



Doing the Right Thing

GENUINE PARTS COMPANY
2017 CORPORATE SUSTAINABILITY REPORT

ABOUT

Genuine Parts Company

Genuine Parts Company, founded in 1928, is a service organization engaged in the distribution of automotive replacement parts, industrial parts and materials, and business products. The Company serves hundreds of thousands of customers from more than 3,100 operations and has approximately 48,000 employees.

**\$16.3
BILLION**

2017
REVENUES

48,000

EMPLOYEES

**\$12.4
BILLION**

TOTAL
ASSETS

**ATLANTA,
GEORGIA USA**
HEADQUARTERS

SALES BY
REGION

UNITED STATES: **81%**

CANADA: **9%**

ASIA PACIFIC: **7%**

EUROPE: **2%**

MEXICO: **1%**

NET
SALES BY
SEGMENT

AUTOMOTIVE: **53%**



ASIA PACIFIC

ALLIANCE
AUTOMOTIVE GROUP

INDUSTRIAL: **35%**



BUSINESS PRODUCTS: **12%**



OUR SUSTAINABILITY Vision

As we celebrate 90 years of business, Genuine Parts Company has a great story to tell, and we are pleased to share it with you in our inaugural Corporate Sustainability Report. Sustainability has long been at the heart of our culture – to do the right thing in order to operate our businesses in a responsible manner.

Our approach encompasses the proper balance of environmental responsibility, safety, wellness, community involvement and economic success to ensure we protect our valuable resources: our people, our communities and our planet.

We are proud of the progress we have made in implementing our sustainability initiatives across the business. Creating a roadmap for our official sustainability platform and properly reporting on our progress are essential steps forward in reflecting our long-standing commitment to operate with integrity, and we look forward to sharing our progress against measurable goals in the years to come.

In 2017, we better positioned GPC for long-term growth, with significant investments in our existing businesses as well as new ones, both in North America and abroad. With that global expansion comes tremendous responsibility – and opportunity. Given our ever-increasing operational footprint, we continue to seek new ways to increase supply-chain sustainability and reduce our overall carbon footprint. We offset millions of pounds of carbon emissions through LED lighting retrofits in our facilities, and we diverted thousands of tons of waste from landfills.

When it comes to our people and the communities we serve, we take a holistic approach to well-being, striving every day to create a culture of inclusiveness – where everyone's authentic voice is heard. The safety of our 48,000 employees is paramount, and we are continually working to enhance training programs to help prevent



Paul D. Donahue
President and Chief Executive Officer

workplace injuries. In addition to health in the workplace, we are committed to enhancing the overall physical and mental health of our employees through our Strength in Numbers program. Finally, as a global company, we recognize that our communities depend on us, just as we depend on them. That is why we strive to give back by sharing not just our resources, but also the time and talent of our employees.

We are energized about the road ahead. Our commitment to operate our business with the highest social and environmental standards has never been greater, and we are dedicated to delivering on that objective. I look forward to continuing our sustainability journey and welcome feedback from all of our stakeholders on how we can continue to make a meaningful difference. To share your ideas on how we can achieve further progress against our sustainability objectives, please contact us at sustainability@genpt.com.

Sincerely,

A handwritten signature in black ink that reads "Paul D. Donahue".

Paul D. Donahue
President and Chief Executive Officer

Sustainability

HIGHLIGHTS



Reduced energy consumption by **41 MILLION kWh** through implementation of hundreds of LED lighting retrofit projects and deployment of solar installations



Provided services for renewable power projects and other **ENVIRONMENTALLY FRIENDLY PRODUCTS** and **SERVICES**



Implemented **EFFICIENCIES IN TRANSPORTATION** and **FUEL MANAGEMENT** through route optimization, anti-idling policies and electronic monitoring



Developed employee programs for **SUSTAINABILITY AWARENESS** and engagement, including GROW (Greater Respect for Our World) and LEEP (Living Earth Environmental Program)





Furthered initiatives for a more **SUSTAINABLE SUPPLY CHAIN** and continued purchasing and using products that are reusable, recycled or recyclable



Recycled **THOUSANDS OF TONS** of waste through our comprehensive waste recycling program

Provided **HEALTH** and **WELLNESS BENEFITS**

to employees, including biometric screenings, fitness challenges, eLearning modules and counseling/recovery assistance programs



Donated significant time and resources to **PHILANTHROPIC** and **COMMUNITY EFFORTS** such as United Way, Intrepid Fallen Heroes, City of Hope, Starlight Children's Foundation and other community initiatives around the world



Maintained **BUSINESS ETHICS** and **COMPLIANCE** programs, including ongoing enforcement and employee training



OUR Guiding Principles

THE BUSINESS CASE FOR Sustainability

For GPC, the benefits of sustainability go beyond a commitment to environmental stewardship – we know sustainable practices generate business value. These efforts inspire investor confidence in our plans and support our ability to build brand value. That is why we are committed to sustainability and the numerous ways it accompanies our key strategies and priorities: to be the employer of choice for each of our employees; to be the supplier of choice for all our customers; to be a valued and preferred customer to each of our suppliers; to be a respected business community member that gives back to the communities in which we operate; to generate above-market returns; and to be a preferred investment choice for all of our shareholders.

OUR SUSTAINABILITY PROGRESS

We are proud of our efforts during the last decade to improve our awareness and impact through various sustainability actions, particularly in North America. As our business expands to become more diverse and global, so will our sustainability efforts in various markets and geographies. We have launched initiatives and programs to advance sustainability awareness, enhance our social responsibility and interact with local communities where we live and work. We have also made significant progress implementing initiatives that reduce the Company’s environmental impact by reducing energy and fuel consumption, greenhouse gas (GHG) emissions and various waste streams.

In 2017,
we recycled nearly
6,000 tons
of waste.

STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement and sound management of stakeholder concerns can lead to many positive outcomes both for the Company and our stakeholders. GPC’s stakeholders are found throughout our value chain; we define them to be any individual or group that is affected by GPC’s activities. We have identified and prioritized key stakeholders and are developing an approach to manage and incorporate stakeholder feedback into ongoing management of the business.

GPC Stakeholders



● PRIMARY ● SECONDARY

Q&A

DEREK B. GOSHAY

VICE PRESIDENT OF SAFETY AND SUSTAINABILITY



Derek B. Goshay
Vice President of Safety and Sustainability

Q What preparations have you made for the launch of GPC's inaugural sustainability report?

A While this is our first official report, we have been implementing sustainability initiatives across the business for years. We are doing remarkable work when you look at our safety, wellness and environmental impact initiatives, just to name a few. We made the decision as a company that the timing is right for us to begin formally reporting on those initiatives and measuring progress in the years to come.

Q As you look at your impact opportunities based on your initial assessment, how do those opportunities align with GPC's business goals?

A Especially on the social side, I think we are seeing tremendous alignment. We have always talked about our people being the driving force behind GPC. So it only makes sense that developing them to be better leaders and ensuring they are healthy and safe through world-class training would be great for business. Energy is our greatest area for environmental impact, and we have been working on strategies to reduce our operational footprint for years. It's a win-win when you save money through these in-house efficiencies and positively impact our shared environment.

Q What are the Company's immediate priorities as you move forward with your sustainability strategy?

A Anywhere we have an opportunity to strengthen our environmental performance is on the table when I look at our immediate and long-term goals. As we continue our sustainability journey, we have done so with a credo that will continue to drive our efforts: 'what gets measured gets managed; what gets managed gets improved.' Even where we are already strong, we are committed to improving. Some of the key areas on which we will be focused in the near term include electrical energy conservation programs, fleet programs to reduce fuel consumption and carbon emissions, waste recycling and diversion programs, transportation and network optimization programs, health and wellness and social responsibility, just to name some.

"As we continue our sustainability journey, we have done so with a credo that will continue to drive our efforts: 'what gets measured gets managed; what gets managed gets improved'."

Environment

OUR Commitment

As a world leader in the distribution of automotive replacement parts, industrial replacement parts and materials, and business products, GPC is committed to conducting business in a manner that protects the quality of the environment, conserves natural resources, and complies with laws and regulations that protect our planet.

We have implemented initiatives to reduce the Company's environmental impact by managing energy usage and fuel consumption, lowering greenhouse gas (GHG) emissions, diverting material from waste streams and conserving water. As a product distributor, it is important that we act responsibly to influence the supply chain through relationships with ethical suppliers, the purchase and use of reusable or recycled products, and distribution of environmentally friendly products.

Fleet Management and Transportation

GPC has changed our fleet profile with the goal to enhance fuel efficiency and reduce GHG emissions. Through route optimization and efforts to more efficiently deliver our products, we have decreased our U.S. fleet from approximately 9,500 to 9,000 vehicles and have improved our U.S. fleet's average miles per gallon by 25 percent since 2015. When our vehicles are on the road, we employ numerous strategies to lessen environmental impacts. In 2017, we reduced our U.S. fleet's fuel usage by nearly 400,000 gallons and lowered our carbon emissions by 7.4 million pounds, or 3.7 percent. Since 2015, we reduced our overall fuel consumption, carbon emissions and GHG emissions across the U.S. GPC fleet by approximately 8 percent in each category. In Canada, we lowered our carbon emissions by 15 percent as well as our fuel consumption and GHG emissions by more than 4 percent each. And in Asia Pacific, since 2016, we reduced our fuel consumption by nearly 150,000 litres, or 3.1 percent, and lowered carbon emissions by approximately 25,000 kilograms, or 0.2 percent.



Fuel Consumption and Carbon Emissions Reduction Initiatives



ROUTE OPTIMIZATION

Utilizing route optimization software has positioned our fleet with multiple cross-docks across different regions to better optimize our network.



ANTI-IDLING

Each truck in our fleet is equipped with technology to automatically shut down the engine after five minutes of idling, helping to save on fuel consumption and cost.



AUXILIARY POWER UNITS

We utilize auxiliary power units across our fleet to provide creature comforts – notably heating and air conditioning – without the need to run a truck's engine, significantly cutting down on idling.



ELECTRONIC MONITORING

We electronically monitor driver hours, length of drive and idling time through in-cab mounted electronic devices.

Intermodal Rail: Reducing Our Environmental Profile

Taking trucks off the road while keeping our products moving is yet another way we are working sustainably. Transporting products by rail significantly reduces both economic and environmental costs. Containers and trailers are moved by truck for short distances at the beginning and end of their journey, while rail is used for the long-haul miles in between. GPC product shipments travel millions of miles by rail. Utilizing intermodal rail reduces fuel consumption and carbon emissions by 71.4 percent on average per month, compared to shipping these goods entirely by truck.



 **8%**

Since 2015, we reduced our overall fuel consumption, carbon emissions and GHG emissions across the U.S. GPC fleet by approximately **8 percent** in each category.

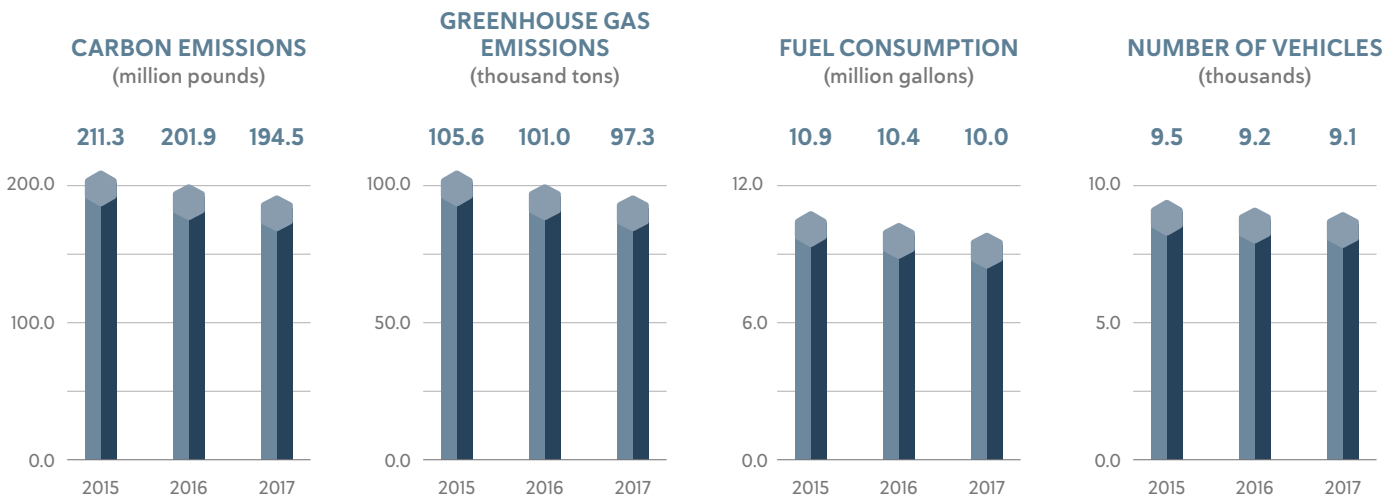
 **15%**

In Canada, we lowered our carbon emissions by **15 percent** as well as our fuel consumption and GHG emissions by more than **4 percent** each.

 **3%**

In GPC's Asia Pacific fleet, efficiency measures lowered our fuel consumption by more than **3 percent** from 2016 to 2017.

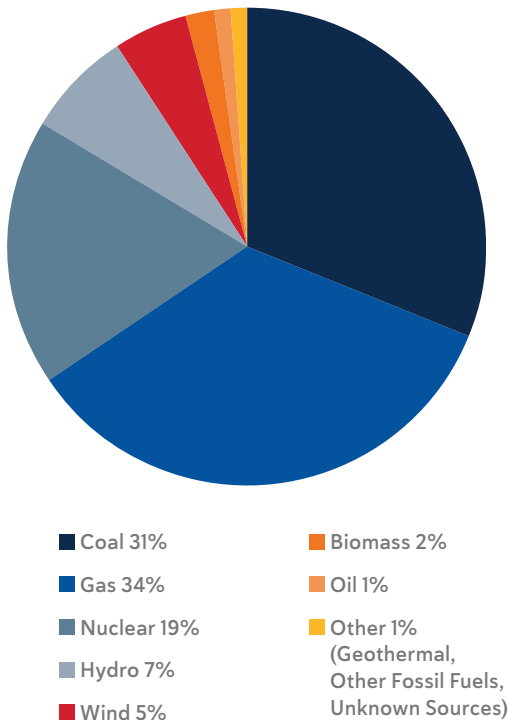
GPC U.S. FLEET DATA: FUEL CONSUMPTION AND CARBON EMISSIONS REDUCTIONS



Energy and Emissions

Because Company facilities account for the vast majority of GPC’s annual energy use around the world, we aggressively seek solutions to improve energy efficiency in every building we operate, with a particular focus on our larger buildings, such as distribution centers and corporate campuses.

GPC NORTH AMERICA ELECTRICITY GENERATION BY SOURCE



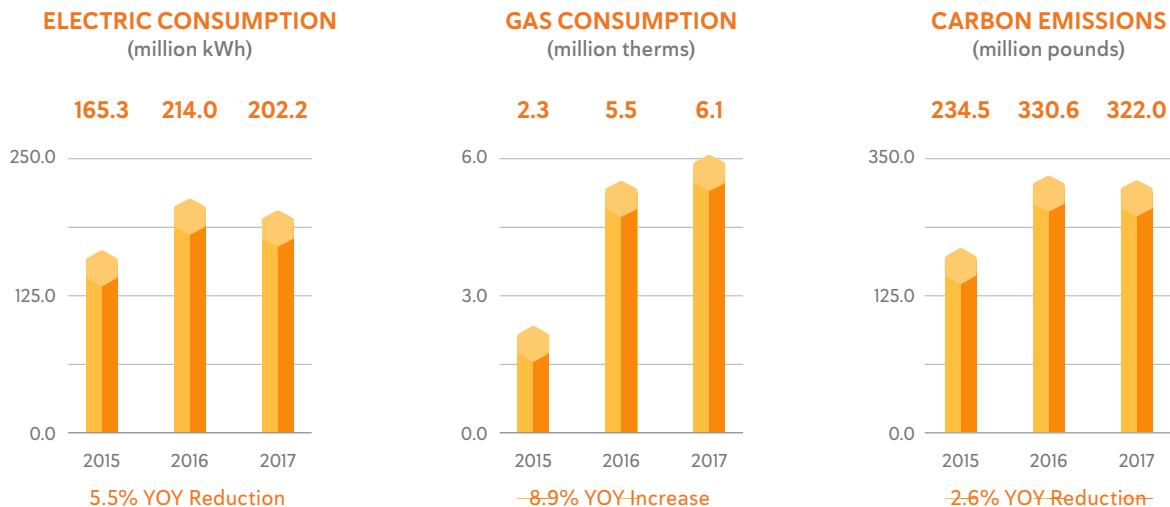
Facilities Leading the Way on Energy Reduction

GPC’s headquarters offices across our various operating regions reflect our commitment to reduce energy usage and minimize our overall operational footprint. To manage our energy consumption, we are utilizing automation systems to reduce HVAC usage and optimize the buildings’ energy management systems. Motion detectors and automatic lighting help ensure lighting fixtures operate only when necessary, and much of the lighting in our buildings is LED – a significant source of energy reduction. Finally, FollowMe printing technology enables users to print to a shared print queue, roam and release from any enabled output device. These initiatives helped deliver a 55 percent reduction in printing costs and as much as a 63 percent reduction in overall electricity costs in certain facilities.

Our Commitment to Efficiency and Renewables

Through our commitment to LED and energy-efficient lighting initiatives across hundreds of GPC facilities, we saved 15.6 million kWh – an increase of 4.1 million from 2016 – and offset 25.7 million pounds of CO2 emissions – up 6.3 million from 2016. We are also deploying other technologies to save millions of kWh and offset over 1.7 million pounds of CO2 emissions across our facilities. We continue to seek opportunities to expand use of renewable energy, including the installation of solar arrays, which generated nearly 1.5 million kWh annually.

ENERGY CONSUMPTION AND EMISSIONS SAVINGS



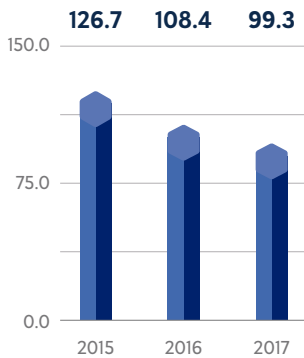
Water and Effluents

At GPC, we recognize that water presents a serious environmental challenge, and we are taking steps to do our part to conserve this precious resource. Water is recognized directly through UN Sustainable Development Goal 6: ensure availability and sustainable management of water and sanitation for all. As water consumption increases at a historic pace, freshwater availability is declining. Today, 1 in 9 people lacks access to safe water.

To conserve water in our facilities around the world, many have been updated with low-flow devices and motion-sensing fixtures to automatically shut off faucets in kitchens and restrooms. Water leakage from pipes is a key global concern, and we're conducting regular inspections of water lines to detect and repair leaks. Outside our buildings, we are limiting the use of irrigation sprinklers and adjusting sprinkler times and durations according to season and soil types.



WATER USAGE
(million gallons)



 **27 million**

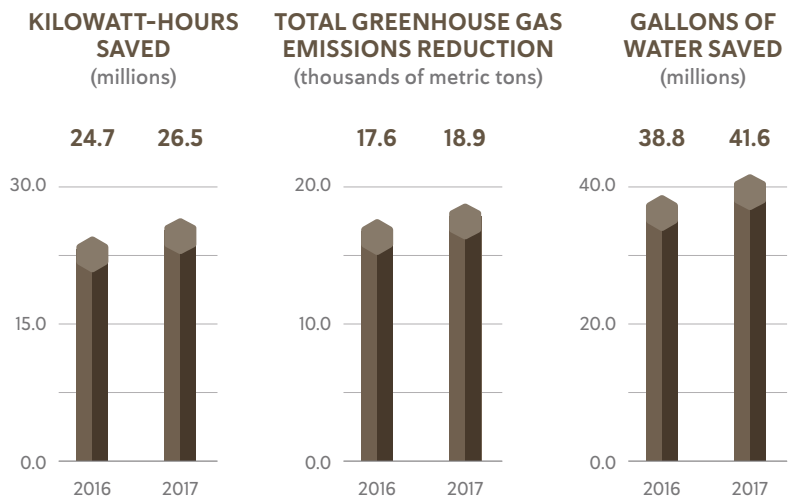
*Compared to our 2015 baseline, GPC water conservation efforts have reduced consumption by more than **27 million gallons**, or **21.2 percent**.*

Waste Management

At GPC, we remain focused on ensuring that as little waste as possible from our facilities ends up in landfills. Our recycling efforts are the primary means by which we avoid directing material into the waste stream, and in 2017, we recycled nearly 6,000 tons of waste – up nearly 7 percent from our 2016 total.

While recycling remains by far our largest contributor to waste diversion, we employ several other initiatives, including donating damaged retail products, minimizing paper waste and encouraging employees to use permanent ware (mugs, utensils, dishes, towels) rather than disposables.

 **7%** *In 2017, GPC recycled **7 percent** more material than in 2016.*





Products and Services

GPC's Automotive Parts Group, the largest division within GPC, offers customers a wide array of recycled or remanufactured products and components ranging from brake parts, distributors, batteries and compressors, as well as complete automotive engines. Automotive remanufacturing requires only 20 percent of the energy used for equivalent new parts. NAPA's inventory of these items is in the thousands. Each remanufactured or recycled part or product we sell reduces the environmental impacts associated with mining or sourcing virgin material, including related energy and transportation costs. Our robust offering of remanufactured components creates multiple wins – saving customers money and diverting material from the waste stream while conserving precious natural resources.

Australian Packaging Covenant Organisation

GPC Asia Pacific is a member of the Australian Packaging Covenant Organisation (APCO). APCO is a co-regulatory, not-for-profit group that partners with government and industry to reduce the harmful impact of packaging on the Australian environment. GPC works with APCO to embed sustainable packaging design into our business processes in support of the Australian economy.

Motion Industries' Energy Services Team

Motion Industries' energy services team was formed based on a simple concept: as customers asked us to find cost savings in their operations, we consistently found the greatest efficiencies came through deploying better energy and conservation solutions to reduce their plants' operating costs. Our customers' focus is on manufacturing their products safely to high-quality standards and meeting production goals; sometimes inefficiencies in their equipment and systems can be overlooked.

That is why we added a team of energy specialists. Their work began with planned air systems, which require a significant amount of energy across our customers' plants. From there we have expanded to provide a full range of energy-efficiency consultation, even going so far as to assist customers with energy procurement in deregulated states, which allows them to source energy at lower cost. Through efficiency assessments, we can provide turnkey solutions in compressed air, steam, lighting, water, HVAC/refrigeration, power quality and mechanical performance. GPC's customers save money and reduce their operational footprint. Collectively, it adds up to smart business.

Between the years of 2015-2017, the team performed 124 assessments at customer facilities. Cumulatively, these assessments accounted for over 300 GWh in savings, 250 million pounds of carbon emission reductions and \$17 million in realized operational savings for Motion customers.



SUSTAINABLE Supply Chain

GPC plays a key role in the supply chain, both from a procurement and distribution perspective. As part of our Code of Conduct, we are keenly focused on strengthening our commitment to responsible and sustainable sourcing through identifying and selecting partners who share similar values as GPC, as well as ensuring we deliver safe and high-quality products for our customers.

As part of GPC's commitment to responsible sourcing, we take steps to measure and enforce vendor compliance under our Social Responsibility Standards and Policy. With our offshore, direct import and private brand suppliers, we have utilized the SA8000 social auditing standard to perform hundreds of supplier audits. SA8000 was established by Social Accountability International and is the industry standard for major suppliers in North America and Europe. GPC's supplier audits are performed by SGS, a world-leading supply chain audit services provider. These audits include announced and unannounced visits to vendors' locations. Vendors that do not meet GPC's social compliance standards must take corrective action in a timely fashion or risk termination of the business relationship with GPC.

At a minimum, GPC requires that vendors meet social standards relating to:

- » Child labor
- » Forced labor
- » Health and safety
- » Discrimination
- » Disciplinary practice
- » Working hours/wages and compensation
- » Environment

Additionally, we continually evaluate suppliers to upgrade and replace goods in our product lines with newer, cleaner, greener versions – many of which are reusable, recycled or recyclable. Finally, our operations strive to ensure that products offered in jurisdictions with specific environmental restrictions are in full compliance with local regulations.



DRIVING INCREASED SUSTAINABILITY Awareness

For GPC, our sustainability effort is a central pillar of our culture. We have been implementing sustainability initiatives across our business for years, and we are extremely proud of our efforts to date. We recently finalized and published our "Roadmap for Sustainability" – a comprehensive look at how we are formalizing and reporting on our sustainability progress as an organization so that employees and GPC stakeholders have a clear line of sight into our plans, scope and approach for sustainability in the years to come. As our program evolves, we look forward to bringing to life many of the initiatives laid out in our Roadmap for Sustainability.

With our program now formalized, ensuring we develop consistent employee awareness programs around our sustainability efforts is a critical priority. Through our Greater Respect for Our World (GROW) program, we are making sure that sustainability is top of mind for GPC's workforce. The central component of the GROW program is our bimonthly newsletter, *Aspire*, issued company-wide. *Aspire* educates and informs GPC employees on a wide range of sustainable

practices and provides updates ranging from safety to energy-saving programs at our facilities to recycling opportunities and much more.

Finally, as part of our sustainability roadmap, we are enhancing our stakeholder engagement program. Effective stakeholder engagement – including employees, investors, suppliers, communities and customers – and sound management of stakeholder concerns are critical. We are currently undertaking several important stakeholder initiatives that will drive our reporting in the future:

- » Identifying and prioritizing key internal and external stakeholders and establishing regular engagement channels beyond the GROW program.
- » Developing an approach to manage stakeholder feedback and incorporate that feedback into planning and ongoing management of the business.
- » Ensuring senior, corporate-level executives play an active role in the stakeholder engagement program.

Social



OUR People

Our Commitment

We know that GPC people are our greatest asset and the greatest contributor to our success. As we pursue our growth objectives and expand our product and service offering across the markets we serve, we rely on the skills of our talented workforce around the world more than ever before.

Creating an inclusive and diverse culture in which our dedicated, talented employees can thrive is fundamental to our approach. To support this commitment, we have begun rolling out diversity and sensitivity training to further promote an environment in which individual differences are valued and contribute to GPC's success. These trainings are conducted through face-to-face meetings between managers and GPC employees.

Providing a safe work environment and ensuring all members of the GPC team are properly trained in all aspects of their work is one of our top priorities, and we have a number of safety programs in place. We also believe our people perform at their best when they feel their best, and we have health and well-being programs in place to promote physical and mental health. Additionally, as a global distributor, we know we are only as strong as the communities in which we operate, which is why we work hard to give back.

Safety

The safety of our people is our number one priority at GPC. We believe that safety is a responsibility shared by every member of our workforce. That belief is underscored by our LiveSafe program, in which we encourage every GPC employee to participate and take personal responsibility for his or her safety. While we have made great strides in the safety area, we understand there is always room for improvement – we believe that proper vigilance by all GPC employees through the LiveSafe program can substantially impact workplace safety.

The program includes our safety toolbox, a comprehensive inventory of safety guidelines, policies and requirements. The safety toolbox specifies safety responsibilities of all employees at a particular site, safety training requirements, safety committee activities, safety inspections, accident reporting and investigation, transitional duty return to work planning, safe driving, strain reduction, and slip and fall prevention. Additionally, we issue a monthly safety message delivered to employees by GPC managers. In these messages, we take a tactical approach to some of the key safety concerns our employees face on a daily basis.

Health and Wellness



Strength in Numbers

We recognize employees do their best work when they are healthy and feel good, both physically and mentally. GPC's Strength in Numbers Program provides a number of opportunities throughout the year to help our employees reach their emotional, physical and financial health goals – and when they do, we offer them valuable rewards as incentives.

Our health and wellness benefits include biometric screenings, fitness challenges, e-learning modules and counseling/recovery assistance programs.

Every month, the Strength in Numbers program focuses on a different component of living a healthy life. We recognize that employees take better care of themselves when they are equipped with the tools to make healthier choices. We have implemented stress resilience e-learning, step challenges, weight loss challenges, and healthy sleep and hydration e-learning to address GPC's physical well-being.

We believe that when people feel better about work, they are better at home. That includes financial well-being, which can be just as critical as physical well-being. Our financial wellness month aims to address employees' long-term financial goals and how to save for the future through e-learning.

GPC Asia Pacific Tackling Physical and Mental Health

Our Asia Pacific colleagues kicked off GPC's 2017 "Walk for Life" challenge with a friendly step challenge competition among various business units. Not only did GPC employees improve their fitness through the Walk for Life challenge, they also raised money for Australia's Volunteer Firefighters as part of the initiative.

Our Asia Pacific team celebrated GPC's annual "R U OK?" day. Each year, this day encourages people to ask family members, friends and colleagues a simple question: Are you OK? The initiative promotes mental and emotional health and encourages individuals to share their feelings on a subject that can often carry with it a negative stigma.





BUSINESS AND ETHICS

Compliance

GPC is committed to conducting business with the highest standards of ethical behavior and honesty. Our Code of Conduct policy and Anti-Bribery and Corruption policy provide the framework to allow us to fulfill our obligations to act with integrity and in compliance with the laws and regulations that affect our business. Our Code of Conduct promotes a culture in which we will continue to earn the respect and loyalty of our customers by providing quality products and knowledgeable, healthy employees who operate based on our core values.

These policies are distributed to employees upon hire and reviewed for acknowledgment every two years going forward. In addition, we require interactive training on the Code every other year so that each calendar year, employees receive and acknowledge the policies or complete training. This approach provides an annual reminder to GPC employees of the importance of business ethics.

Ethics Hotline

We promote our open-door policy and want employees to feel comfortable speaking up and sharing their concerns with management. We realize it is not always easy to speak up in person, so the Company provides an option for employees to communicate their concerns even if they prefer to remain anonymous. We partner with an outside vendor to provide an ethics/hotline program for employees to report concerns, through either web reporting or a 1-800 number. The system is designed so that reported claims are distributed to the human resources management team within their respective business as well as GPC Corporate Human Resources. Claims are investigated in a timely manner, and appropriate action is taken.

HOW WE Give Back

At GPC, we work hard to create a legacy of giving back to the communities in which we serve. We feel a strong sense of duty to live out our values by helping change lives in communities everywhere. Our founder, Carlyle Fraser, was a leading supporter of United Way, and our culture of giving back to the community has sustained that value system for more than 60 years. In 2017, GPC employees gave \$1.3 million to United Way through payroll contributions and fundraising events.

GPC executives are deeply involved in community nonprofit organizations and participate on the board of directors of many. Frontline employees do their part by contributing their time, talent and treasure to numerous charitable causes.

In 2017, GPC headquarters and subsidiaries introduced a veterans theme for our philanthropic efforts. These include participation in an Art for Vets Program, which provided original art for the homes of veterans and New Home Kits for veterans transitioning from homelessness to permanent housing. We are also honored to drive an annual campaign in support of the Intrepid Fallen Heroes Fund, a not-for-profit organization that serves U.S. military personnel wounded or injured in service to our nation, and their families. GPC is the single largest donor to this fund, with contributions totaling \$2.3 million in 2017.

We partner with Junior Achievement, working with the youth in our communities to support brighter educational and financial futures. Campus blood drives are held regularly for employees to donate blood through American Red Cross, and last year's drive collected hundreds of pints of blood, potentially saving thousands of lives.

Other recipients of our volunteer and charitable support include the Make-a-Wish Foundation, The Salvation Army, the American Cancer Society, United Way America, Boys & Girls Clubs of America and a food drive for the Center for Family Resources, which serves those who are homeless or in danger of becoming homeless. Our support for the American Heart Association's 5K Walk More included hundreds of GPC employees, generating more than \$100,000 in contributions. We also support City of Hope, a world-renowned biomedical research, treatment and education center designed to revolutionize the treatment of cancer, diabetes and other life-threatening illnesses.

In Asia Pacific, we are focused on aiding Starlight Children's Foundation, an organization committed to brightening the lives of seriously ill children and their families. In Canada, we are proud to support the Institut de recherches cliniques de Montréal, United Way Centraide Canada, Quebec Cancer Foundation and Opération Enfant Soleil. And in Europe, we have been contributing our time and resources to Action Enfance, a charitable organization that builds villages for underprivileged children.

\$1.3 million

In 2017, GPC employees gave \$1.3 million to United Way through payroll contributions and fundraising events.





Jennifer Ellis
Corporate Secretary

“We have adopted an approach to corporate governance in which sustainability is embedded throughout the organization.”

Governance

In order to achieve the full benefit from our sustainability program, GPC is committed to aligning focus areas, goals and initiatives with key business objectives and other operational areas. That is why we have adopted an approach to corporate governance in which sustainability is embedded throughout the organization in a manner that allows us to be nimble in responding to environmental and social concerns and to respond to market drivers as they emerge.

The following enhancements to our sustainability program have been implemented or are under consideration, with the goal of GPC having the most robust corporate governance model for sustainability possible:

- » Sustainability ambassadors have been identified and will continue to serve as a formal multidepartment, multidivision, corporate sustainability committee. This committee is responsible for oversight of the sustainability program.
- » GPC has a corporate Safety Council, which serves as an internal sustainability advisory group and meets to discuss and approve policy, sustainability actions and communications.
- » We are formalizing our sustainability governance, and periodic updates are provided to the Board of Directors.
- » GPC will enhance existing corporate values to explicitly mention sustainability, responsibility, stewardship, ethics and community values.

BOARD OF DIRECTORS INDEPENDENCE

9 of our 11

directors are independent

100%

*Audit Committee
independence*

100%

*Compensation, Nominating
and Governance Committee
independence*

Keep in touch with our sustainability
initiatives and news at
www.genpt.com

Contact us regarding our sustainability initiatives at
sustainability@genpt.com



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