



GENUINE PARTS COMPANY

2021

**SUSTAINABILITY
REPORT UPDATE**



TABLE OF CONTENTS

03 OVERVIEW

- 3 About This Report
- 4 CEO Message
- 5 Our Business
- 6 Culture, Mission and Vision
- 7 Sustainability Principles and Material Issues
- 8 Stakeholder Engagement
- 8 International Progress

09 SUSTAINABILITY HIGHLIGHTS

10 PEOPLE

- 10 Sustaining Our Workforce
- 10 Employee Wellbeing
- 11 Diversity, Equity and Inclusion (DE&I)
- 12 Supplier Diversity

13 PLANET

- 13 Energy and Emissions
- 14 Buildings
- 14 Fleet
- 14 Employee and Team Travel
- 15 Water Consumption

16 PURPOSE

- 16 Sustaining Our Community

18 GOVERNANCE

- 18 Our Board
- 19 Related Policies and Governance Documents

20 APPENDICES

- 20 Genuine Parts Company 2020 SASB Index
- 22 Genuine Parts Company 2020 TCFD Index



GPC recommends viewing this report online versus printing.

OVERVIEW

ABOUT THIS REPORT

Genuine Parts Company (GPC) publishes a biennial Corporate Sustainability Report. This 2021 Sustainability Report Update is an interim report that highlights our initiatives and activities from January 1 to December 31, 2020, specifically our progress in promoting diversity, equity and inclusion (DE&I) and reducing our greenhouse gas (GHG) emissions.

This report is prepared in accordance with the reporting standards of the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Disclosures (TCFD). SASB and TCFD information is found throughout this report and summarized in the indices on pages 20-23. Unless otherwise noted, data in this report is for our United States locations. You can learn more about our Company, our sustainability initiatives and related news at www.genpt.com.

Some of the photos contained in this report were taken prior to the onset of COVID 19 pandemic and do not represent GPC protocols with respect to the pandemic, such as social distancing and the use of masks.

FORWARD-LOOKING STATEMENTS

Some of the information contained in this report constitutes forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in the future tense and all statements accompanied by words such as “expect,” “likely,” “outlook,” “forecast,” “preliminary,” “would,” “could,” “should,” “position,” “will,” “project,” “intend,” “plan,” “on track,” “anticipate,” “to come,” “may,” “possible,” “assume” or similar expressions are intended to identify such forward-looking statements. The Company cautions that all forward-looking statements involve risks and uncertainties, and while we believe that our expectations for the future are reasonable in view of currently available information, you are cautioned not to place undue reliance on our forward-looking statements. Actual results or events may differ materially from those indicated as a result of various important factors, including, among other things, the extent and duration of the disruption to our business operations caused by the global health crisis associated with the COVID-19 pandemic and the other risks and uncertainties discussed in the Company’s latest SEC filings. The statements speak only as of the date they are made, and the Company undertakes no duty to update any forward-looking statements made in this report except as required by law. Actual results may vary materially and, as such, you are cautioned not to place undue reliance on these forward-looking statements. Please see GPC’s latest Form 10-K and subsequent SEC filings for a discussion of risk factors as they relate to forward-looking statements.

MATERIALITY

The statements and data we discuss in this report are being provided because we believe they may be material sustainability topics for our stakeholders. Such statements and data are not necessarily material for financial reporting or regulatory reporting purposes.



CEO MESSAGE

DEAR STAKEHOLDERS,

With more than 18 years at Genuine Parts Company (GPC), I have witnessed the continued success of our global Company. However, 2020 tested us with one of the biggest challenges ever. The COVID-19 pandemic has caused tremendous pain and suffering, shutting down our lives for an extended period. As we transition to a new normal, we can look back and reflect on the adversities we overcame. The challenges we faced in the past year have provided opportunities for growth and unity, and we have become more adaptive to change.

Operating as a responsible corporate citizen has always been ingrained in our culture, and this past year accentuated the importance of supporting our people and our communities. We have focused on the safety and wellbeing of our teammates throughout transitions to working remotely and back to the office. Our legacy of giving back took on a new form through virtual volunteering and donations to communities and causes that truly make a difference.

We are proud of our teammates for their resilience and contributions to furthering our sustainability goals. We are taking steps to reduce the environmental footprint of our operations by reducing energy and emissions while increasing recycling opportunities across the globe. This past year, we also took further steps to move towards an even more equitable and diverse workplace with the hiring of a new Diversity, Equity and Inclusion (DE&I) Director and the formation of a DE&I Council.

We are proud of the progress we continue to make. For example, we have:

- ▶ Reduced our greenhouse gas emissions from utilities 36% from 2018 to 2020.
- ▶ Enforced sustainable supply chain policies among our vendors and continued to monitor their compliance with our social supply chain expectations.
- ▶ Continued our legacy of giving back by donating masks, gloves and more to communities and making monetary contributions to worthy causes.

Every day we strive to protect our people and the environment on our continued sustainability journey. We want to learn from our stakeholders and encourage your feedback on this sustainability update. Please email sustainability@genpt.com to share your ideas and help us advance our sustainability progress to make a genuine difference.

“Operating as a responsible corporate citizen has always been ingrained in our culture, and this past year accentuated the importance of supporting our people and our communities. We are proud of our teammates for their resilience and contributions to furthering our sustainability goals.”



PAUL DONAHUE
CHAIRMAN AND CHIEF
EXECUTIVE OFFICER





OUR BUSINESS

Genuine Parts Company (GPC) is a leading global distributor of automotive and industrial replacement parts. Founded in 1928, GPC's rich history and commitment to excellent service and quality products have made the Company a critical partner in our customers' success.

The Company's Automotive Parts Group represents 67% of GPC's total net sales and is the largest auto parts network across the globe. The automotive business distributes automotive replacement parts, accessories and service items throughout North America, Europe and Australasia from a product offering of more than 560,000 parts. These parts are sold primarily under the NAPA brand name to both Commercial (DIFM) and Retail (DIY) automotive aftermarket customers.

The Industrial Parts Group represents 33% of GPC's total net sales and includes Motion Industries in North America and Mi Asia Pac in Australasia. As a leading industrial distributor, this business offers access to more than 10 million industrial replacement parts and related supplies over 170,000 MRO (maintenance, repair and operations) and OEM (original equipment manufacturer) customers in all types of industries across North America and Australasia.



GPC BY THE NUMBERS*

COUNTRIES SERVED

15

EMPLOYEES

52,000

ANNUAL REVENUES

\$17.9B

LOCATIONS

10,538

WAREHOUSES

878

DISTRIBUTION FACILITIES

189

RETAIL (OWNED/INDEPENDENT)

9,471

REVENUE BY REGION



NORTH AMERICA

74%



EUROPE

15%



AUSTRALASIA

11%

* As of June 30, 2021

CULTURE, MISSION AND VISION

MISSION

- ▶ Employer of Choice
- ▶ Supplier of Choice
- ▶ Valued Customer
- ▶ Good Corporate Citizen
- ▶ Investment of Choice

CULTURE

One Team and Culture

- ▶ Disciplined People, Plans and Performance
- ▶ Focused on the most critical initiatives
- ▶ Working Together as One GPC Team

VISION

One GPC Team
Working Together to Create
Stakeholder Value

SUSTAINABILITY PRINCIPLES AND MATERIAL ISSUES

At GPC, we are making strides on our journey to positively impact our shared Earth. In the past year, we have continued to execute our *Roadmap to Sustainability* strategic plan so we can meet the needs of our customers, attract talent to our business, benefit the communities in which we work and serve our shareholders – all while doing our best to help the environment. We prioritize lowering our carbon footprint, giving back to communities, and ensuring equality, equity and fair treatment for our employees, suppliers and customers.



SUSTAINING OUR LIVING ENVIRONMENT

- ▶ Reduction of greenhouse gas (GHG) emissions, energy and water use, and waste
- ▶ Pilot program testing electric vehicle (EV) technology in certain markets.
- ▶ Integration of sustainability principles and best practices by our executives, sales teams, distribution centers, stores, vendors and supply chain



SUSTAINING OUR DIVERSE AND INCLUSIVE WORKFORCE

- ▶ Weaving Diversity, Equity, and Inclusion strategies into the fabric of the Company
- ▶ Recruiting talent representative of the communities we serve
- ▶ Retaining and developing diverse talent
- ▶ Advancing pay equity
- ▶ Mitigating unconscious bias and modeling inclusive behaviors



SUSTAINING OUR GIVING COMMUNITY

- ▶ Building and uplifting our communities
- ▶ Helping to close the education achievement gap in under-resourced communities
- ▶ Supporting hospitals, health centers, first responders and healthcare workers

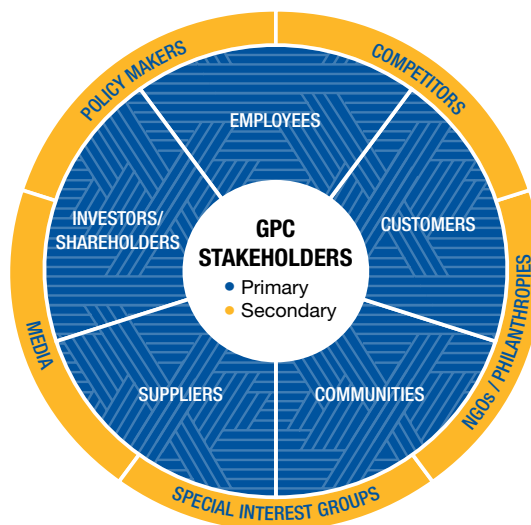


STAKEHOLDER ENGAGEMENT

Our stakeholders consist of many individuals and groups across our value chain and beyond who are touched by our activities. We actively engage with internal and external stakeholders through a variety of channels to help us achieve our goal to be a world-class service organization.

We strongly believe that the continued success of our sustainability programs requires being responsive to the feedback from our employees, investors, suppliers, partners, communities and customers. To jumpstart our sustainability programs, we created a comprehensive list of potential material topics and included them in discussions with key internal stakeholders to get feedback on focus areas. We then discussed the prioritized topics with GPC management and conducted an internal assessment to structure our sustainability programs.

To further our sustainability progress in 2020, we surveyed our stakeholders to understand their perspectives and incorporate their feedback into our ESG strategy and decision-making. We used their feedback to improve existing programs and develop new initiatives. For example, although we have upheld human rights since our founding, in 2020 we formalized our practice and procedures into a Human Rights Policy in response to feedback from our stakeholders. Additionally, we created and shared a formal policy on political contributions. To engage with employees, we use the Company's bimonthly newsletter, *Aspire*, to educate and inform them on a wide range of sustainability issues and practices.



INTERNATIONAL PROGRESS

GPC Asia Pacific is the largest automotive aftermarket parts and accessories supplier in Australia and New Zealand, operating under Repco and NAPA brands. With hundreds of stores, 12 advanced distribution centers and 6,200 employees, GPC Asia Pacific made significant sustainability progress in 2020. In addition to publishing its [ESG Charter](#), GPC Asia Pacific continued to focus on its Equal Opportunity Policy, which ensures all employees have equal opportunity in recruitment, promotion, transfer, training, and development. GPC Asia Pacific also developed strong ethical sourcing practices focused on assessing the risk of modern slavery in the supply chain and preventing human rights abuses. In addition to requiring that suppliers meet social responsibility standards and take corrective action when non-compliances are identified, they also

have an independent reporting hotline and web portal for the anonymous reporting of employee and customer concerns. Finally, in 2020 GPC Asia Pacific established the [GPC Asia Pacific Foundation](#) to play a more active role in caring for employee teammates and the communities in which they operate. The new foundation reflects the strong fundraising and charity support of GPC Asia Pacific employees.

Alliance Automotive Group (AAG), GPC's automotive business in Europe, also made progress in 2020 in the ESG areas. With a focus on employee wellbeing, the team implemented a number of new initiatives across its operations, including a work from home policy to accommodate a more flexible work schedule, financial wellness training, a partnership with fitness clubs for employees to exercise at a reduced cost, and a smoking cessation program. Additionally, in response to the recent catastrophic flooding in Germany, AAG teammates raised essential funds and volunteered their time to assist with relief efforts.

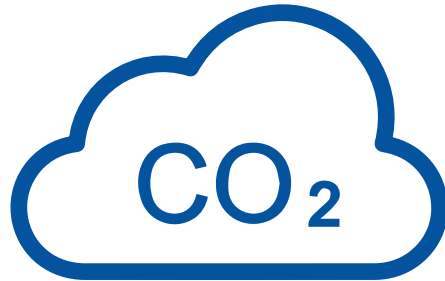
GPC SUSTAINABILITY AMBASSADORS

Designed to advance sustainability throughout the Company and oversee on-the-ground management of GPC's sustainability program, the Sustainability Ambassadors include:

- ▶ EVP & Chief Human Resources Officer (CHRO)
- ▶ SVP of Investor Relations
- ▶ VP Compliance and Corporate Secretary
- ▶ VP Safety and Sustainability
- ▶ Director of Diversity, Equity and Inclusion
- ▶ Director of Risk Management
- ▶ Director of Community Relations
- ▶ Director of Safety, Environmental and OSHA
- ▶ Director of Safety, U.S. Automotive Group (USAG)

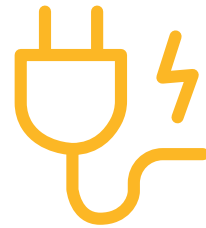


SUSTAINABILITY HIGHLIGHTS*



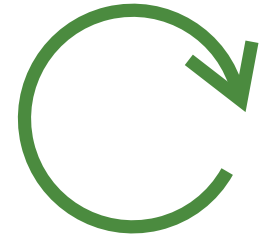
36%
REDUCTION
in GHG emissions from utilities since 2018

62%
REDUCTION
in GHG emissions per reporting site since 2018



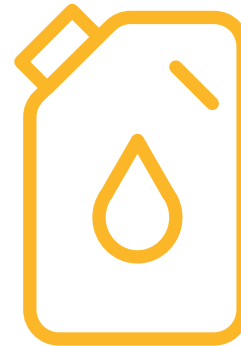
35%
REDUCTION
in electricity consumption since 2018

36%
of U.S. electricity generation from renewable sources since 2018



6,035 TONS
of recycled materials, the equivalent of preventing the release of 19 metric tons of greenhouse gases

9%
REDUCTION
in fuel consumption since 2018



40%
REDUCTION
in natural gas consumption since 2018

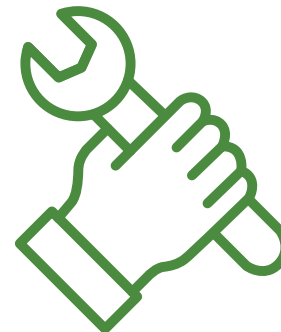


38%
REDUCTION
in overall water consumption since 2018

\$514 million
SPEND

by Motion with small, disadvantaged or Historically Underutilized (HUBZone), and veteran, women or minority-owned businesses

32%
INCREASE
from 2019



* We recognize that some of the decreases in our GHG emissions and energy and water usage over the course of 2020 likely reflect the impacts of COVID-19, including travel restrictions, populations working from home, and variable utilization of some of our facilities.

PEOPLE

SUSTAINING OUR WORKFORCE

GPC is a global Company with a rich blend of people, products and services coming together to make a difference in the lives of customers all over the world. More than ever before, we rely on the skills of our talented and diverse workforce as we pursue our growth objectives, expand our offerings and reach our sustainability goals.

EMPLOYEE WELLBEING

GPC promotes a healthy lifestyle and encourages our teammates to prioritize their physical, financial and emotional wellbeing. In 2021, we expanded our employee wellbeing program to include social wellbeing as we look for new and creative ways to connect with each other and support our communities. Our program design recognizes that everyone has different life goals and there is no one size fits all for total wellbeing. As a result, the 2021 program also provided our teammates the ability to select from a variety of activities including the ability to make a blood donation, complete a financial wellness assessment and enroll in the Livongo® Diabetes Management Program so that they could succeed in the areas that matter most to them. All employees have access to the wellbeing program and a variety of other resources on our GPC wellbeing website.

COVID-19 PROTOCOLS

We have seen the impact of the COVID-19 global pandemic firsthand and are committed to the health and wellbeing of our teammates. As the pandemic continues to impact our lives, our dedication to the health and safety of our employees, customers and communities has not wavered. We continuously monitor and follow guidance from the Centers for Disease Control (CDC) and enforce enhanced cleaning procedures and screening protocols. We provide protective equipment for our teammates and regularly employ our emergency relief fund to help those employees impacted by COVID-19. Teammates affected by COVID-19 are eligible to receive leaves of absence, as well as other forms of aid as support.





DIVERSITY, EQUITY AND INCLUSION (DE&I)

GPC is and has always been committed to diversity, equity and inclusion (DE&I) throughout all levels of the organization. Our teammates around the world reflect the communities and cultures we serve. We aim to proactively engage, understand and draw on a variety of perspectives from individuals. We believe in a work environment built on respect, dignity and fairness towards everyone; where people feel a sense of belonging, and all voices are welcome and valued. We denounce racism and bigotry wherever it exists and support those who peacefully further the ideals of inclusiveness, non-violence and equal treatment.

To advance our commitment to DE&I, in 2021 we established a formal Director of DE&I position and strengthened our equal employment opportunity policies. In addition, we transitioned our DE&I Committee into a formal DE&I Leadership Council comprised of representatives from throughout the organization and tasked with promoting and advancing qualified individuals of all backgrounds and experiences. Going forward, our goal is to increase diversity at all levels, from the Board of Directors through management and non-management positions, using internal advancement and promotion as well as external recruitment, hiring and retention of qualified females and minorities. To attract and engage with the next generation of leaders from underrepresented groups, we have increased our support for the United Way’s African American Partnership (AAP) and Young Professional Leaders (YPL) programs.

PEOPLE OF COLOR REPRESENTATION AT GPC*

21.5%
of U.S. Managers

32.1%
of U.S. Non-Managers

15.4%
of the Board of Directors

FEMALE REPRESENTATION AT GPC*

19.9%
of U.S. Managers

21.3%
of U.S. Non-Managers

30.8%
of the Board of Directors

MILITARY REPRESENTATION AT GPC

4.2%
of U.S. Workforce

* From 2019 EEO-1 Report

GPC’s ongoing and future DE&I initiatives include:

- ▶ Increase the recruitment of diverse talent including expanding relationships with Historically Black Colleges and Universities (HBCU)
- ▶ Development, retention and succession planning of employees
- ▶ Unconscious bias training to 300 executive and senior leaders and an additional 2,500 managers and supervisors
- ▶ \$1,500 scholarships to dependents of GPC employees with HBCU students strongly encouraged to apply
- ▶ Alignment of corporate giving with DE&I principles and goals
- ▶ Collaboration with organizations that support women
- ▶ Recruitment and engagement of more women as owners of NAPA stores
- ▶ Company-wide supplier diversity program
- ▶ Monthly speaker series that highlights women’s history, Asian history, autism awareness, and lesbian, gay, bisexual, transgender, and queer-plus history, among others
- ▶ Formation of Business Resource Groups

“At Genuine Parts Company, we are committed to building the highest-performing teams through the power of diversity and inclusion while providing equitable growth opportunities to our colleagues around the world.

Our integrated approach to diversity, equity and inclusion across our key stakeholder group of employees, customers, suppliers, shareholders and the communities where we live and work will allow us to harness the dynamics of different backgrounds, perspectives and shared experiences.”

LETTY ASHWORTH
GPC DIRECTOR OF DIVERSITY,
EQUITY AND INCLUSION





SUPPLIER DIVERSITY

At GPC, one of our key diversity initiatives is to use diverse suppliers whenever possible.

For example, our Motion Industries business unit has more than 8,100 active diverse suppliers. By the end of 2020, Motion had spent \$514 million with small, disadvantaged or Historically Underutilized (HUBZone), and veteran, women or minority-owned businesses—an increase of 32% from 2019.

\$514
Million

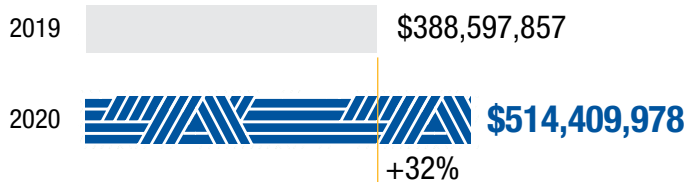
8,100+
Active Diverse Suppliers

286
Active Certified by National Minority Supplier Development Council (NMSDC) and Women’s Business Enterprise National Council (WBENC)

MOTION SUPPLIER DIVERSITY PROGRAM SPEND BY DIVERSE SUPPLIER CATEGORY EOY 2020



MOTION SUPPLIER DIVERSITY PROGRAM SPEND IN 2020 VS 2019



GPC DIVERSITY, EQUITY & INCLUSION (DE&I) LEADERSHIP COUNCIL MEMBERS

- ▶ EVP & CHRO as Executive Sponsor
- ▶ SVP Employee Experience as Advisor
- ▶ SVP Finance & Chief Accounting Officer
- ▶ VP Compliance and Corporate Secretary
- ▶ VP HR Field Operations (NAPA AUTO PARTS)
- ▶ VP Marketing (NAPA AUTO PARTS)
- ▶ VP Information Technology
- ▶ VP Safety and Sustainability
- ▶ Sr. Director Strategic Communications
- ▶ Sr. Director Talent Management
- ▶ Sr. Director Human Resources
- ▶ Director Diversity, Equity and Inclusion
- ▶ Director Strategic Business Transformation
- ▶ Sr. Manager Risk, Compliance and Benefits (Motion Industries)



PLANET

ENERGY AND EMISSIONS

At GPC, we recognize that our global operational footprint comes with tremendous responsibility and opportunity to make a difference. We are constantly striving to find new ways to conduct business in a manner that protects the environment, conserves natural resources, and complies with the laws and regulations that protect our planet.

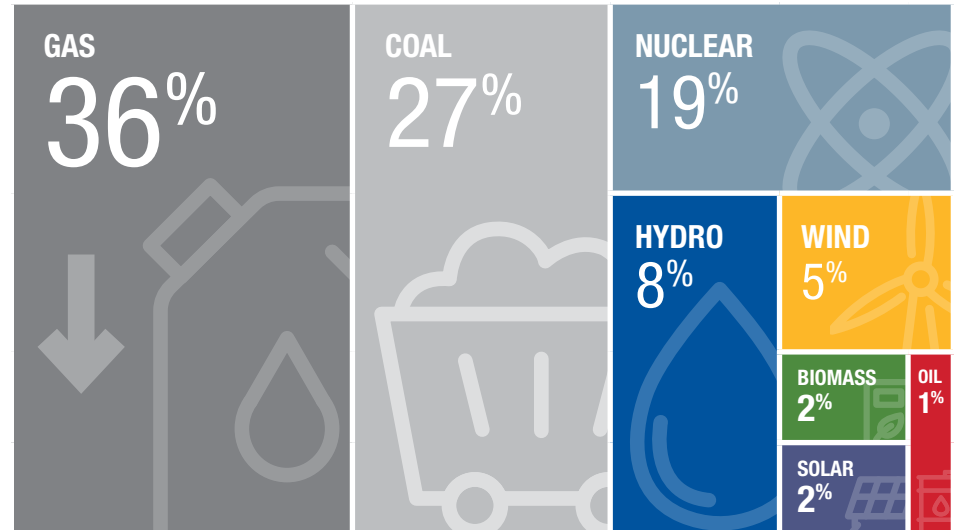
In 2020, we took further steps to address our two major impact areas—energy and fuel consumption. We recognize that some of the decreases in our GHG emissions and energy and water usage over the course of 2020 likely reflect the impacts of COVID-19 (including travel restrictions, populations working from home, and variable utilization of some of our facilities). We have also made strides towards reducing our GHG emissions by conserving water and energy resources, reducing waste, and sourcing responsibly with vendors that are as equally committed to the protection of the environment as we are. In the past three years, we have decreased our total GHG emissions from utilities by 36% overall and the emissions per reporting site by 62%. Our electricity consumption is down 35% since 2018, and our gas consumption is down 40%. We are proud to share that 36% of GPC’s U.S. electricity generation is from renewable energy sources. An estimated 10,126,240 pounds of greenhouse gas emissions have been avoided since the first solar installation at our North American facilities.



Alliance Automotive Group - Benelux generates sustainable energy from wind turbines to power its distribution center.

Looking ahead, we are developing more in-depth reporting and emission reduction plans. We recognize that climate change is an existential threat globally and are working to formalize our approach to reducing carbon emissions. By developing a formal emissions reduction plan and climate risk management strategy, we aim to set science-based reduction targets for carbon emissions.

ENERGY SOURCES IN 2020



ELECTRICITY CONSUMPTION (kWh)



GAS CONSUMPTION (THERMS)



TOTAL GHG EMISSIONS FROM UTILITIES (LBS CO₂)



TOTAL CO₂ EMISSIONS FROM UTILITIES (LBS CO₂/SITE)



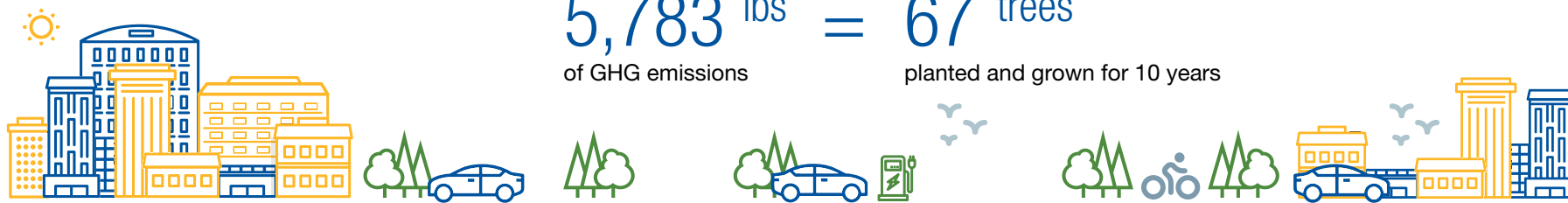


EV PILOT PROGRAM GHG EMISSIONS REDUCTION

5,783 lbs = 67 trees

of GHG emissions

planted and grown for 10 years



BUILDINGS

Because GPC facilities account for the vast majority of our annual energy usage, we aggressively seek solutions to improve energy efficiency in every building we operate, with a particular focus on our larger buildings like distribution centers and corporate campuses.

As a result of the installation of heating, ventilation and air conditioning (HVAC) controls in our stores and distribution centers since 2017, we saved 3.92 kilowatt hours (kWh) and have prevented the release of 6.18 pounds (lbs) of GHG emissions. Light emitting diode (LED) lighting retrofits have saved an additional 33.75 kWh and 55.38 lbs. of GHG emissions. In addition, we utilized motion-sensing lighting in our corporate headquarters to eliminate unwarranted energy usage.

FLEET

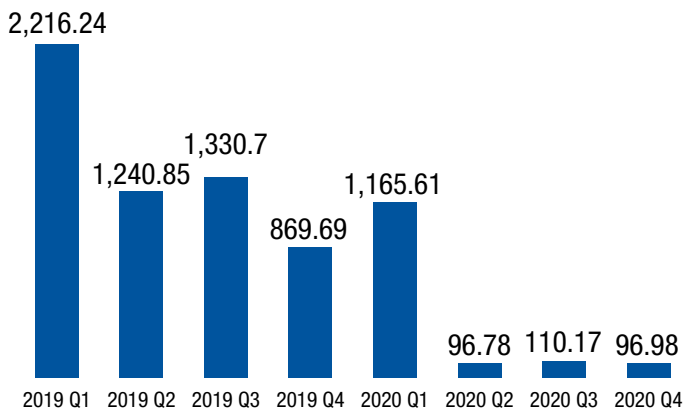
Almost three years ago, we began the process of developing an electric vehicle (EV) pilot program within our automotive business by installing charging stations, and officially launched the program in 2020 with all-electric Chevy Bolts. The Chevy Bolt EV travels 259 miles per charge, making it an optimal vehicle for low-carbon product delivery. Since the inception of this program, we have avoided 5,783 lbs of GHG emissions, the equivalent of planting 67 trees and letting them grow for ten years. Our EV pilot program also provides a deeper understanding of the electric vehicle market so that our business model can adapt and expand to serve new customers.

EMPLOYEE AND TEAM TRAVEL

We have begun estimating the emissions associated with employee and team travel. With travel limited in 2020 due to COVID-19, travel-related GHG emissions decreased 96%. We hope to maintain a diminished travel footprint going forward by using virtual meetings and other online technologies for team, supplier, and customer collaboration.

CARBON FOOTPRINT FROM TRAVEL (IN CARBON DIOXIDE (CO₂) TONS)

% CHANGE FROM 2018 TO 2020[†]



-36%
Total CO₂ Emissions from Utilities (lbs CO₂)

-40%
CO₂ Emissions from Gas (lbs CO₂)

-35%
CO₂ Emissions from Electricity (lbs CO₂)

-62%
Total CO₂ Emissions from Utilities (lbs CO₂/site)

-83%
CO₂ Emissions from Gas (lbs CO₂/site)

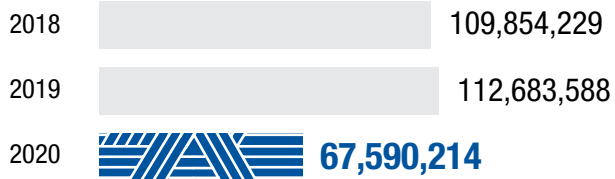
-80%
CO₂ Emissions from Electricity (lbs CO₂/site)

[†] We recognize that some of the decreases in our GHG emissions and energy and water usage over the course of 2020 likely reflect the impacts of COVID-19, including travel restrictions, populations working from home and variable utilization of some of our facilities.

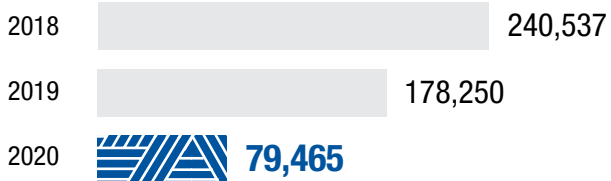
WATER CONSUMPTION

GPC is taking steps to do our part to conserve and limit our consumption of water. We are proud to share that **our water consumption has decreased by 38% and gallon per site used has decreased by 67% since 2018**, thanks to the implementation of water conservation measures. Many of our facilities have been updated with low-flow devices and motion-sensing fixtures to automatically shut off faucets in kitchens, breakrooms and restrooms. We also conduct regular inspections of water lines to identify and repair pipe leakage, as well as calibrate our sprinkler usage according to rainfall, season and soil type.

WATER GALLONS BY SITE



▼ **38%**
since 2018



▼ **67%**
gallons per site





PURPOSE

SUSTAINING OUR COMMUNITY



As the world continues to battle and recover through the COVID-19 pandemic, we are doing our part to help those not only impacted by this pandemic but also those community-based organizations with their boots on the ground. We continue to maximize our impact through ongoing awareness education, fundraising and volunteer opportunities.

In 2020, we introduced YourCause + Blackbaud, a service provider to connect our teammates with volunteer and fundraising opportunities wherever they are located. Through this portal, teammates can make a one-time or recurring donation via payroll deduction or credit card to their favorite GPC charity or an organization of their preference. YourCause has provided our teammates with an easy and efficient way to continually live our mission by supporting our communities.

“Beginning in 1928 with our founder, Carlyle Fraser, GPC has always been a huge advocate for giving back to the communities we serve. He used to say, ‘if you’re not giving back to the community, you’re not doing it right.’ We have continued to honor this philosophy over the years through our long-standing tradition of community service and active engagement.”



VENITIA SMITH
DIRECTOR OF EMPLOYEE AND COMMUNITY RELATIONS

NAPA AUTO PARTS SUPPORTS NATIONAL CHILDHOOD CANCER MONTH



In September 2021, NAPA Auto Parts, Children’s Healthcare of Atlanta, Hendrick Motorsports and the Chase Elliott Foundation brought the seven winners of the DESI9N TO DRIVE campaign, also courageous childhood cancer fighters — including Mary Frances Webb, pictured here with GPC Board member and President & CEO of Children’s Healthcare of Atlanta Donna Hyland — to see an Atlanta Braves game with Nascar legends Jeff Gordon, Bill Elliot, Rick Hendrick and Chase Elliott. Joined by GPC Chairman and CEO Paul Donahue and EVP and CFO Carol Yancey, the patients and their families were able to see special race team gloves, helmets and suits they had designed in action. Learn more via this [video](#).



AMERICAN HEART ASSOCIATION

Each February, GPC supports the American Heart Association with our Go Red campaign. Teammates across the Company are encouraged to share photos of themselves wearing red, participate in fundraising activities and learn more about ways to prevent heart disease.

CAPTAIN PLANET FOUNDATION

GPC is proud to support the Atlanta-based Captain Planet Foundation, which engages and empowers young people to be problem solvers for the planet through programs focused on gardening and cooking, ocean conservation, endangered species protection and more. GPC is a sponsor of the Captain Planet Foundation 30th Year Gala in November 2021 and hopes to partner with the organization to improve recycling in the Company's Georgia-based stores.

COAT DRIVE

Every January, GPC's corporate headquarters organizes a coat drive in partnership with a local nonprofit that provides housing for homeless teenagers and children and those who have been abused, neglected, and abandoned.

EARTH DAY

GPC celebrates Earth Day every year with events at offices and retail locations across the country. Many U.S. locations plant trees or small gardens to mark the day. In addition, GPC has also collected cell phones, computers, tablets and other electronics to securely wipe and then donate to low-income families, school children or U.S. military service members.



EDUCATION OUTREACH

Every February, GPC corporate headquarters hosts a volunteer day with Junior Achievement, inviting teammates to speak to fifth and sixth grade students about finance, budgeting and the importance of a good education. GPC also partners with Big Brothers, Big Sisters to provide mentorship to third, fourth and fifth grade students.

INTREPID FALLEN HEROES FUND

Since 2018, GPC has supported the Intrepid Fallen Heroes Fund, which provides care for military personnel suffering from traumatic brain injury, post-traumatic stress disorder, and amputations. During June and July, NAPA customers can donate via their local store, and employees can also contribute by purchasing t-shirts or hats or by making a direct donation to the Fund.

INTERNATIONAL RED CROSS

GPC continues its long-standing partnership with the International Red Cross by facilitating blood drives at stores and other locations around the world, including on the corporate headquarters campus. Over the course of 2020 and mid-2021, GPC held over 180 blood drives in North America and Australasia.

CITY OF REFUGE – NAPA AUTO SKILLS TRAINING CENTER

The NAPA Auto Skills Training Center, located in the heart of Atlanta, GA, provides a 15-week full-service auto mechanic training program for individuals who face obstacles to employment, providing instruction in ten different areas of auto mechanics and assisting graduates with job placement. In 2015, the NAPA Auto Skills Training Center revved up at City of Refuge, a non-profit organization that partners with individuals and families in crisis to clear a path out of poverty into a thriving community. The accomplishments of this incredible group of newly trained automotive technicians include the CDX Auto certification, multiple SP2 certifications, MAC609 and the entry MLR ASE certification. Class #14 graduated during the summer of 2021, and all graduates secured employment at independent shops, metro Atlanta dealerships, or other partner employers seeking qualified team members.

COVID-19 OUTREACH

During the past year, GPC has supported those communities hardest hit by the COVID-19 pandemic, including healthcare workers, first responders and frontline workers. We have donated food, care packages, cleaning supplies, automotive services, NAPA-brand product discounts, and financial support to individuals and organizations in need. Our stores across the country also donated thousands of masks and gloves to Atlanta-area medical organizations such as Campbell County Memorial Hospital, Bryan Health facilities, the Kosciusko County Health Department, and others.



GOVERNANCE

OUR BOARD



ELIZABETH CAMP
President & CEO, DF Management, Inc.



RICHARD COX, JR.
Chief Information Officer, Cox Enterprises



PAUL DONAHUE
Chairman & CEO, Genuine Parts Company



GARY FAYARD
Retired CFO, The Coca-Cola Company



P. RUSSELL HARDIN
President, Robert W. Woodruff Foundation



JOHN HOLDER
Chairman & CEO, Holder Properties



DONNA HYLAND
President & CEO, Children's Healthcare of Atlanta



JOHN JOHNS
Retired Chairman & CEO, Protective Life Corporation



JEAN-JACQUES LAFONT
Co-Founder & Executive Chairman, Alliance Automotive



ROBERT LOUDERMILK, JR.
President & CEO, The Loudermilk Companies



WENDY NEEDHAM
Retired Managing Director, Global Auto Research, Credit Suisse First Boston



JULIETTE PRYOR
General Counsel & Corporate Secretary, Albertsons Companies



E. JENNER WOOD
Retired Executive Vice President, SunTrust Banks, Inc.

BOARD SNAPSHOT

DIVERSE

46%



6 OUT OF 13 DIRECTORS ARE DIVERSE*

INDEPENDENT

85%



11 OUT OF 13 DIRECTORS ARE INDEPENDENT

AVERAGE BOARD TENURE

7.5 YEARS



31% 5 YEARS OR LESS

FEMALE

31%



4 OUT OF 13 DIRECTORS ARE WOMEN

AVERAGE AGE

62 YEARS



3 DIRECTORS ARE IN THEIR 50s AND 10 DIRECTORS ARE IN THEIR 60s

* Gender, race/ethnicity, and/or nationality



The GPC Board of Directors exercises oversight of the Company and is committed to strong corporate governance. Three new directors were added during 2020 and 2021 to further diversify our expertise and perspectives.

Our most recent addition, Juliette Pryor, joins with extensive experience as a general counsel and corporate secretary in the grocery retail industry. Ms. Pryor brings an extraordinary combination of skills and experience that will serve the Board, GPC, and our stakeholders well. These recent additions bring the total number of directors to 13, 11 of whom are independent, four of whom are women, and almost half are diverse.

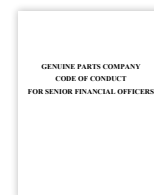
The Board of Directors receives an ESG update at every Board meeting. The Company continues to integrate corporate responsibility and environmental stewardship principles, business ethics, and community values into our corporate strategy, policies, practices, and procedures.

In 2020, the charter of the Board’s Compensation, Nominating and Governance Committee was changed to oversee and guide the strategy of the Company’s ESG initiatives, including talent management programs and processes. The Committee periodically reviews the Company’s DE&I initiatives and assesses GPC’s corporate culture.

RELATED POLICIES AND GOVERNANCE DOCUMENTS:



CODE OF CONDUCT



CODE OF CONDUCT FOR SENIOR FINANCIAL OFFICERS



COMPENSATION, NOMINATING, AND GOVERNANCE COMMITTEE CHARTER



AUDIT COMMITTEE CHARTER



CORPORATE GOVERNANCE GUIDELINES



HUMAN RIGHTS POLICY



POLITICAL CONTRIBUTIONS POLICY



PROXY STATEMENT



ANNUAL REPORT



APPENDICES

GENUINE PARTS COMPANY 2020 SASB INDEX

MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS STANDARD

SASB CODE	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS								
Energy Management in Retail & Distribution												
CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	GPC 2020-2021 Sustainability Report, Planet, Energy and Emissions, pp. 13: GPC used approximately 498,712 GJ in 2020. 36% of GPC's U.S. electricity generation is from renewable sources.								
Data Security												
CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	GPC 2019-2020 Corporate Sustainability Report, Data Privacy and Cyber Security, pp.10 2021 Proxy Statement: Board Oversight of Risk, pp. 16-17								
CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Quantitative	Number, Percentage (%)	GPC did not experience a reportable data breach during the reporting period. Our cyber incident response plan provides the framework for incident identification, assessment, management and impact mitigation.								
Labor Practices												
CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	Quantitative	Reporting currency, Percentage (%)	GPC is not disclosing average hourly wage because we consider it sensitive competitive data. 100% of our in-store employees earn at least minimum wage (Federal/State/Municipal) in every U.S. region.								
CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Quantitative	Rate	2020 TURNOVER RATES¹ <table border="1"> <tr> <td>Total Turnover Rate</td> <td>42.8%</td> </tr> <tr> <td>Voluntary Turnover</td> <td>32.6%</td> </tr> <tr> <td>Involuntary Turnover</td> <td>5.9%</td> </tr> <tr> <td>Turnover Due to Job Elimination</td> <td>3.2%</td> </tr> </table>	Total Turnover Rate	42.8%	Voluntary Turnover	32.6%	Involuntary Turnover	5.9%	Turnover Due to Job Elimination	3.2%
Total Turnover Rate	42.8%											
Voluntary Turnover	32.6%											
Involuntary Turnover	5.9%											
Turnover Due to Job Elimination	3.2%											
CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	Reporting currency	Monetary losses as a result of legal proceedings associated with labor law violations during the reporting period were an immaterial amount.								

¹ Data is accurate as of June 1, 2020 and covers the retail employees of our U.S. Automotive Parts Group.



SASB CODE	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
Workforce Diversity & Inclusion				
CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Quantitative	Percentage (%)	GPC 2020-2021 Sustainability Report: People, pp. 11
CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative	Reporting currency	Monetary losses as a result of legal proceedings associated with employment discrimination during the reporting period were an immaterial amount.
Product Sourcing, Packaging & Marketing				
CG-MR-410a.1	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	Reporting currency	GPC does not disclose this.
CG-MR-410a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	n/a	2019-2020 GPC Corporate Sustainability Report, Planet, pp. 21
CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	n/a	2019-2020 GPC Corporate Sustainability Report, Planet, pp. 20
SASB CODE				
ACTIVITY METRIC				
CATEGORY				
UNIT OF MEASURE				
ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS				
CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	Quantitative	Number	Branch and Store Locations ~ 1,429 Distribution Centers ~ 69
CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	Quantitative	Square meters (m ²)	Retail and Branch ~ 13,805,582 Distribution Center ~ 6,310,444



GENUINE PARTS COMPANY 2020 TCFD INDEX

We are committed to providing transparency on our climate change risk management and governance. The Task Force on Climate-related Financial Disclosures (TCFD) has developed voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders. A summary of our response to the TCFD-recommended disclosures is below, with references to where related information can be found in either this report or in other public documents.

TOPIC	DISCLOSURE	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
<p>Governance: Disclose the organization's governance around climate-related risks and opportunities.</p>	<p>Our Board, guided the Genuine Parts Company Corporate Governance Guidelines, is responsible for the strategic direction to the Company and the management of risk to the Company. This includes Environmental, Social, and Governance (ESG) oversight by the Compensation, Nominating, and Governance (CNG), Committee of the Board of Directors, which is comprised of all independent Directors. At each meeting, the CNG Committee is provided a full update on the Company's ESG initiatives, risks, and opportunities including those related to the environment and climate change. The full Board also receives an update on climate-related risk and opportunities from the Chair of the CNG Committee at each Board meeting as well as from management. Learn more about our Board governance in our 2021 Proxy Statement and in our Committee Charters available on our Investor Relations website.</p> <p>The Company's management team engages its stakeholders each year to assess what is important to each of them as it relates to all areas of ESG, including climate-related risk. The Sustainability Committee, an internal Committee comprised of senior leadership including the Chief Human Resources Officer, the Vice President of Safety and Sustainability, and the Vice President - Compliance and Corporate Secretary, provides strategic direction and oversight of the Company's ESG and sustainability initiatives. The Sustainability Committee meets quarterly and updates the CNG Committee and the Board on a regular basis. The Company is currently formalizing its plans to reduce carbon emissions and engage experts in the area to help systematically measure and reduce such emissions.</p>	<p>GPC 2020-2021 Sustainability Report, Governance, pp. 18-19; 2021 Proxy Statement Page 17-19; GPC 2019-2020 Corporate Sustainability Report; Corporate Governance Guidelines; Committee Charters</p>



TOPIC	DISCLOSURE	ANSWER, CROSS-REFERENCE, OMISSIONS, AND EXPLANATIONS
<p>Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</p>	<p>Genuine Parts Company's Sustainability Committee completed the GPC Sustainability Roadmap in 2017, consulting Global Reporting Initiative (GRI) sustainability reporting standards and the Sustainability Accounting Standards Board (SASB) standards to determine the material focus areas for GPC's sustainability program. The Company's commitment to its people, the planet, and giving back are the framework of the sustainability focus areas. Our risks and opportunities are detailed in our 2020 Sustainability Report, this 2021 Sustainability Report Update, and the risk-factors section of our 2020 Annual Report.</p>	<p>GPC 2020-2021 Sustainability Report, Sustainable Principles and Material Issues, pp. 7; 2020 Annual Report</p>
<p>Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.</p>	<p>Genuine Parts Company's Internal Audit team facilitates the use of the Company's Enterprise Risk Management Framework (RMF) to define, measure, and monitor risk across the organization. The RMF establishes a common language and methodology to measure and prioritize risks and opportunities and define a process for monitoring risk. As part of this framework, there is an enterprise risk rating scale that provides guidelines for risk scoring/magnitude. The Board has overall responsibility for risk oversight, with the Audit Committee assisting the Board in performing this function. The Board's role is to oversee the Company's enterprise risk management (ERM) programs, including risk assessment and risk management processes and policies used to identify, assess, monitor and address potential financial, compensation, operational, strategic and legal risks on an enterprise-wide basis. Our 2021 Sustainability Report Update outlines our proactive approach to reduce climate-related impacts across our business. This includes information about our efforts to improve energy efficiency in all of our operations, reduce our carbon footprint, and embed sustainability into our operations and value chain.</p>	
<p>Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>The Company is in the beginning stages of measuring, assessing, and analyzing its global carbon emissions and plans to set science based targets in 2022.</p>	



GENUINE PARTS COMPANY

Genuine Parts Company
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