. Manager, Community Relations

POINTS OF LIGHT

CarMax volunteers supported a project through Points of Light to improve food security in a food desert in the Hartford, Connecticut area by building a hydroponic garden.

In July 2024, around 150 CarMax volunteers teamed up with Levo International to build a hydroponic garden in a parking lot. The installation features twenty-five 20-foot hydroponic farming units designed to grow fresh produce for the nearby community and students. This initiative not only tackles local food insecurity but also helps transform an underutilized urban space into a sustainable, environmentally beneficial resource.

KABOOM!

KABOOM! is a national nonprofit dedicated to partnering with communities to build kid-designed play spaces. Our partnership with KABOOM! is longstanding, with 14 years of collaboration. In FY24, we celebrated the construction of our 100th playground with KABOOM!, reflecting the great impact we have achieved over the years. Our partnership with KABOOM! continued in FY25, during which our associates built an additional 8 playspaces. Notably, CarMax associates in Atlanta helped develop a playspace featuring outdoor learning environments, nature exploration areas, and integrated solutions for stormwater management and tree canopy enhancement.

One truly remarkable achievement of this project is the transformation of a site that was previously unplayable due to water issues. This initiative has successfully converted the area into a playable space, and the project reflects incredible strides in the efforts to reduce playspace inequity and support kids' mental and physical health.

Driving Opportunity, Driving Change

At CarMax we aim to optimize our impact by centering philanthropic efforts around three focus areas: **Strong Military Families, Resilient Communities, and Access to Economic Opportunities.**

STRONG MILITARY FAMILIES

A pillar of CarMax's philanthropic efforts is supporting military members, their families, and veterans by helping them develop skills and build strong community connections. CarMax partners with Hiring Our Heroes, Operation Homefront, and The Mission Continues to support the military and veteran community. Through its long-standing collaboration with The Mission Continues, CarMax associates volunteer alongside veterans. Additionally, through support of Operation Homefront, a national nonprofit dedicated to building strong, stable military families, CarMax associates write notes of support and encouragement to military members and their families each Veterans Day.

RESILIENT COMMUNITIES

CarMax works with a network of community-based partners on initiatives designed to equip our communities with the tools and resources needed to overcome challenges and support individuals through recovery efforts. We partner with the American Red Cross and Good360 to prepare ahead of and recover from disasters. In addition to our financial investments, our associates participate in local events such as blood drives, disaster kit builds, and walks. In FY25, hundreds of associates around the country assembled nearly 10,000 disaster support kits in partnership with Good360. These kits are essential in providing immediate relief to people affected by natural disasters, ensuring they have access to necessary supplies.

CarMax also supports our own associates in times of hardships with the Associate Disaster Relief Fund which offers grants to associates that are impacted by natural disasters or unexpected personal obstacles. In partnership with the Emergency Assistance Foundation, we are able to offer grant assistance to associates in times of need. Further, when associates donate to national partners or the CarMax Associate Disaster Fund, the CarMax Foundation matches those donations at a 2:1 ratio through its Matching Gifts Program.

ACCESS TO ECONOMIC OPPORTUNITIES

At CarMax, we believe that everyone, everywhere, should have the opportunity to reach their full potential. We are creating pathways to lasting prosperity by providing access to careers, financial education, and entrepreneurial opportunities. In an effort to promote access to opportunities, CarMax works alongside several nonprofits to provide tangible resources and impactful connections. In FY25, these partnerships included:

LIFT: We have continued our partnership with LIFT, a national nonprofit dedicated to helping individuals break the cycle of poverty. LIFT works to strengthen families' well-being, financial stability, and social connections, impacting two generations at once with a proven approach to transforming lives through economic mobility on a large scale. To engage associates in this mission, CarMax publishes articles and videos about LIFT internally, allowing associates to learn more about LIFT's impact on families and hear firsthand experiences from members and coaches. These stories also highlight opportunities for associates to support LIFT's mission-driven work. We are collaborating on a tool to help LIFT members navigate the car ownership journey and determine the right time to purchase a car.

Lighthouse Labs: We continued to partner with Lighthouse Labs, an organization dedicated to empowering entrepreneurs with innovative ideas by investing in founders. In addition to financial contributions, CarMax associates volunteer their time and professional experience to the start-up company founders through networking events. We have established a regular "Coffee with Entrepreneurs" in which our associates lead in-person interactions and discussions aimed at tackling some of the participants' business problems and questions.

"Lighthouse Labs has been a thrill for me to work with. The type of skills we use to improve the future of CarMax are the same skills these startups need to grow their businesses. It's really fulfilling to use these niche skills to help future leaders in our community get their start."

Matthew Halpern, Principal Product Manager

TechForce Foundation: Our partnership with TechForce Foundation remains steadfast, as we continue to support the organization's dedication to motivating a new generation of transportation technicians. This partnership champions students from their educational journey to professional careers as technicians. This year, together with Techforce, we provided financial resources to 30 students through the CarMax Scholarship Fund as part of our commitment to education and career development.





HELPING TO OPEN DOORS

CarMax is proud to be the Official Auto Retailer of the NBA, WNBA, and NWSL. In addition to these league-level sponsorships, we have team partnerships with multiple NWSL, WNBA, and NBA teams.

Our two most recent partnerships, with the Golden State Valkyries and the Angel City Football Club, illustrate the shared social impact focus of both CarMax and the teams. As a Founding Partner of the Golden State Valkyries, we are supporting the team's focus on community impact in the Bay Area, with a particular emphasis on Bay Area youth. Valkyries President, Jess Smith, noted, "CarMax's commitment to investing in women's sports and in programming that develops young athletes—while fostering supportive environments to enhance skills, build connections, and boost confidence—perfectly matches our mission."

Our partnership with the Angel City Football Club will include providing monetary funds to support youth access to sports. CarMax is the Presenting Partner of the Angel City Camps Series, featuring ten weeks of youth soccer camps serving approximately 500 kids.

By maintaining partnerships and investments in women's professional sports, we are proud to contribute to increasing the visibility of women as professional athletes and role models, driving lasting impact for future generations.

In our hometown, our partnership with the Richmond Flying Squirrels has expanded this year. A new Richmond ballpark and community venue opening in 2026 will be named CarMax Park. The naming rights partnership is instrumental in updating the park and securing the future of baseball in Richmond. CarMax Park will not only serve as the home of the Flying Squirrels, creating new job opportunities, attracting visitors, and stimulating local businesses, but also host large-scale events year-round, including community gatherings that further enhance the vibrancy and growth of our city.



Ensuring Responsible Ethics & Governance

Our commitment to integrity in every interaction is reflected in our responsible governance, which drives ethical conduct and culture across our business.

Our Board of Directors and executive team provide structured oversight of corporate governance, risk management, and ESG strategy, safeguarding operations and ensuring alignment with the evolving interests of shareholders and broader stakeholders. This well-established and proven framework continues to drive our long-term success.

FY25 HIGHLIGHTS:

- Updated the charter for Technology and Innovation Committee of the CarMax Board of Directors, including formalized AI oversight.
- Established process for eligible shareholders to call a special shareholder meeting.

Board of Directors

Our Board of Directors and its four committees oversee our governance framework and practices, which are detailed in our Corporate Bylaws, Corporate Governance Guidelines, and Code of Business Conduct. The governance standards adopted by the Board and laid out in these documents seek to guide decision-making that is responsive to stakeholder interests while enhancing our long-term value.

As of February 28, 2025, our Board consisted of 11 members, 9 of whom are independent. We evaluate the independence of our directors and director nominees at least annually. Additionally, directors must be elected to the Board by majority vote at our annual shareholders' meeting and serve one-year terms once elected. During FY25, our Board met five times and Board committees met a total of 22 times, with an average attendance of 99% across all directors.

- Maintaining a predominantly **independent Board**, as 9 of 11 directors are independent.
- Directors serve **one-year terms**.
- **Separating the roles** of our CEO and Board Chair has been a longstanding practice at CarMax.
- We regularly **review our practices** and make adjustments in response to **shareholder feedback**.

Our lead independent director provides oversight of the Board's activities, and the Board periodically reviews the Board leadership structure to ensure its ongoing effectiveness and alignment with the Company's evolving needs.

Each director contributes a unique blend of skills and experiences that strategically align with CarMax's operational strategy, mission, and values. With the Board's support in navigating complex business challenges and capitalizing on key opportunities, our management team is empowered to execute our strategy and drive continued success.

Our directors hold experience across a diverse range of industries, including:

- Retail
- Automotive
- Technology
- Finance
- Omni-channel
- Distribution



Committees of the Board

Our Board has four standing committees which are strategically organized to ensure comprehensive and effective oversight of the organization's most critical issues. Each committee is composed solely of independent directors, and committee members periodically rotate to introduce new perspectives and enhance governance.

Our ESG governance framework is formalized at the Board level through the Nominating and Governance Committee.



THE FOUR STANDING COMMITTEES AND THEIR OVERSIGHT RESPONSIBILITIES:

Audit Committee: Responsible for oversight related to the integrity of financial statements, legal and regulatory compliance, qualifications, performance, and independence of our external auditors, and the performance of CarMax's internal audit function

Compensation and Personnel Committee: Oversees and monitors the Company's strategies, policies, and practices related to human capital management, including talent management, associate engagement, and diversity and inclusion

Nominating and Governance Committee: Considers corporate and social responsibility, environmental and sustainability matters as the Committee deems necessary or advisable and makes recommendations to the Board regarding, or takes action with respect to, such matters. Develops and recommends to the Board corporate governance guidelines applicable to the Company; reviews such guidelines at least annually; and recommends to the Board any changes in such guidelines the Committee believes appropriate

Technology and Innovation Committee: Monitors and oversees matters related to CarMax's omni-channel, digital and ecommerce initiatives; cybersecurity, data privacy, and artificial intelligence-related oversight; data analytics and machine learning initiatives; and intellectual property matters

Shareholder Outreach and Engagement

The executive and investor relations teams maintain consistent communication, through channels such as quarterly earnings calls and individual meetings, with the investment community to proactively engage our shareholders. Understanding the current needs and priorities of our investors is a primary concern for CarMax, and we have found our approach is highly effective in keeping us informed of our shareholders' perspectives.

In addition, we have a proactive shareholder outreach program where we periodically engage with our shareholders. The program is led by a cross-functional team consisting of members of our senior management, investor relations, and legal teams, with Board members participating when appropriate. During meetings, CarMax and attending shareholders cover a range of topics, including corporate strategy, corporate governance and Board refreshment, ESG and sustainability, and executive compensation.

CarMax has made several improvements to policies and practices prompted by shareholder feedback, including:

- Aligning disclosures in our Responsibility Report to recommendations per the TCFD framework;
- Committing to the use of high-quality carbon offsets as a means to progress towards our emissions reduction and net-zero goals;
- Disclosing political activity and membership in trade organizations; and
- Refining our performance-based executive compensation practices.

Additionally, in response to shareholder feedback and evolving best practices, the Board implemented the following Governance practices:

- A standing Technology and Innovation Committee;
- A majority vote standard for the election of directors;
- Annual elections for all directors;
- A mandatory director retirement policy, providing that directors, with limited exceptions, may not stand for reelection after reaching age 76;
- A proxy access right for eligible CarMax shareholders; and
- An ability for eligible CarMax shareholders to call a special meeting of shareholders.

Ethics

FAIR AND RESPONSIBLE BUSINESS PRACTICES

Integrity is not just a fundamental principle at CarMax; it is the driving force behind our success. We proudly serve our customers, value our associates, and deliver our products with honesty and transparency. It is this culture of integrity that differentiates us and fosters trust with our customers and stakeholders at large.

We listen to our customers' feedback and adopt practices that align with their needs and expectations. By doing so, we deliver a highly transparent car-buying and selling experience that is seamless, simple, and intuitive. Some examples include:

- A 10-day money back guarantee;
- A 90-day limited warranty on all cars;
- Transparent pricing with no haggling or upselling;
- Seamless appraisal offers that are independent from retail purchase decisions and remain in effect for seven days;
- An extensive prequalification tool involving multiple lenders that provides immediate insight into monthly payments and pricing, without affecting credit scores;
- Access to credit, consistent with fair lending policies;
- Transparent vehicle history online and at sale via AutoCheck;
- National Highway Traffic Safety Administration recall look-up for every vehicle; and
- Expanded access to helpful shopping tools and information, such as vehicle-specific battery health details for most EVs.

These efforts shape our transparent and personalized car-buying and selling experience that allows customers to shop with confidence and trust.

CODE OF BUSINESS CONDUCT

We emphasize honesty and transparency throughout all facets of our business. We expect our associates to adhere to the highest ethical standards and ensure accountability is practiced through our comprehensive ethics and compliance program. We require all associates and Board members to adhere to our Code of Business Conduct. Associates take training on the Code of Business Conduct upon joining CarMax, and annually thereafter. We consistently achieve a training completion rate of at least 95%, showcasing our associates' continuous awareness and commitment to our ethical standards.

Our management team and the Audit Committee conduct an annual review of the Code of Business Conduct and, when appropriate, modify the document with the full Board's approval. This process is designed to ensure our policies are consistently re-evaluated to uphold relevance to our business and workforce and are aligned with best practices and regulatory expectations.

For additional governance policies, visit the Governance Documents page on our website.

Political Contributions and Lobbying

POLITICAL CONTRIBUTIONS

We abstained from making any political contributions in FY25, and we expect that we will continue this practice moving forward while also maintaining a flexible approach to the extent stakeholder interests evolve.

TRADE ASSOCIATIONS

We continue our membership in several trade associations, some of which use a portion of our dues towards lobbying efforts. Although we may not agree with every view or policy position of each organization, we conduct a thorough review of these memberships annually to ensure they align with our core values and advance the Company's long-term goals.

In FY25, we provided $25,000 or more in funding to the following trade associations:

- **Retail Industry Leaders Association:** 65% attributable to lobbying
- **American Financial Services Association:** 40% attributable to lobbying
- **United States Chamber of Commerce:** 40% attributable to lobbying



Enterprise Risk Management

Our Enterprise Risk Management ("ERM") approach is designed to uncover, categorize, and evaluate risks across our business, and to allocate oversight responsibilities for these risks. As part of this approach, CarMax conducts annual Companywide risk assessments with our compliance and risk management teams.

Our ERM processes embed effective management of enterprise-level risk within the organization, including Board and management oversight. Our Risk Committee is comprised of senior leaders and is led by our Executive Vice President and Chief Financial Officer ("CFO"). The executive sponsor of our CSR program sits on the Risk Committee, which further facilitates the integration of ESG and climate-related risks into our ERM process. The Risk Committee meets quarterly to review and prioritize risks, and they provide updates to the Board on relevant findings biannually. Our CFO also reviews our ERM practices with the Audit Committee of the Board annually.

Our ERM technology platform allows us to consolidate identified risks, enable stakeholders to provide input, and allocate ownership of these risks. This platform also compiles and synthesizes information.

We **track climate-specific impacts** and **proactively mitigate climate-related physical risks**. Additionally, climate risks are considered in our strategic decision-making process by ensuring thorough risk assessments are conducted when exploring new markets.

LEGAL AND REGULATORY COMPLIANCE

We are committed to the highest standards of legal and regulatory conduct, recognizing that any breach of the law may compromise our culture and reputation. Our Compliance and Ethics Program is led by our Chief Compliance Officer who provides regular reports to the Audit Committee of the Board. At the management level, our CarMax Compliance Services, Ethics & Integrity, and Legal teams work together to manage enterprise-wide regulatory compliance risks.

CarMax leverages around 50 business leaders across our organization who are responsible for supporting compliance initiatives and ensuring strong compliance in our risk management processes.

Our company's regulatory compliance is monitored through several programs and activities including:

- **Annual Companywide Risk Assessment:** The Compliance and Legal team works with core business leaders to critically analyze the Company's legal compliance strengths, successes, challenges, and opportunities. Takeaways from this assessment drive our compliance efforts forward.
- **Store Compliance Review Program:** To promote compliance across our store footprint, we monitor and evaluate regulatory compliance across all stores and address any store-specific issues.
- **Non-Store Compliance Review Program:** We work with our business leaders to evaluate specific issues and areas of regulatory risk to ensure ongoing compliance across our business.
- **Process Compliance Reviews:** Our subject-matter experts conduct in-person and desktop audits of Environmental, Health, & Safety program execution, customer transactions, and other functions to identify and resolve store-specific compliance issues.
- **CarMax Auto Finance Compliance Management System ("CMS"):** This system is designed to prevent, detect, and correct practices that violate laws, regulations, or Company policies while mitigating consumer harm related to financial products and services.
- **Automation and Analytics Program:** This program supports our various compliance initiatives including our store, non-store, and CMS compliance review programs. The program uses data to improve compliance risk coverage and efficiency by enabling centralization, systematized detection, and notification of transactions that may pose compliance risk.

Cybersecurity & Data Privacy

As an auto retailer and provider of consumer financial products and services, data security and consumer privacy are top priorities for CarMax. Our comprehensive, risk-based approach to safeguarding data underscores our commitment to protecting CarMax systems and those who place their trust in us.

Operated by well-trained and experienced cybersecurity professionals and led and overseen by our Chief Information and Technology Officer and our Chief Information Security Officer, CarMax's cybersecurity program is designed to help ensure the proper assessment, identification, and management of the Company's risks from cybersecurity threats and is integrated into our overall risk management system. On the Board level, the Technology and Innovation Committee assists in the Board's oversight of CarMax's cybersecurity risk and receives regular updates from management on this topic.

We maintain a cybersecurity and data privacy program to promote data confidentiality and integrity across the organization, including compliance with federal and state data privacy laws. Specifically, our data privacy and cybersecurity efforts include:

- **Technology Controls:** Our data security efforts rely on secure and well-maintained technology controls to protect personal information. We use data responsibly to understand and serve our customers, which is essential to the success of our omni-channel strategy. As such, only necessary information is provided to our associates who are also trained annually to prevent unauthorized use or disclosure.
- **Governance Controls:** Our data and privacy team works closely with our corporate governance team to monitor financial disclosures and the filing processes.
- **Proactive identification of data security vulnerabilities:** We utilize technologies and processes guided by leading industry standards and best practices to identify and mitigate risks. Our cyber defense measures include sophisticated event monitoring and analysis, along with leading cybersecurity technology platforms.
- **Communications with customers and regulators:** Should a data or privacy breach be confirmed, notifications will be provided to customers, associates, business partners, and the relevant state and federal agencies per notification requirements. As appropriate, we will also provide credit protection services to affected customers and associates.
- **Artificial Intelligence Landscape:** CarMax has established governance protocols and a designated working group to prioritize the responsible and ethical use of AI, to oversee the use of confidential information within AI applications, to assess the suitability of available AI tools, and to ensure data is protected within CarMax's AI use cases. The CarMax cybersecurity program considers the impact of AI from three primary perspectives: 1) AI use by the adversary, 2) securing the use of AI that runs our business, and 3) how AI will advance our cybersecurity defenses.

FOCUSING OUR EFFORTS

With the growing threat of cyberattacks, data security remains a top priority at CarMax. We monitor emerging cybersecurity trends and threat research to proactively address vulnerabilities and remediate data exposure for our customers, associates, and business. Rising adversarial activity and increasingly sophisticated attack scenarios have driven continued investments in advanced detection and prevention measures. Enhancing visibility and enabling proactive identification of potential exposures, along with faster detection of malicious activities, is central to our ongoing efforts.

Our strategy includes testing and measurement of our security posture. We conduct this work internally as well as with third-party vendors and attack surface management platforms. These efforts include exercises based on current threat intelligence and likely adversary attack scenarios to test and improve our incident response capabilities.

ASSOCIATE EDUCATION AND AWARENESS

We invest in training our associates to ensure the proper handling, classification, and protection of customer information. Our efforts include:

- Annual cybersecurity awareness training for all associates;
- Specialized training and skill development for dedicated cybersecurity professionals;
- Safeguarding Customer Information Policy training for all associates upon hire;
- Various forms of communication to keep associates informed, including interactive refresher courses and awareness communications around active threats; and
- Specialized supplemental training for key areas of the business.



CarMax's Chief Information and Technology Officer, Shamim Mohammad, was inducted into the CIO Hall of Fame during the 2024 CIO 100 Symposium. Shamim was one of 12 inductees to receive the prestigious honor of joining the Hall of Fame for recognition of his significant contribution and influence on the technology profession while progressing the CIO role.

Shamim remarked, *"This is an incredible honor, and I am truly humbled to be inducted into the CIO Hall of Fame. This recognition wouldn't be possible without the excellence and dedication of the entire CarMax Technology team and the many professionals I've been fortunate to work with in my career. At CarMax, our entrepreneurial teams drive innovation to continually enhance the associate and customer experience and drive our competitive advantage. Technology has truly transformed our company, and I am excited for CarMax's future as we continue to harness new technologies."*

Shamim has been instrumental to CarMax's digital transformation, which enabled our success as an omni-channel retailer, and helped us make vast progress with our technology and product functions.



Conclusion

We are proud of the progress we made in FY25 and remain committed to our core values that create sustainable value for our associates, customers, communities and shareholders. We are pleased to share updates on our responsibility initiatives and continued progress against the commitments outlined throughout this report.

We welcome any feedback, comments, or questions regarding this report or any of our broader CSR efforts. Please reach out with questions or feedback to: responsibility@carmax.com. We appreciate your interest, and we believe input from our stakeholders is fundamental to our continued success.

PERFORMANCE TABLE

Electricty	Unit	CY24	CY23
Renewable Electricity Consumption	kWh	179,465,281	110,751,014
Total Electricity Consumption	kWh	274,045,343	268,515,437
Renewable Electricity Consumption Percentage	Percentage	12.2	15.2
Renewable Electricity Consumption Including Direct REC Purchases	Percentage	65.5	41.3
Energy	**Unit**	**CY24**	**CY23**
Total Energy Consumed	GJ	3,124,641	3,200,293
(1) Purchased Electricity (Grid) Consumption	GJ	986,563	966,656
(2) Renewable Energy Consumption	GJ	695,584	429,300
Percentage Grid Electricity	Percentage	31.6	30.2
Percentage Renewable Energy[4]	Percentage	22.3	13.4
Emissions	**Unit**	**CY24**	**CY23**
Gross Scope 1 Emissions	MTCO2e	136,393	141,982
Carbon Offsets	MTCO2e	(34,000)	(17,000)
Scope 2 Emissions (market-based)[5]	MTCO2e	21,503	47,817
Scope 2 Emissions (location-based)[6]	MTCO2e	89,555	93,010
Net Scope 1+2 Emissions[7]	MTCO2e	123,896	172,799
Recycling	**Unit**	**FY25**	**FY24**
Tires Recycled	Tires	457,447	525,024
Oil Recycled	Gallons	1,308,462	1,259,501
Everyday Products Recycled	Lbs	11,339,250	20,112,797
Glass	Lbs	1,007,384	1,157,795
Volunteerism and Philanthropy	**Unit**	**FY25**	**FY24**
Store Location Participation in Volunteering	Percentage	100	100
Total Investment through CarMax and The CarMax Foundation	$	9.0M	9.7M
Political Contributions	**Unit**	**FY25**	**FY24**
Total Political Contributions	$	0	0

[4] Percentage Renewable Energy includes renewable electricity and renewable diesel.

[5] Our Scope 2 market-based emissions are calculated based on the electricity the organizations has purchased, including considerations for contracts or instruments such as Renewable Energy Certificates in accordance with the GHG Protocol Scope 2 Guidance.

[6] Our Scope 2 location-based emissions are calculated using the average emissions intensity of the grids on which energy consumption occurs in accordance with the GHG Protocol Scope 2 Guidance.

[7] California Health and Safety Code Section 44475 disclosure: CarMax's interim progress toward a 50% reduction of Scope 1 and 2 emissions by 2025 against a 2018 baseline is determined by annual inventories completed in accordance with the World Resources Institute Greenhouse Gas Protocol in place as of December 31 of the calendar year of the inventory. The inventories are not third-party verified.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) CONTENT INDEX

In 2023, CarMax published our inaugural disclosures in response to the Taskforce on Climate-Related Financial Disclosures' (TCFD) recommendations. Our full TCFD disclosures can be found in the Supplemental Climate-related Disclosures section of our website. In 2025, we are advancing the depth of our internal climate risk assessment in preparation for reporting requirements outlined by the state of California on emissions data and climate-related financial risk, with plans to report additional information later this year.

TCFD Pillar	Recommended Disclosures	Disclosures
Governance	a. Describe the organization's governance around climate-related risks and opportunities.	Our Approach to ESG, Supplemental Climate-related Disclosures
	b. Describe management's role in assessing and managing climate-related risks and opportunities	Our Approach to ESG, Supplemental Climate-related Disclosures
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Supplemental Climate-related Disclosures
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Supplemental Climate-related Disclosures
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate Strategy
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	Enterprise Risk Management, Supplemental Climate-related Disclosures
	b. Describe the organization's processes for managing climate-related risks.	Supplemental Climate-related Disclosures
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Enterprise Risk Management, Supplemental Climate-related Disclosures
Metrics & Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Our Path to Net Zero, Performance Table, Supplemental Climate-related Disclosures
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Our Path to Net Zero, Performance Table, Supplemental Climate-related Disclosures
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our Path to Net Zero, Supplemental Climate-related Disclosures

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Our programs and initiatives, guided by CarMax values, also align with the United Nations 2030 Agenda for Sustainable Development, along with its 17 SDGs and the associated targets.

Goal	Description	Target(s)	Report Section
1	End poverty in all its forms everywhere	1.4; 1.5	Compensation and Benefits Access to Economic Opportunities Resilient Communities
3	Ensure healthy lives and promote well-being for all at all ages	3.8	Compensation and Benefits Safety Building Design and Systems
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.4	Access to Economic Opportunities Talent Acquisition
5	Achieve gender equality and empower all women and girls	5.1; 5.5	Diversity and Inclusion Compensation and Benefits
6	Ensure availability and sustainable management of water and sanitation for all	6.4	Water
7	Ensure access to affordable, reliable, sustainable and modern energy for all	7.2	Energy Environmental Data Building Design and Systems Electric Vehicles
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.3; 8.5; 8.8	Access to Economic Opportunities Compensation and Benefits Safety
9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.4	Diversity and Inclusion Caring for our Communities
10	Reduce inequality within and among countries	10.2; 10.3	Building Design and Systems
12	Ensure sustainable consumption and production patterns	12.2; 12.5	Protecting our Environment
13	Take urgent action to combat climate change and its impacts	13.1	Protecting our Environment Resilient Communities
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	16.5; 16.6	Ensuring Responsible Ethics & Governance Ethics The CarMax Consumer Difference

SUSTAINABILITY ACCOUNTING STANDARDS BOARD CONTENT INDEX

The below table, in alignment with the Multiline and Specialty Retailers & Distributors Sustainability Accounting Standards, provides an overview of our sustainability performance across relevant topics identified by the IFRS' Sustainability Accounting Standards Board ("SASB").

Code	Description	Report Section
CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Performance Table
CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Cybersecurity & Data Privacy
CG-MR-230a.2	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of customers affected	Cybersecurity & Data Privacy
CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	Compensation and Benefits
CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	About CarMax
CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	8,534,710 sq. ft.

GLOBAL REPORTING INITIATIVE CONTENT INDEX

CarMax has reported the information cited in this GRI content index for the period from March 1, 2023 to February 29, 2024 with reference to the GRI Standards.

Code	Description	Link
2-9	Governance structure and composition	Ensuring Responsible Ethics & Governance 2025 Proxy Statement (pages 12-14)
2-10	Nomination and selection of the highest governance body	Board of Directors 2025 Proxy Statement (pages 15-16)
2-11	Chair of the highest governance body	Board of Directors 2025 Proxy Statement (pages 12-13)
2-12	Role of the highest governance body in overseeing the management of impacts	Key Topic Identification Shareholder Outreach and Engagement About CarMax Our Approach to ESG Enterprise Risk Management 2025 Proxy Statement (pages 11-12, 17-18)
2-13	Delegation of responsibility for managing impacts	Our Approach to ESG 2025 Proxy Statement (pages 11-12, 17-18)
2-14	Role of the highest governance body in sustainability reporting	About this Report 2025 Proxy Statement (pages 11-12)
2-15	Conflicts of interest	2025 Proxy Statement (pages 18-19)
2-16	Communication of critical concerns	Our Approach to ESG 2025 Proxy Statement (pages 11-12, 19)
2-17	Collective knowledge of the highest governance body	Ensuring Responsible Ethics & Governance Our Approach to ESG 2025 Proxy Statement (pages 4-9)
2-18	Evaluation of the performance of the highest governance body	2025 Proxy Statement (page 16)
2-19	Remuneration policies	2025 Proxy Statement (pages 24-37, 62-63)
2-20	Process to determine remuneration	Shareholder Outreach and Engagement 2025 Proxy Statement (pages 24-29)
2-21	Annual total compensation ratio	2025 Proxy Statement (page 56)

2024 EMPLOYER INFORMATION REPORT EEO-1

Aligned with our annual reporting to the Equal Employment Opportunity Commission ("EEOC"), we are pleased to present our EEO-1 data for 2024.

Job Categories	Hispanic or Latino		Non-Hispanic or Latino												Overall Totals
			Male						Female						
	Male	Female	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or More Races	
Executive/ Senior Officials and Managers	2	1	63	3	7	0	0	0	30	2	2	0	0	1	**111**
First/Mid-Level Officials and Managers	81	27	535	82	45	0	4	19	165	37	15	1	0	14	**1,025**
Professionals	149	80	1,319	191	273	3	4	66	679	136	98	2	2	44	**3,046**
Technicians	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Sales Workers	754	332	1,665	858	260	13	16	190	552	661	48	13	8	130	**5,500**
Administrative Support Workers	765	700	1,413	755	166	16	11	187	1,166	1,444	112	16	18	214	**6,983**
Craft Workers	3,131	424	4,247	1,740	527	56	60	406	667	350	40	12	14	99	**11,773**
Operatives	195	7	251	252	19	1	6	33	6	31	0	0	0	2	**803**
Laborers and Helpers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Service Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**0**
Total	**5,077**	**1,571**	**9,493**	**3,881**	**1,297**	**89**	**101**	**901**	**3,265**	**2,661**	**315**	**44**	**42**	**504**	**29,241**
Previous Year Total	5,084	1,590	9,914	4,118	1,288	123	115	915	3,329	2,605	313	56	46	464	**29,960**

NOTE ON FORWARD LOOKING STATEMENTS

This report contains certain forward-looking statements based on our management's current assumptions and expectations, including statements regarding our goals, commitments, programs, and other business plans, initiatives, and objectives. These statements are typically accompanied by words such as "anticipate," "believe," "could," "enable," "estimate," "expect," "intend," "may," "on track," "outlook," "plan," "positioning," "predict," "seek," "should," "target," "will," and other similar expressions, whether in the negative or affirmative. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995, as amended. Such statements are based upon management's current knowledge and assumptions about future events and involve risks and uncertainties that could cause actual results to differ materially from anticipated results. Such risks, uncertainties, and factors include the assumptions, risks, uncertainties, and factors identified in this report and the risk factors discussed in Item 1A of our Annual Report on Form 10-K for the fiscal year ended February 28, 2025, filed with the U.S. Securities and Exchange Commission (SEC). You should consider the forward- looking statements in this report in conjunction with our Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. We undertake no obligation to update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events, or otherwise.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