

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number: 1-5690

GENUINE PARTS CO MPANY

(Exact name of registrant as specified in its charter)

GA

(State or other jurisdiction of
incorporation or organization)

58-0254510

(I.R.S. Employer
Identification No.)

2999 WILDWOOD PARKWAY,
ATLANTA, GA

30339

(Address of principal executive offices)

(Zip Code)

678 - 934-5000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$1.00 par value per share	GPC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 139,298,651 shares of common stock outstanding as of April 15, 2024.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

GENUINE PARTS COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands, except share and per share data)	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,049,588	\$ 1,102,007
Trade accounts receivable, less allowance for doubtful accounts (2024 – \$ 60,326 ; 2023 – \$ 56,608)	2,425,043	2,223,431
Merchandise inventories, net	4,736,108	4,676,686
Prepaid expenses and other current assets	1,595,566	1,603,728
Total current assets	9,806,305	9,605,852
Goodwill	2,736,841	2,734,681
Other intangible assets, less accumulated amortization	1,772,359	1,792,913
Property, plant and equipment, less accumulated depreciation (2024 – \$ 1,620,069 ; 2023 – \$ 1,592,658)	1,665,920	1,616,785
Operating lease assets	1,363,075	1,268,742
Other assets	992,013	949,481
Total assets	\$ 18,336,513	\$ 17,968,454
Liabilities and equity		
Current liabilities:		
Trade accounts payable	\$ 5,725,745	\$ 5,499,536
Current portion of debt	845,055	355,298
Dividends payable	139,385	132,635
Other current liabilities	1,929,301	1,839,640
Total current liabilities	8,639,486	7,827,109
Long-term debt	3,029,610	3,550,930
Operating lease liabilities	1,070,462	979,938
Pension and other post-retirement benefit liabilities	219,791	219,644
Deferred tax liabilities	452,455	437,674
Other long-term liabilities	507,533	536,174
Equity:		
Preferred stock, par value – \$ 1 per share; authorized – 10,000,000 shares; none issued	—	—
Common stock, par value – \$ 1 per share; authorized – 450,000,000 shares; issued and outstanding – 2024 – 139,335,342 shares; 2023 – 139,567,071 shares	139,335	139,567
Additional paid-in capital	179,349	173,025
Accumulated other comprehensive loss	(1,053,904)	(976,872)
Retained earnings	5,137,597	5,065,327
Total parent equity	4,402,377	4,401,047
Noncontrolling interests in subsidiaries	14,799	15,938
Total equity	4,417,176	4,416,985
Total liabilities and equity	\$ 18,336,513	\$ 17,968,454

See accompanying Notes to Condensed Consolidated Financial Statements.

GENUINE PARTS COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(in thousands, except per share data)	Three Months Ended March 31,	
	2024	2023
Net sales	\$ 5,783,631	\$ 5,765,118
Cost of goods sold	3,708,976	3,751,717
Gross profit	2,074,655	2,013,401
Operating expenses:		
Selling, administrative and other expenses	1,574,927	1,511,244
Depreciation and amortization	90,610	87,215
Provision for doubtful accounts	6,211	5,639
Restructuring and other costs	83,042	—
Total operating expenses	1,754,790	1,604,098
Non-operating (income) expense:		
Interest expense, net	17,690	16,864
Other	(23,006)	(11,967)
Total non-operating (income) expense	(5,316)	4,897
Income before income taxes	325,181	404,406
Income taxes	76,287	100,449
Net income	\$ 248,894	\$ 303,957
Dividends declared per common share	\$ 1.000	\$ 0.950
Basic earnings per share	\$ 1.79	\$ 2.16
Diluted earnings per share	\$ 1.78	\$ 2.14

See accompanying Notes to Condensed Consolidated Financial Statements.

GENUINE PARTS COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

(in thousands)	Three Months Ended March 31,	
	2024	2023
Net income	\$ 248,894	\$ 303,957
Other comprehensive (loss) income, net of income taxes:		
Foreign currency translation adjustments	(79,920)	23,827
Pension and postretirement benefit adjustments, net of income taxes in 2024 — \$ 1,063 ; 2023 — \$ 703	2,888	1,914
Other comprehensive (loss) income, net of income taxes	(77,032)	25,741
Comprehensive income	\$ 171,862	\$ 329,698

See accompanying Notes to Condensed Consolidated Financial Statements.

GENUINE PARTS COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(UNAUDITED)

(in thousands, except share and per share data)	Three Months Ended March 31, 2024							
	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total Parent Equity	Non-controlling Interests in Subsidiaries	Total Equity
January 1, 2024	139,567,071	\$ 139,567	\$ 173,025	\$ (976,872)	\$ 5,065,327	\$ 4,401,047	\$ 15,938	\$ 4,416,985
Net income	—	—	—	—	248,894	248,894	—	248,894
Other comprehensive loss, net of tax	—	—	—	(77,032)	—	(77,032)	—	(77,032)
Cash dividend declared, \$ 1.0000 per share	—	—	—	—	(139,385)	(139,385)	—	(139,385)
Shares issued from employee incentive plans	28,811	29	(2,240)	—	—	(2,211)	—	(2,211)
Share-based compensation	—	—	8,564	—	—	8,564	—	8,564
Purchase of stock	(260,540)	(261)	—	—	(37,239)	(37,500)	—	(37,500)
Noncontrolling interest activities	—	—	—	—	—	—	(1,139)	(1,139)
March 31, 2024	<u>139,335,342</u>	<u>\$ 139,335</u>	<u>\$ 179,349</u>	<u>\$ (1,053,904)</u>	<u>\$ 5,137,597</u>	<u>\$ 4,402,377</u>	<u>\$ 14,799</u>	<u>\$ 4,417,176</u>
Three Months Ended March 31, 2023								
(in thousands, except share and per share data)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total Parent Equity	Non-controlling Interests in Subsidiaries	Total Equity
	140,941,649	\$ 140,941	\$ 140,324	\$ (1,032,542)	\$ 4,541,640	\$ 3,790,363	\$ 14,084	\$ 3,804,447
Net income	—	—	—	—	303,957	303,957	—	303,957
Other comprehensive income, net of tax	—	—	—	25,741	—	25,741	—	25,741
Cash dividend declared, \$ 0.9500 per share	—	—	—	—	(133,737)	(133,737)	—	(133,737)
Shares issued from employee incentive plans	14,832	15	(1,280)	—	—	(1,265)	—	(1,265)
Share-based compensation	—	—	8,646	—	—	8,646	—	8,646
Purchase of stock	(411,006)	(411)	—	—	(67,090)	(67,501)	—	(67,501)
Noncontrolling interest activities	—	—	—	—	—	—	(652)	(652)
March 31, 2023	<u>140,545,475</u>	<u>\$ 140,545</u>	<u>\$ 147,690</u>	<u>\$ (1,006,801)</u>	<u>\$ 4,644,770</u>	<u>\$ 3,926,204</u>	<u>\$ 13,432</u>	<u>\$ 3,939,636</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

GENUINE PARTS COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(in thousands)	Three Months Ended March 31,	
	2024	2023
Operating activities:		
Net income	\$ 248,894	\$ 303,957
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	90,610	87,215
Share-based compensation	8,564	8,646
Excess tax benefits from share-based compensation	(3,461)	(584)
Other operating activities, including changes in operating assets and liabilities	(26,301)	(201,727)
Net cash provided by operating activities	318,306	197,507
Investing activities:		
Purchases of property, plant and equipment	(115,690)	(88,100)
Proceeds from sale of property, plant and equipment	68,462	1,971
Proceeds from divestitures of businesses	3,381	—
Proceeds from sale of investments	—	80,482
Acquisitions and other investing activities	(134,597)	(39,589)
Net cash used in investing activities	(178,444)	(45,236)
Financing activities:		
Proceeds from debt	14	693,400
Payments on debt	(660)	(652,138)
Shares issued from employee incentive plans	(2,211)	(1,265)
Dividends paid	(132,635)	(126,191)
Purchases of stock	(37,500)	(67,501)
Other financing activities	(2,231)	(4,118)
Net cash used in financing activities	(175,223)	(157,813)
Effect of exchange rate changes on cash and cash equivalents	(17,058)	3,262
Net decrease in cash and cash equivalents	(52,419)	(2,280)
Cash and cash equivalents at beginning of period	1,102,007	653,463
Cash and cash equivalents at end of period	\$ 1,049,588	\$ 651,183

See accompanying Notes to Condensed Consolidated Financial Statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**1. General*****Basis of Presentation***

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes required by accounting principles generally accepted in the U.S. ("U.S. GAAP") for complete financial statements. Except as disclosed herein, there have been no material changes in the information disclosed in the Notes to the Consolidated Financial Statements included in the Annual Report on Form 10-K of Genuine Parts Company (the "Company," "we," "our," "us," or "its") for the year ended December 31, 2023. Accordingly, the unaudited Condensed Consolidated Financial Statements and related disclosures herein should be read in conjunction with our 2023 Annual Report on Form 10-K.

The preparation of interim financial statements requires management to make estimates and assumptions that affect the amounts reported in the unaudited Condensed Consolidated Financial Statements. Specifically, we make estimates and assumptions in our unaudited Condensed Consolidated Financial Statements for inventory adjustments, the accrual of bad debts, credit losses on guaranteed loans, customer sales returns, and volume incentives earned, among others. Inventory adjustments (including adjustments for a majority of inventories that are valued under the last-in, first-out ("LIFO") method) are accrued on an interim basis and adjusted in the fourth quarter based on the annual book to physical inventory adjustment and LIFO valuation. Reserves for bad debts, credit losses on guaranteed loans and customer sales returns are estimated and accrued on an interim basis based on a consideration of historical experience, current conditions, and reasonable and supportable forecasts. Volume incentives are estimated based upon cumulative and projected purchasing levels.

In the opinion of management, all adjustments necessary for a fair presentation of our financial results for the interim periods have been made. These adjustments are of a normal recurring nature. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of results for the year ended December 31, 2024. We have evaluated subsequent events through the date the unaudited Condensed Consolidated Financial Statements covered by this quarterly report were issued.

Recent Accounting Pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of Accounting Standards Updates ("ASU") to the FASB Accounting Standards Codification ("ASC"). We consider the applicability and impact of all ASUs and any not listed below were assessed and determined to not be applicable or are expected to have an immaterial impact on our Condensed Consolidated Financial Statements.

Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This standard requires disclosures of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss, an amount and description of other segment items by reportable segment, and all annual disclosures currently required by Topic 280 to be included in interim periods. The guidance is effective for our Annual Report on Form 10-K for the year ended December 31, 2024, and subsequent interim periods, with early adoption permitted. We are currently evaluating the impact of adopting this standard on our financial statements and disclosures.

Income Taxes (Topic 740): Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The standard requires disclosure of specific categories in the rate reconciliation and additional information for reconciling items, income before tax expense disaggregated between domestic and foreign, income tax expense disaggregated by federal, state and foreign, as well as further information on income taxes paid. The guidance is effective for our Annual Report on Form 10-K for the year ended December 31, 2025, with early adoption permitted. The guidance should be applied on a prospective basis, with retrospective application permitted. We are currently evaluating the impact of adopting this standard on our financial statements and disclosures.

Prepaid Expenses and Other Current Assets

The following table provides a detail of prepaid expenses and other current assets reported within the Condensed Consolidated Balance Sheets as of:

(in thousands)	March 31, 2024	December 31, 2023
Prepaid expenses	\$ 161,952	\$ 110,863
Consideration receivable from vendors	875,095	928,499
Other current assets	558,519	564,366
Total prepaid expenses and other current assets	<u>\$ 1,595,566</u>	<u>\$ 1,603,728</u>

Derivatives and Hedging

We are exposed to various risks arising from business operations and market conditions, including fluctuations in certain foreign currencies. We use derivative and non-derivative instruments as risk management tools to mitigate the potential impact of foreign exchange rate risks. The objective of using these tools is to reduce fluctuations in our earnings and cash flows associated with changes in these rates. Derivative instruments are recognized in the Condensed Consolidated Balance Sheets at fair value and are designated as Level 2 in the fair value hierarchy. They are valued using inputs other than quoted prices, such as foreign exchange rates and yield curves.

The following table summarizes the classification and carrying amounts of the derivative instruments and the foreign currency denominated debt, a non-derivative financial instrument, that are designated and qualify as part of hedging relationships (in thousands):

Instrument	Balance Sheet Location	March 31, 2024		December 31, 2023	
		Notional	Balance	Notional	Balance
Net investment hedges:					
Forward contracts	Prepaid expenses and other current assets	\$ 1,053,110	\$ 52,519	\$ 606,950	\$ 37,676
Forward contract	Other current liabilities	\$ 106,800	\$ 1,595	\$ 106,800	\$ 4,383
Foreign currency debt	Long-term debt	€ 700,000	€ 755,580	€ 700,000	€ 772,660

The tables below presents gains and losses related to designated net investment hedges:

(in thousands)	Gain (Loss) Recognized in AOCL before Reclassifications		Gain Recognized in Interest Expense for Excluded Components	
	2024	2023	2024	2023
Three Months Ended March 31,				
Net investment hedges:				
Forward contracts	\$ 13,262	\$ (5,324)	\$ 4,369	\$ 3,158
Foreign currency debt	17,080	(14,140)	—	—
Total	\$ 30,342	\$ (19,464)	\$ 4,369	\$ 3,158

Fair Value of Financial Instruments

As of March 31, 2024, the fair value of our senior unsecured notes was approximately \$ 3.7 billion, which are designated as Level 2 in the fair value hierarchy. Our valuation technique is based primarily on prices and other relevant information generated by observable transactions involving identical or comparable assets or liabilities.

Guarantees

We guarantee the borrowings of certain independently controlled automotive parts stores and businesses ("Independents") and certain other affiliates in which we have a noncontrolling equity ownership interest ("affiliates"). While such borrowings of the independents and affiliates are outstanding, we are required to maintain compliance with certain covenants. As of March 31, 2024, we were in compliance with all such covenants.

As of March 31, 2024, the total borrowings of the independents and affiliates subject to guarantee by us were approximately \$ 934 million. These loans generally mature over periods from one to six years. We regularly monitor the performance of these loans and the ongoing operating results, financial condition and ratings from credit rating agencies of the independents and affiliates that participate in the guarantee programs. In the event that we are required to make payments in connection with these guarantees, we would obtain and liquidate certain collateral

pledged by the independents or affiliates (e.g., accounts receivable and inventory) to recover all or a substantial portion of the amounts paid under the guarantees. We recognize a liability equal to current expected credit losses over the lives of the loans in the guaranteed loan portfolio, based on a consideration of historical experience, current conditions, the nature and expected value of any collateral, and reasonable and supportable forecasts. To date, we have not had significant losses in connection with guarantees of independents' and affiliates' borrowings and the current expected credit loss reserve is not material. As of March 31, 2024, there are no material guaranteed loans for which the borrower is experiencing financial difficulty and recovery is expected to be provided substantially through the operation or sale of the collateral.

As of March 31, 2024, we have recognized certain assets and liabilities amounting to \$ 55 million each for the guarantees related to the independents' and affiliates' borrowings. These assets and liabilities are included in other assets and other long-term liabilities in the Condensed Consolidated Balance Sheets. The liabilities relate to our noncontingent obligation to stand ready to perform under the guarantee programs and they are distinct from our current expected credit loss reserve.

Supply Chain Finance Programs

Several global financial institutions offer voluntary supply chain finance ("SCF") programs which enable our suppliers (generally those that grant extended terms), at their sole discretion, to sell their receivables from us to these financial institutions on a non-recourse basis at a rate that takes advantage of our credit rating and may be beneficial to them. We and our suppliers agree on commercial terms for the goods and services we procure, including prices, quantities and payment terms, regardless of whether the supplier elects to participate in the SCF program. Our current payment terms with the majority of our suppliers range from 30 to 360 days. The suppliers sell goods or services, as applicable, to us and they issue the associated invoices to us based on the agreed-upon contractual terms. Then, if they are participating in the SCF program, our suppliers, at their sole discretion, determine which invoices, if any, they want to sell to the financial institutions. In turn, we direct payment to the financial institutions, rather than the suppliers, for the invoices sold to the financial institutions. No guarantees are provided by us or any of our subsidiaries on third-party performance under the SCF program; however, we guarantee the payment by our subsidiaries to the financial institutions participating in the SCF program for the applicable invoices. We have no economic interest in a supplier's decision to participate in the SCF program, and we have no direct financial relationship with the financial institutions, as it relates to the SCF program. Accordingly, amounts due to our suppliers that elected to participate in the SCF program are included in the line item accounts payable in our Condensed Consolidated Balance Sheets.

All activity related to amounts due to suppliers that elected to participate in the SCF program is reflected in cash flows from operating activities in our Condensed Consolidated Statement of Cash Flows. As of March 31, 2024 and December 31, 2023, the outstanding payment obligations to the financial institutions are \$ 3.0 billion and \$ 3.0 billion, respectively. The amount settled through the SCF program was \$ 1.0 billion and \$ 1.0 billion for the three months ended March 31, 2024 and March 31, 2023, respectively.

(in thousands)	March 31, 2024
Obligations outstanding at the beginning of the year	\$ 3,026,824
Invoices confirmed during the year	995,254
Confirmed invoices paid during the year	(987,476)
Confirmed obligations outstanding at the end of the year	\$ 3,034,602

Earnings Per Share

We calculate basic earnings per share by dividing net income by the weighted average number of common shares outstanding. Certain outstanding options are not included in the diluted earnings per share calculation

because their inclusion would have been anti-dilutive. Antidilutive common stock equivalents excluded from the diluted earnings per share calculation are not material.

The following table summarizes basic and diluted shares outstanding:

(in thousands, except per share data)	Three Months Ended March 31,	
	2024	2023
Net income	\$ 248,894	\$ 303,957
Weighted average common shares outstanding	139,429	140,804
Dilutive effect of stock options and non-vested restricted stock awards	667	921
Weighted average common shares outstanding – assuming dilution	140,096	141,725
Basic earnings per share	\$ 1.79	\$ 2.16
Diluted earnings per share	\$ 1.78	\$ 2.14

2. Segment Information

The following table presents a summary of our reportable segment financial information:

(in thousands)	Three Months Ended March 31,	
	2024	2023
Net sales:		
Automotive	\$ 3,574,020	\$ 3,505,827
Industrial	2,209,611	2,259,291
Total net sales	<u>\$ 5,783,631</u>	<u>\$ 5,765,118</u>
Segment profit:		
Automotive	\$ 272,936	\$ 264,420
Industrial	270,839	261,987
Total segment profit	<u>543,775</u>	<u>526,407</u>
Interest expense, net	(17,690)	(16,864)
Intangible asset amortization	(34,100)	(39,122)
Corporate expense	(83,762)	(66,015)
Other unallocated costs (1)	(83,042)	—
Income before income taxes	<u>\$ 325,181</u>	<u>\$ 404,406</u>

(1) The following table presents a summary of the other unallocated costs:

(in thousands)	Three Months Ended March 31,	
	2024	2023
Other unallocated costs:		
Restructuring and other costs (2)	\$ (83,042)	\$ —
Total other unallocated costs	<u>\$ (83,042)</u>	<u>\$ —</u>

(2) Please refer to the Restructuring Footnote in the Notes to Condensed Consolidated Financial Statements for more information.

Net sales are disaggregated by geographical region for each of our reportable segments, as we deem this presentation best depicts how the nature, amount, timing and uncertainty of net sales and cash flows are affected

by economic factors. The following table presents disaggregated geographical net sales from contracts with customers by reportable segment:

(in thousands)	Three Months Ended March 31,	
	2024	2023
North America:		
Automotive	\$ 2,196,890	\$ 2,205,385
Industrial	2,080,126	2,130,715
Total North America	\$ 4,277,016	\$ 4,336,100
Australasia:		
Automotive	\$ 400,348	\$ 406,762
Industrial	129,485	128,576
Total Australasia	\$ 529,833	\$ 535,338
Europe – Automotive	\$ 976,782	\$ 893,680
Total net sales	\$ 5,783,631	\$ 5,765,118

3. Accounts Receivable Sales Agreement

Under our accounts receivable sales agreement (the "A/R Sales Agreement"), we continuously sell designated pools of receivables as they are originated by us and certain U.S. subsidiaries to a separate bankruptcy-remote special purpose entity ("SPE"). The A/R Sales Agreement has a three-year term expiring in January 2025, which we intend to renew.

We continue to be involved with the receivables transferred by the SPE to the unaffiliated financial institutions by providing collection services. As cash is collected on sold receivables, the SPE continuously transfers ownership and control of new qualifying receivables to the unaffiliated financial institutions so that the total principal amount outstanding of receivables sold is approximately \$ 1.0 billion at any point in time (which is the maximum amount allowed under the agreement as amended on January 3, 2022).

The total principal amount outstanding of receivables sold is approximately \$ 1.0 billion as of both March 31, 2024 and December 31, 2023. The amount of receivables pledged as collateral as of March 31, 2024 and December 31, 2023 is approximately \$ 1.4 billion and \$ 1.2 billion, respectively.

The following table summarizes the activity and amounts outstanding under the A/R Sales Agreement as of:

(in thousands)	Three Months Ended March 31,	
	2024	2023
Receivables sold to the financial institutions and derecognized	\$ 2,170,043	\$ 2,165,407
Cash collected on sold receivables	\$ 2,170,044	\$ 2,165,411

Continuous cash activity related to the A/R Sales Agreement is reflected in net cash provided by operating activities in the Condensed Consolidated Statements of Cash Flows. The SPE incurs fees due to the unaffiliated financial institutions related to the accounts receivable sales transactions. Those fees, which totaled \$ 15 million and \$ 14 million for the three months ended March 31, 2024 and 2023, respectively, are recorded within other non-operating expense (income) in the Condensed Consolidated Statements of Income. The SPE has a recourse obligation to repurchase from the unaffiliated financial institutions any previously sold receivables that are not collected due to the occurrence of certain events, including credit quality deterioration and customer sales returns. The reserve recognized for this recourse obligation as of March 31, 2024 and December 31, 2023 is not material. The servicing liability related to our collection services also is not material, given the high quality of the customers underlying the receivables and the anticipated short collection period.

4. Employee Benefit Plans

Net periodic benefit income from our pension plans included the following components for the three months ended March 31:

(in thousands)	Pension Benefits	
	2024	2023
Service cost	\$ 1,727	\$ 1,494
Interest cost	25,365	26,117
Expected return on plan assets	(44,404)	(41,240)
Amortization of prior service cost	281	173
Amortization of actuarial loss	3,567	2,341
Net periodic benefit income	<u>\$ (13,464)</u>	<u>\$ (11,115)</u>

Service cost is recorded in selling, administrative and other expenses in the Condensed Consolidated Statements of Income while all other components are recorded within other non-operating (income) expense. Pension benefits also include amounts related to supplemental retirement plans.

5. Acquisitions

We acquired several businesses for approximately \$ 132 million and \$ 40 million, net of cash acquired, during the three months ended March 31, 2024 and March 31, 2023, respectively. During the three months ended March 31, 2024, we recognized approximately \$ 99 million and \$ 10 million of revenue, net of store closures, related to our current year Automotive and Industrial acquisitions, respectively. We recorded approximately \$ 92 million of goodwill and other intangible assets associated with these acquisitions, primarily related to our European Automotive acquisitions. Other intangible assets acquired of \$ 41 million consisted of customer relationships with a weighted average amortization lives of 20 years. For each acquisition, we allocate the purchase price to the assets acquired and the liabilities assumed based on their fair values as of their respective acquisition dates. The results of operations for acquired businesses are included in our Condensed Consolidated Statements of Income beginning on their respective acquisition dates.

6. Accumulated Other Comprehensive Loss

The following tables present the changes in AOCL by component for the three months ended March 31:

(in thousands)	Changes in Accumulated Other Comprehensive Loss by Component			
	Pension and Other Post-Retirement Benefits	Cash Flow Hedges	Foreign Currency Translation	Total
Beginning balance, January 1, 2024	\$ (517,941)	\$ —	\$ (458,931)	\$ (976,872)
Other comprehensive income (loss) before reclassifications	—	—	(79,920)	(79,920)
Amounts reclassified from accumulated other comprehensive loss	2,888	—	—	2,888
Other comprehensive income (loss), net of income taxes	2,888	—	(79,920)	(77,032)
Ending balance, March 31, 2024	<u>\$ (515,053)</u>	<u>\$ —</u>	<u>\$ (538,851)</u>	<u>\$ (1,053,904)</u>

(in thousands)	Changes in Accumulated Other Comprehensive Loss by Component			
	Pension and Other Post-Retirement Benefits	Cash Flow Hedges	Foreign Currency Translation	Total
Beginning balance, January 1, 2023	\$ (506,610)	\$ (2,572)	\$ (523,360)	\$ (1,032,542)
Other comprehensive income before reclassifications	—	—	23,827	23,827
Amounts reclassified from accumulated other comprehensive loss	1,914	—	—	1,914
Other comprehensive income, net of income taxes	1,914	—	23,827	25,741
Ending balance, March 31, 2023	\$ (504,696)	\$ (2,572)	\$ (499,533)	\$ (1,006,801)

The AOCL components related to the pension benefits are included in the computation of net periodic benefit income in the Employee Benefit Plans Footnote. Generally, tax effects in AOCL are established at the currently enacted tax rate and reclassified to net income in the same period that the related pre-tax AOCL reclassifications are recognized.

7. Commitments and Contingencies

Legal Matters

We are subject to various legal proceedings, many involving routine litigation incidental to the businesses, including approximately 2,466 pending product liability lawsuits resulting from our national distribution of automotive parts and supplies. Many of these involve claims of personal injury allegedly resulting from the use of automotive parts we distributed. The amount accrued for pending and future claims was \$ 235 million as of March 31, 2024, which represents our best estimate of the liability within our calculated range of \$ 187 million to \$ 265 million, discounted using a discount rate of 4.20 %. The amount accrued for pending and future claims was \$ 244 million as of December 31, 2023, which represents our best estimate of the liability within our calculated range of \$ 196 million to \$ 277 million, discounted using a discount rate of 3.88 %. Our undiscounted product liability was \$ 297 million and \$ 308 million as of March 31, 2024 and December 31, 2023, respectively. There have been no significant developments to the information presented in our 2023 Annual Report on Form 10-K with respect to litigation or commitments and contingencies.

Environmental Liabilities

Item 103 of SEC Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that we reasonably believe will exceed an applied threshold not to exceed \$1 million. Applying this threshold, there are no environmental matters to disclose for this period.

8. Restructuring and other costs

In February 2024, we approved and initiated a global restructuring designed to better align our assets and further improve the efficiency of the business. This initiative includes an announced voluntary retirement offer in the U.S., along with a rationalization and optimization of certain distribution centers, stores and other facilities.

In the first quarter 2024, we incurred \$ 83 million in restructuring and other costs. We expect to incur total costs up to \$ 200 million related to the global restructuring efforts in 2024 and to substantially complete the initiative by the end of 2025. We may incur additional charges not currently contemplated due to unanticipated events that may occur, including in connection with the implementation of these initiatives.

The global restructuring was approved and funded by our corporate office and therefore these costs are not allocated to our segments.

The table below summarizes the activity related to the restructuring costs discussed above.

(in thousands)	Severance and other employee costs	Other restructuring costs (1)	Total
Liability as of January 1, 2024	\$ —	\$ —	\$ —
Restructuring and other costs	61,624	21,418	83,042
Cash payments	(7,036)	(13,018)	(20,054)
Non-cash charges	1,339	(8,255)	(6,916)
Translation	(25)	—	(25)
Liability as of March 31, 2024	<u>\$ 55,902</u>	<u>\$ 145</u>	<u>\$ 56,047</u>

(1) Amount reflects moving expenses, accelerated rent, professional fees, facility closure costs and asset impairment costs that are attributable to our restructuring.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the unaudited Condensed Consolidated Financial Statements and accompanying notes contained herein and with the audited Consolidated Financial Statements, accompanying notes, related information and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2023. The results of operations for the three months ended March 31, 2024 are not necessarily indicative of results for the year ended December 31, 2024.

Forward-Looking Statements

Some statements in this report, as well as in other materials we file with the Securities and Exchange Commission ("SEC"), release to the public, or make available on our website, constitute 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. These forward-looking statements include our view of business and economic trends for the remainder of the year and our expectations regarding our ability to capitalize on these business and economic trends and to execute our strategic priorities. Senior officers may also make verbal statements to analysts, investors, the media and others that are forward-looking.

We caution you 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. Such factors may include, among other things, changes in general economic conditions, including unemployment, inflation (including the impact of tariffs) or deflation, financial institution disruptions and geopolitical conflicts such as the conflict between Russia and Ukraine, the conflict in the Gaza strip and other unrest in the Middle East; volatility in oil prices; significant cost increases, such as rising fuel and freight expenses; public health emergencies, including the effects on the financial health of our business partners and customers, on supply chains and our suppliers, on vehicle miles driven as well as other metrics that affect our business, and on access to capital and liquidity provided by the financial and capital markets; our ability to maintain compliance with our debt covenants; our ability to successfully integrate acquired businesses into our operations and to realize the anticipated synergies and benefits; our ability to successfully implement our business initiatives in our two business segments; slowing demand for our products; the ability to maintain favorable supplier arrangements and relationships; changes in national and international legislation or government regulations or policies, including changes to import tariffs, environmental and social policy, infrastructure programs and privacy legislation, and their impact to us, our suppliers and customers; changes in tax policies; volatile exchange rates; our ability to successfully attract and retain employees in the current labor market; uncertain credit markets and other macroeconomic conditions; competitive product, service and pricing pressures; failure or weakness in our disclosure controls and procedures and internal controls over financial reporting, including as a result of the work from home environment; the uncertainties and costs of litigation; disruptions caused by a failure or breach of our information systems, as well as other risks and uncertainties discussed in our 2023 Annual Report on Form 10-K and from time to time in our subsequent filings with the SEC.

Forward-looking statements speak only as of the date they are made, and we undertake no duty to update any forward-looking statements except as required by law. You are advised, however, to review any further disclosures we make on related subjects in our subsequent Forms 10-K, 10-Q, 8-K and other reports filed with the SEC.

Overview

Genuine Parts Company is a service organization engaged in the global distribution of automotive and industrial replacement parts. We have a long tradition of growth dating back to 1928, the year we were founded in Atlanta, Georgia. We conduct business in North America, Europe and Australasia from a network of more than 10,700 locations.

Our Automotive Parts Group ("Automotive") operates in the U.S., Canada, Mexico, France, the U.K., Ireland, Germany, Poland, the Netherlands, Belgium, Spain, Portugal, Australia and New Zealand, and accounted for approximately 62% of total revenues for the three months ended March 31, 2024. Our Industrial Parts Group ("Industrial") operates in the U.S., Canada, Mexico, Australia, New Zealand, Indonesia and Singapore, and accounted for approximately 38% of our total revenues for the three months ended March 31, 2024.

Key Performance Indicators

We consider a variety of performance and financial measures in assessing our business, and the key performance indicators used to measure our results are Comparable Sales, Gross Profit and Gross Margin, Selling, Administrative and Other Expenses ("SG&A"), Segment Profit and Segment Margin, and Net Income and EBITDA along with their adjusted measures. For more information regarding our key performance indicators please reference the Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2023.

Results of Operations

Our first quarter net sales grew slightly year-over-year, as our Automotive segment sales increased, which was mostly offset by lower sales in our Industrial segment. Automotive segment sales increased due to the performance of our European and Australasia businesses, the benefit of prior year acquisitions, mostly in Europe, offset by year-over-year moderation in the benefit from inflation in the pricing environment. Our industrial segment sales declined, as customers reduced their maintenance spending in light of weaker economic conditions. Our continued execution of strategic pricing and sourcing initiatives drove a 100 basis point gross margin increase year over year.

First quarter net income was down 18.1% year over year, primarily due to restructuring and other costs of \$83 million from the global restructuring we approved and initiated in February 2024. Adjusted net income, which excludes restructuring costs, was up 2.3%, reflecting improved profitability in both of our segments due to the operating discipline in our operations.

Our first quarter results of operations are summarized below for the three months ended March 31, 2024 and 2023.

(in thousands)	Three Months Ended March 31,					
	2024		2023		\$ Change	% Change
	\$	% of Sales	\$	% of Sales		
Net sales	\$ 5,783,631	100.0 %	\$ 5,765,118	100.0 %	\$ 18,513	0.3 %
Cost of goods sold	3,708,976	64.1 %	3,751,717	65.1 %	(42,741)	(1.1)%
Gross profit	2,074,655	35.9 %	2,013,401	34.9 %	61,254	3.0 %
Operating expense:						
Selling, administrative and other expenses	1,574,927	27.2 %	1,511,244	26.2 %	63,683	4.2 %
Depreciation and amortization	90,610	1.6 %	87,215	1.5 %	3,395	3.9 %
Provision for doubtful accounts	6,211	0.1 %	5,639	0.1 %	572	10.1 %
Restructuring and other costs	83,042	1.4 %	—	— %	83,042	— %
Total operating expense	1,754,790	30.3 %	1,604,098	27.8 %	150,692	9.4 %
Non-operating (income) expense:						
Interest expense, net	17,690	0.3 %	16,864	0.3 %	826	4.9 %
Other	(23,006)	(0.4)%	(11,967)	(0.2)%	(11,039)	92.2 %
Total non-operating (income) expense	(5,316)	(0.1)%	4,897	0.1 %	(10,213)	(208.6)%
Income before income taxes	325,181	5.6 %	404,406	7.0 %	(79,225)	(19.6)%
Income taxes	76,287	1.3 %	100,449	1.7 %	(24,162)	(24.1)%
Net income	\$ 248,894	4.3 %	\$ 303,957	5.3 %	\$ (55,063)	(18.1)%

(in thousands, except per share data)	Three Months Ended March 31,		\$ Change	% Change
	2024	2023		
Diluted EPS	\$ 1.78	\$ 2.14	\$ (0.36)	(16.8)%
Total adjusted EBITDA	\$ 516,523	\$ 508,485	\$ 8,038	1.6 %
Automotive segment profit	\$ 272,936	\$ 264,420	\$ 8,516	3.2 %
Industrial segment profit	\$ 270,839	\$ 261,987	\$ 8,852	3.4 %
Total segment profit	\$ 543,775	\$ 526,407	\$ 17,368	3.3 %
Automotive segment margin	7.6 %	7.5 %		
Industrial segment margin	12.3 %	11.6 %		
Total segment margin	9.4 %	9.1 %		

Net Sales

Our first quarter 2024 net sales increased slightly compared to 2023. We experienced a 1.9% benefit from acquisitions, offset by a 0.9% decrease in comparable sales and a net unfavorable impact of foreign currency and other of 0.7%.

The decrease in comparable sales is primarily driven by a sales decline in our Industrial business due to the impact of weaker macro-economic conditions on our customers in 2024 and a difficult year-over-year comparison.

Automotive

First quarter net sales for Automotive were \$3.6 billion, an increase of 1.9% from 2023. The increase consisted of a 2.8% benefit from acquisitions, a 0.2% increase in comparable sales and a 1.1% unfavorable impact of foreign currency and other. The modest increase in comparable sales includes the positive contribution of continued demand for automotive parts in Europe and Australasia.

Industrial

First quarter net sales for Industrial were \$2.2 billion, a decrease of 2.2% compared to 2023. The decrease reflects a 2.6% decrease in comparable sales and a 0.1% unfavorable impact of foreign currency, slightly offset by a 0.5% benefit from acquisitions.

The decrease in comparable sales reflects moderation in demand in certain customer sectors and longer than expected softness in industrial production, partially offset by the positive impact of pricing initiatives. We experienced an adverse macro-economic environment when compared to 2023, which caused slowing global industrial demand.

Gross Profit and Gross Margin

Gross profit increased \$61 million, or 3.0%, during the first quarter of 2024 compared to last year, and gross margin increased 100 basis points to 35.9% compared to that same period of the previous year. These increases reflect the positive contributions of our strategic pricing and sourcing initiatives. These initiatives include enhancing technology to generate better pricing data and analytics, which allows us to respond in real time to shifting pricing dynamics across each market we serve as well as strategies related to sourcing product more efficiently.

Operating Expenses

SG&A expenses represent 27.2% of sales in the first quarter of 2024 compared to 26.2% last year. We experienced increased personnel and rent costs primarily due to annual merit wage increases and inflation, as well as made investments in information technology to support our ongoing strategic initiatives.

In addition, we incurred \$83 million of restructuring and other costs from the global restructuring we approved and initiated in February 2024. Refer to the Restructuring Footnote in the Notes to Condensed Consolidated Financial Statements for more information.

Segment Profit

Automotive

Automotive segment profit increased 3.2% in the first quarter compared to 2023, and Automotive segment profit margin increased to 7.6% compared to 7.5% last year. These increases are driven by continued execution on our global growth and productivity initiatives. These benefits were partially offset by higher personnel and rent costs in 2024 due to inflationary pressures.

Industrial

Industrial segment profit increased 3.4% in the first quarter compared to 2023, and Industrial segment profit margin increased to 12.3% compared to 11.6% last year. These improvements occurred, despite a year-over-year sales decline of 2.2%, primarily due to expense management and the ongoing execution of our supply chain initiatives and other strategic category management and pricing initiatives.

Income Taxes

Our effective income tax rates were 23.5% and 24.8% for first quarter 2024 and 2023, respectively. The rate decrease from 2023 is primarily due to a shift in the mix of earnings across our international businesses and expanded investment benefits.

Net Income

First quarter 2024 net income was \$249 million, a decrease of 18.1% compared to net income of \$304 million for the same three month period of the prior year. On a per share diluted basis, net income was \$1.78, a decrease of 16.8% compared to \$2.14 in 2023. These decreases are primarily due to restructuring and other costs of \$83 million from the global restructuring we approved and initiated in February 2024.

First quarter 2024 adjusted net income of \$311 million increased 2.3% compared to 2023. On a per share basis, first quarter 2024 net income on an adjusted basis of \$2.22, increased 3.7% compared to \$2.14 in 2023. First quarter 2024 adjusted EBITDA was \$517 million, an increase of 1.6% from \$508 million from 2023.

The increases in these adjusted measures reflects the positive effects of executing our strategic pricing and other initiatives, as discussed more fully in the commentary above.

Non-GAAP Financial Measures

Adjusted net income, adjusted diluted EPS, adjusted EBITDA, total segment profit, total segment margin, and adjusted EBITDA for each segment are non-GAAP measures (see table below for reconciliations to the most directly comparable GAAP measures).

The following tables set forth reconciliations of net income and diluted EPS to adjusted net income and adjusted diluted EPS, respectively, to account for the impact of adjustments. We also include reconciliations from net income to adjusted EBITDA, net income to total segment profit and total segment margin and segment profit to segment EBITDA and adjusted EBITDA for each segment. We believe that the presentation of adjusted net income, adjusted diluted EPS, total segment profit and adjusted EBITDA, which are not calculated in accordance with GAAP, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provide meaningful supplemental information to both management and investors that is indicative of our core operations. We consider these metrics useful to investors because they provide greater transparency into management's view and assessment of our ongoing operating performance by removing items management believes are not representative of our operations and may distort our longer-term operating trends. In the case of adjusted EBITDA by segment, we believe this additional metric is useful to investors as it provides further insight into the performance of our segments. We believe the non-GAAP metrics included herein also enhance the comparability of our results from period to period and with our competitors, as well as to show ongoing results from operations distinct from items that are infrequent or not associated with our core operations. We do not, nor do we suggest investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, GAAP financial information.

	Three Months Ended March 31,	
(in thousands)	2024	2023
GAAP net income	\$ 248,894	\$ 303,957
Adjustments:		
Restructuring and other costs (1)	83,042	—
Total adjustments	83,042	—
Tax impact of adjustments (2)	(21,038)	—
Adjusted net income	\$ 310,898	\$ 303,957

The table below represents amounts per common share assuming dilution:

(in thousands, except per share data)	Three Months Ended March 31,	
	2024	2023
GAAP diluted earnings per share	\$ 1.78	\$ 2.14
Adjustments:		
Restructuring and other costs (1)	0.59	—
Total adjustments	0.59	—
Tax impact of adjustments (2)	(0.15)	—
Adjusted diluted earnings per share	\$ 2.22	\$ 2.14
Weighted average common shares outstanding – assuming dilution	<u>140,096</u>	<u>141,725</u>

(1) Amount reflects the global restructuring initiative which includes a voluntary retirement offer in the U.S., and rationalization and optimization of certain distribution centers, stores and other facilities.

(2) We determine the tax effect of non-GAAP adjustments by considering the tax laws and statutory income tax rates applicable in the tax jurisdictions of the underlying non-GAAP adjustments, including any related valuation allowances. For the three months ended March 31, 2024, we applied the statutory income tax rates to the taxable portion of all of our adjustments, which resulted in a tax impact of \$21 million.

The table below represents a reconciliation from GAAP net income to adjusted EBITDA:

(in thousands)	Three Months Ended March 31,	
	2024	2023
GAAP net income	\$ 248,894	\$ 303,957
Depreciation and amortization	90,610	87,215
Interest expense, net	17,690	16,864
Provision for taxes	76,287	100,449
Adjusted net income	<u>433,481</u>	<u>508,485</u>
Adjustments (1)	83,042	—
Adjusted EBITDA	<u>\$ 516,523</u>	<u>\$ 508,485</u>

(1) Amounts are the same as adjustments included within the adjusted net income table above.

The table below clarifies where the adjusted items are presented in the Condensed Consolidated Statements of Income:

(in thousands)	Three Months Ended March 31,	
	2024	2023
Line item:		
Restructuring and other costs	\$ 83,042	\$ —
Total adjustments	<u>\$ 83,042</u>	<u>\$ —</u>

The table below represents a reconciliation from GAAP net income to total segment profit:

(in thousands)	Three Months Ended March 31,	
	2024	2023
GAAP net income	\$ 248,894	303,957
taxes	76,287	100,449
before income taxes	325,181	404,406
t expense, net	17,690	16,864
ate expense	83,762	39,122
ble asset amortization	34,100	66,015
unallocated (loss) income, net (1)	83,042	—
Total segment profit	\$ 543,775	526,407
GAAP net sales	\$ 5,783,631	5,765,118
GAAP net income margin (2)	4.3%	5.3%
Total segment profit margin (3)	9.4%	9.1%

(1) Amounts are the same as adjustments included within the adjusted net income table above.

(2) Represents GAAP net income as a percentage of GAAP net sales.

(3) Represents total segment profit as a percentage of GAAP net sales.

The table below represents a reconciliation from segment profit to segment EBITDA and adjusted EBITDA:

(in thousands)	Three Months Ended March 31,	
	2024	2023
Automotive:		
Segment Profit	\$ 272,936	264,420
Depreciation	46,740	38,109
Other costs (2)	—	—
Automotive segment EBITDA	319,676	302,529
Industrial:		
Segment Profit	270,839	261,987
Depreciation	8,148	7,050
Other costs (2)	—	—
Industrial segment EBITDA	278,987	269,037
Corporate:		
Corporate expense	(83,762)	(66,015)
Depreciation	1,622	2,934
Other unallocated costs (1)	83,042	—
Corporate EBITDA	902	(63,081)
Adjustments (1)	(83,042)	—
Corporate adjusted EBITDA	(82,140)	(63,081)
Adjusted EBITDA	\$ 516,523	508,485

(1) Amounts are the same as adjustments included within the adjusted net income table above.

Financial Condition

Our cash balance was \$1.0 billion as of March 31, 2024, a decrease of \$52 million from December 31, 2023. For the three months ended March 31, 2024, we had net cash provided by operating activities of \$318 million, net cash used in investing activities of \$178 million and net cash used in financing activities of \$175 million.

The cash provided by operating activities decreased as compared to prior year primarily driven by changes in working capital. We had \$178 million in net cash used for investing activities primarily for capital expenditures and acquisitions and other investing activities of \$250 million. The financing activities consisted primarily of \$133 million for dividends paid to our shareholders and \$38 million of stock repurchases.

Accounts receivable increased \$202 million, or 9.1%, from December 31, 2023. Inventory increased \$59 million, or 1.3%. Accounts receivable and inventory were both impacted by first quarter increase in revenues and related product demand. Accounts payable increased \$226 million, or 4.1% from December 31, 2023, in line with the increase in inventory. Total debt of \$3.9 billion at March 31, 2024 decreased \$32 million, or 0.8%, from December 31, 2023.

Liquidity and Capital Resources

We ended the quarter with \$2.5 billion of total liquidity (comprising \$1.5 billion availability on the revolving credit facility and \$1.0 billion of cash and cash equivalents). From time to time, we may enter into other credit facilities or financing arrangements to provide additional liquidity and to manage against foreign currency risk. We currently believe that the existing lines of credit and cash generated from operations will be sufficient to fund anticipated operations for the foreseeable future.

We have a strong cash position and solid financial strength to pursue strategic growth opportunities through disciplined, strategic capital deployment. Our key priorities include the reinvestment in our businesses through capital expenditures, mergers and acquisitions, the dividend and share repurchases. We have plans for additional investments in our businesses to drive growth, improve efficiencies and productivity, and drive shareholder value.

We expect to be able to continue to borrow funds at reasonable rates over the long term. At March 31, 2024, our total average cost of debt was 3.17%, and we remain in compliance with all covenants connected with our borrowings.

Any failure to comply with our debt covenants or restrictions could result in a default under our financing arrangements or could require us to obtain waivers from our lenders for failure to comply with these restrictions. The occurrence of a default that remains uncured or the inability to secure a necessary consent or waiver could create cross defaults under other debt arrangements and have a material adverse effect on our business, financial condition, results of operations and cash flows.

On February 15, 2024, we announced a 5.3% increase in the regular quarterly cash dividend for 2024. Our Board of Directors increased the cash dividend payable to an annual rate of \$4.00 per share compared with the prior year dividend of \$3.80 per share. We have paid a cash dividend every year since going public in 1948, and 2024 will mark the 68th consecutive year of increased dividends paid to shareholders.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

For quantitative and qualitative disclosures about market risk, refer to "Quantitative and Qualitative Disclosures About Market Risk" in Item 7A of Part II of our 2023 Annual Report on Form 10-K. Our exposure to market risk has not changed materially since December 31, 2023.

Item 4. Controls and Procedures

As of the end of the period covered by this report, an evaluation was performed under the supervision and with the participation of our management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of our disclosure controls and procedures. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report to provide reasonable assurance that information required to be disclosed by us in the reports that we file or furnish under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 of the SEC that occurred during our last quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION**Item 1. Legal Proceedings**

Information with respect to our legal proceedings may be found in the Commitments and Contingencies Footnote in the Notes to Condensed Consolidated Financial Statements in Item 1 of Part I, which is incorporated herein by reference.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our 2023 Annual Report on Form 10-K, which could materially affect our business, financial condition or future results. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information about the purchases of shares of our common stock during the three months ended March 31, 2024:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
January 1, 2024 through January 31, 2024	141,717	\$139.65	108,324	8,429,721
February 1, 2024 through February 29, 2024	122,284	\$144.62	99,877	8,329,844
March 1, 2024 through March 31, 2024	70,340	\$152.14	52,339	8,277,505
Totals	334,341	\$144.10	260,540	8,277,505

(1) Includes shares surrendered by employees to satisfy tax withholding obligations in connection with the vesting of shares of restricted stock, the exercise of share appreciation rights and/or tax withholding obligations.

(2) On August 21, 2017, the Board of Directors announced that it had authorized the repurchase of 15 million shares. The authorization for the repurchase continues until all such shares have been repurchased or the repurchase plan is terminated by action of the Board of Directors. Approximately 8.3 million shares authorized remain available to be repurchased. There were no other repurchase plans announced as of March 31, 2024.

Item 5. Other Information**Rule 10b5-1 Trading Plans**

During the fiscal quarter ended March 31, 2024, none of the Company's directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 6. Exhibits

(a) The following exhibits are filed or furnished as part of this report:

Exhibit 3.1	Amended and Restated Articles of Incorporation of the Company, dated April 23, 2007 (incorporated herein by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K dated April 23, 2007)
Exhibit 3.2	By-Laws of the Company, as amended and restated November 19, 2018 (incorporated herein by reference from Exhibit 3.2 to the Company's Current Report on Form 8-K dated November 19, 2018)
Exhibit 10.1	Separation Agreement and General Release between James R. Neill and the Company - filed herewith
Exhibit 10.2	Consulting Agreement between James R. Neill and the Company, executed April 10, 2024 - filed herewith
Exhibit 31.1	Certification pursuant to SEC Rule 13a-14(a) signed by the Chief Executive Officer – filed herewith
Exhibit 31.2	Certification pursuant to SEC Rule 13a-14(a) signed by the Chief Financial Officer – filed herewith
Exhibit 32	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed by the Chief Executive Officer and Chief Financial Officer – furnished herewith
Exhibit 101.INS	XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
Exhibit 104	The cover page from this Quarterly Report on Form 10-Q for the period ended March 31, 2024 formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Genuine Parts Company
(Registrant)

Date: April 18, 2024

/s/ Bert Nappier

Bert Nappier

Executive Vice President and Chief Financial Officer
(Duly Authorized Officer and Principal Financial and
Accounting Officer)

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (hereinafter referred to as "Agreement") is made and entered into by and between James Neill (hereinafter referred to as "Employee") and Genuine Parts Company (hereinafter referred to as "GPC" or "Company") (hereinafter collectively referred to as the "parties"). Employee has elected to retire pursuant to the Company's Voluntary Retirement Offer ("VRO").

Each intending to be legally bound, Employee and GPC agree as follows:

1. Separation Date. Employee's employment with the Company will terminate on April 30, 2024 ("Separation Date"). As of the Separation Date, Employee will be relieved of all of Employee's titles, duties, responsibilities and authority as an employee of the Company and has resigned all appointments held with, or for the benefit of, the Company. Employee acknowledges and agrees that Employee has been paid all compensation and/or benefits that Employee accrued through the Separation Date.

2. Consideration Offered. For and in consideration of the execution and non-revocation of this Agreement by Employee and Employee fully abiding by its terms, the Company agrees to provide Employee with the following consideration, to which Employee acknowledges Employee is not otherwise entitled:

- (a) An Incentive Payment in the gross amount of \$3,405,980.00, less all applicable deductions, payable in a lump sum following Employee's Separation Date and retirement pursuant to the VRO, comprised of the cash value of the following:
 - i. a lump sum severance payment equal to sixty (60) weeks of Employee's base rate of pay, in the gross amount of \$629,185.00. If Employee is compensated on a commission basis, the weekly amount will be determined by a review of base pay plus a 12-month average of commissions received by employee from October of 2022 through September of 2023;
 - ii. a Healthcare Subsidy in the gross amount of \$31,000.00;
 - iii. the cash value for all outstanding unvested Long Term Incentive ("LTI") grants (Performance Restricted Stock Units and Restricted Stock Units) that will be forfeited as the result of Employee's separation of employment, based on a stock price of \$135/share, in the gross amount of \$2,672,095.00. Should Employee's Separation Date be extended given business needs, resulting in any of Employee's LTI grants vesting, the amount detailed in this section will be recalculated to adjust the lump sum provided to account for any vested LTI grants; and
 - iv. given Employee's participation in the DB SRP, the estimated cash value equal to the payment of the FICA tax obligation for applicable retirement benefits paid through the DB SRP in the gross amount of \$73,700.00.

(b) In addition to the lump sum Incentive Payment detailed above, Employee will also be provided with:

- i. if applicable, payment of any 2024 monthly or quarterly bonus or commission earned through Employee's Separation Date, less all applicable deductions; and
- ii. if eligible, payment of a prorated 2024 annual bonus, if any, to be based on Company performance, less all applicable deductions. Such 2024 bonus, if any, will be paid no later than March of 2025 at the typical time of annual bonus payouts.

Employee agrees that he or she is being provided with the cash value of any forfeited LTI grants and therefore Employee is waiving any claim on LTI grants that had not otherwise vested at the time of Employee's Separation Date. Employee further understands and agrees that if Employee accepts the VRO, Employee will not be entitled to any LTI grants in 2024 or otherwise, even if Employee's Separation Date should be extended based on business needs. Under no circumstances will this Agreement change or be considered to amend the underlying controlling plan documents, including the Pension Plan, the Supplemental Retirement Plan, the Tax Deferred Savings Plan and/or the LTI award agreements. Employee is not entitled to, and shall not receive, any 401(k) plan contribution or other benefits for the consideration provided to Employee pursuant to this Agreement. With the exception of the consideration detailed above, Employee will not receive, nor be entitled to receive, any other compensation, pay, bonuses, grants or any other benefits from GPC other than those benefits and payments set forth herein. The parties further acknowledge and agree that, except as expressly set forth herein, each party to this Agreement will bear its own costs and attorney's fees.

3. General Release by Employee. Except for the "Claims Not Released" as defined below, Employee hereby fully and forever releases, waives, discharges, and promises not to sue or otherwise institute or cause to be instituted any charges, complaints, claims, or legal proceedings against GPC, along with its past or present parents and related companies, divisions, subsidiaries, affiliates, partners, joint ventures, direct and indirect owners, as well as any of its officers, agents, directors, shareholders, board members, principals, partners, trustees, supervisors, employees (current and former), contractors, representatives, benefit plan fiduciaries, attorneys, clients, insurers, and legal predecessors, successors, heirs, executors, administrators, assigns, and all persons acting by, through, under, or in concert with any of them (the "Released Parties") with respect to any and all liabilities, claims, demands, contracts, debts, obligations, and causes of action of any nature, kind, and description, whether in law, equity or otherwise, whether known or unknown, which Employee ever had, now has, or may or might in the future have against the Released Parties, arising out of events, acts or omissions occurring at any time before the moment Employee signs this Agreement, including, but not limited to any matter, cause, or claim arising out of or related to facts or events occurring prior to the execution of this Agreement and/or arising from and relating to Employee's employment with GPC, or the termination therefrom, including, but not limited to all claims and causes of action arising under any federal, state, or local law or statute, including without limitation those arising under the Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Section 1981 through 1988 of Title 42 of the United States Code, Employee Retirement Income Security Act, Family and Medical Leave Act, National Labor Relations Act, Fair Credit Reporting Act, Worker Adjustment and

Retraining Notification Act or any state equivalent, Equal Pay Act, federal and state wage and hour laws, leave laws, sick and safe time laws, laws of contract, interference, and tort; all claims for discrimination, harassment, retaliation, wrongful termination, emotional distress, defamation, libel, slander, invasion of privacy, unfair business practices, misrepresentation, fraud, interference with business relationships, contractual relationships, or employment relationships of any kind, breach of duty and/or the implied covenant of good faith and fair dealing, interference with and/or breach of contract (express or implied, in fact or in law, oral or written), any claim for recovery of lost wages, vacation or PTO, benefits, other employment compensation, medical expenses, other economic and non-economic damages, penalties, liquidated damages, compensatory damages, punitive damages, injunctive relief, reinstatement, attorneys' fees, costs, expenses; and any other statutory or common law claims relating to or in any way arising out of or connected with the prior employment of Employee with GPC or the termination of that employment, as well as recovery of any other type arising under federal, state, or local law.

4. Unknown Claims. Employee understands that Employee is releasing the Released Parties from claims that Employee may not know about as of the date of the execution of this Agreement, and that is Employee's knowing and voluntary intent. Employee is expressly assuming that risk and agrees that this Agreement shall remain effective in all respects in any such case. Employee expressly waives all rights Employee might have under any law that is intended to protect him or her from waiving unknown claims, and Employee understands the significance of doing so. If Employee was employed by the Company in California, Employee hereby expressly waives the provisions of California Civil Code Section 1542, which provides as follows: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

5. Specific Release of ADEA Claims. In further consideration of the payments provided to Employee in this Agreement, Employee hereby irrevocably and unconditionally fully and forever waives, releases and discharges the Released Parties from any and all claims, whether known or unknown, from the beginning of time to the date of Employee's execution of this Agreement arising under the Age Discrimination in Employment Act (ADEA), as amended, and its implementing regulations. By signing this Agreement, Employee hereby acknowledges and confirms that: (a) Employee has read this Agreement in its entirety and understands all of its terms; (b) Employee has been advised of and has availed him or herself of Employee's right to consult with Employee's attorney prior to executing this Agreement; (c) Employee knowingly, freely and voluntarily assents to all of the terms and conditions set out in this Agreement including, without limitation, the waiver, release and covenants contained herein; (d) Employee is executing this Agreement, including the waiver and release, in exchange for good and valuable consideration in addition to anything of value to which Employee is otherwise entitled; (e) Employee was given at least 45 days to consider the terms of this Agreement and consult with an attorney of Employee's choice, although Employee may sign it sooner if desired; (f) Employee understands that Employee has seven days from the date Employee signs this Agreement to revoke the release in this section by delivering notice of revocation via e-mail to Vickie Smith, SVP, Employee Experience at Vickie.Smith@gpnt.com before the end of such seven-day period; and (g) Employee understands that the release contained in this section does not apply to rights and

claims that may arise after the date on which Employee signs this Agreement. If Employee revokes this Agreement on a timely basis, there shall be no payments made or benefits provided as set forth in the "Consideration Offered" section of this Agreement. The Agreement shall not be effective and the Consideration Offered will not be distributed, until after the revocation period has expired without this Agreement being revoked.

6. Claims Not Released. Claims not covered by this general release are claims for: (a) state disability insurance benefits pursuant to applicable state law; (b) benefits under applicable workers' compensation and/or unemployment compensation benefits laws; (c) benefit entitlements vested as of the date of Employee's termination, pursuant to written terms of any GPC or other applicable employee benefit plan; (d) COBRA rights which Employee may now have or elect; and (e) any other claims which, by applicable law, cannot be released (collectively, "Claims Not Released").

7. Covenant Not to Sue. Employee further acknowledges and covenants not to sue Released Parties, or to participate or aid in any way in any suit or proceeding or to execute, seek to impose, collect or recover upon, or otherwise enforce or accept any judgment, decision, award, warrant or attachment upon any claim released by Employee herein. Employee warrants that as of the time of execution of this Agreement, Employee has not assigned or transferred any claims of any nature that Employee would otherwise have against Released Parties. Employee also acknowledges and covenants that Employee understands that after signing this Agreement, Employee cannot proceed against any person or party mentioned in it with respect to or on account of any of the matters referred to in it.

8. Cooperation. Employee further agrees and understands that, as a condition for Employee receiving the Consideration Offered, and in consideration thereof, Employee will cooperate fully with GPC in resolving all outstanding issues relating to Employee's former employment with GPC. In this regard, Employee shall make him or herself available upon reasonable request by GPC for telephone calls to discuss any outstanding issues relating to his/her former employment with GPC. Should Employee refuse and/or fail to so cooperate with GPC, all of GPC's obligations to provide the Consideration Offered shall become null and void. Furthermore, should Employee refuse and/or fail to cooperate with GPC after receiving any payments pursuant to this Agreement, Employee's obligations and commitments under this Agreement shall remain in effect and binding.

9. Confidentiality & Non-Disclosure.

a. Confidential Information. Employee agrees and acknowledges that the Company has developed Confidential Information at great time and expense and further agrees that the Company provided Employee with access to Confidential Information and specialized training. Employee covenants and agrees that, for a period of five (5) years from Employee's last day of employment with the Company: (a) Employee shall keep strictly confidential and not disclose to any person not employed by the Company any Confidential Information; and (b) Employee shall not use for him/herself or for any person or entity other than the Company any Confidential Information. However, this provision shall not preclude Employee from: (i) the use or disclosure of information known generally to the public (other than information known generally to the public as

a result of Employee's violation of this Section); or (ii) any disclosure required by law or court order so long as Employee provides the Company immediate written notice of any potential disclosure under this subsection and fully cooperates with the Company to lawfully prevent or limit such disclosure. Moreover, nothing in this Agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful. Further, nothing in this Agreement prohibits Employee from speaking with law enforcement, the Equal Employment Opportunity Commission, the state division of human rights, a local commission on human rights, or an attorney retained by the Employee. Moreover, nothing herein shall prohibit or restrain Employee from providing truthful testimony in response to a subpoena or a court order, or from providing truthful information to Government Agencies as defined below.

Employee further acknowledges and agrees that Employee, during the course of Employee's employment, may have been given access to information that qualifies as a "trade secret" under applicable federal or state law. "Trade secrets" are information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. With respect to trade secrets, the confidentiality provisions contained herein shall remain in place for the full five (5) year period set forth above, or for as long as the information in question remains a trade secret, whichever period is longer.

i. **Confidential Information** means all confidential, proprietary or business information related to the Company's Business that is furnished to, obtained by, or created by Employee during Employee's employment with the Company and which could be used to harm or compete against the Company. Confidential Information includes, by way of illustration, such information relating to: (a) the Company's formulae and processes used to calculate and negotiate prices to be charged customers; (b) Company customers, including customer lists, preferences, contact information, contractual terms, prices, and billing histories; (c) the Company's finances, including financial statements, balance sheets, sales data, forecasts, and cost analyses; (d) the Company's plans and projections for business opportunities for new or developing business, including marketing concepts and business plans; (e) the Company's research and development activities, technical data, computer files, and software; and (f) the Company's operating methods, business processes and techniques, services, products, prices, costs, service performance, and operating results.

ii. Notwithstanding the foregoing, nothing in this Agreement prohibits Employee from reporting waste, fraud, abuse and/or possible violations of law or regulation to any government agency or entity or making other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation. Solely in connection with such reporting, Employee may disclose Confidential Information, in confidence, to a government official or to an attorney to address possible violations of the law; however, any disclosure of Confidential Information must be in good faith and effectuated in a manner that prevents the dissemination of Confidential Information beyond those persons necessary to make

the report or filing, such as filing the Confidential Information under seal and otherwise preventing it from being publicly disclosed. While Employee is encouraged to bring any such possible violation to the attention of the Company, Employee does not need the prior authorization of the Company to make any such reports or disclosures to these entities.

iii. The Company also reserves the right to avail itself of the remedies available under the Defend Trade Secrets Act of 2016, which remedies include injunctive relief, damages for actual loss or unjust enrichment caused by the misappropriation of the Company's Confidential Information, and exemplary damages in an amount not more than two times the amount of actual damages. However, federal law provides that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

b. Agreement Confidentiality. Employee shall make no disclosure of any kind concerning this Agreement and the sums paid as consideration under this Agreement to any person, persons, or organization(s), except that Employee may disclose such information to Employee's spouse and to Employee's attorneys, accountants or other professional advisors to whom disclosure is necessary to effect the purposes for which Employee has consulted such professional advisor(s). While not limiting the generality of the foregoing, "disclosure" includes a statement, written or oral, to any person, newspaper, magazine, radio, television station, social media or publishing company.

c. Permitted Disclosures. Employee agrees that in connection with any disclosure permitted hereunder (e.g. to a spouse or professional advisor) or authorized by law, Employee shall cause such third party to whom disclosure has been made to agree to comply with this covenant of confidentiality and non-disclosure.

10. Non-Interference. Employee recognizes and acknowledges that, during Employee's employment with the Company, Employee was given access to the Company's confidential information, valued business relationships, and corporate goodwill. Employee acknowledges that the covenant contained herein is reasonable and necessary to protect the Company's legitimate business interests. In this regard, Employee further covenants and agrees that, for a period of twelve (12) months following Employee's Separation Date, he/she shall not, directly or indirectly: (a) solicit, encourage, cause or attempt to cause any Restricted Customer (as defined below) to purchase any services or products from any business other than the Company that are competitive

with or a substitute for the services or products offered by the Company; (b) solicit, encourage, cause or attempt to cause any supplier of goods or services to the Company not to do business with or to reduce any part of its business with the Company; or (c) make any disparaging remarks about the Company or its business, services, affiliates, officers, managers, directors or management employees, whether in writing, verbally, or on any online forum. For purposes of this Section of the Agreement, Employee acknowledges and agrees that the Company is engaged in lines of business beyond those in which the Employee may be directly engaged, including the retail and wholesale distribution of i) automotive parts and accessories, ii) industrial bearings, iii) fluid power, mechanical, and electrical transmission components, iv) motion control, automation, and industrial networking products, v) other industrial maintenance, repair and operational products, and vi) any value-add or solutions services in connection with the product categories listed herein. This Section's prohibitions against solicitation apply to all such lines of business.

“Restricted Customer” means: (a) any customer or prospective customer of the Company with whom Employee had contact or communications at any time during Employee's last twelve (12) months as a Company employee; (b) any customer of the Company for whom Employee supervised the Company's account or dealings at any time during Employee's last twelve (12) months as a Company employee; and/or (c) any customer or prospective customer of the Company about whom Employee obtained any Confidential Information (as defined above) during Employee's last twelve (12) months as a Company employee.

11. **Non-Raiding.** Employee covenants and agrees that for a period of twelve (12) months following Employee's Separation Date, Employee shall not, directly or indirectly: (a) hire or engage as an employee or as an independent contractor any person employed by the Company; (b) recruit, solicit or encourage any employee or independent contractor to leave his or her employment or engagement with the Company; and/or (c) hire or engage any person employed by the Company at any point during Employee's last six (6) months with the Company. The prohibitions in this Section shall apply only to employees who held or hold a position uniquely essential to the Company's management, organization, or service and who reported to or were supervised by Employee during the last twelve (12) months of Employee's employment with the Company.

12. **Non-Compete.** Employee covenants and agrees that, for a period of twelve (12) months following Employee's last day of employment with the Company, Employee shall not: (a) engage in any Competitive Activity (as defined below) within the Prohibited Territory (as defined below); or (b) assist anyone else in engaging in Competitive Activity within the Prohibited Territory.

- a. **“Competitive Activity”** means competing against the Company by performing the same or substantially similar work as Employee performed on behalf of the Company at any time during the last twelve (12) months of employment with the Company in a Prohibited Territory. Notwithstanding the preceding, owning the stock or options to acquire stock totaling less than 5% of the outstanding shares in a public company shall not constitute, by itself, Competitive Activity.
- b. **“Prohibited Territory”** means: (a) each city and county (or equivalent local unit of government) where Employee had responsibilities with the Company at any time

during the last twelve (12) months of Employee's employment with the Company; and (b) any territory assigned to Employee by the Company at any time during the last twelve (12) months of Employee's employment with the Company.

- c. **Potential Exception.** Should Employee notify the head of Human Resources for Genuine Parts Company of an opportunity to become associated (as an owner, employee or independent contractor) with an individual or entity that falls within the Competitive Activity definition above, Employee may be provided with approval to associate with such individual or entity during the twelve (12) month non-compete period. Such approval must be received in writing from the head of Human Resources in advance of Employee accepting any such opportunity. Moreover, the Company reserves the right, in its sole discretion, to deny any such approval.
- d. **Future Employers.** Employee agrees to promptly notify the Company in writing of the name and address of each business with whom Employee is associated (as an owner, employee or independent contractor) for a period of twelve (12) months following the end of Employee's employment with the Company. Such written notification should be sent to Genuine Parts Company, ATTN: Vickie Smith, SVP, Employee Experience at 2999 Wildwood Parkway, Atlanta, Georgia 30339 or Vickie.Smith@genpt.com. Employee further: (a) agrees that the Company may notify any such business about the existence and terms of this Agreement; (b) irrevocably consents to any such notification; and (c) covenants not to sue the Company based on any such notification.

13. **Breach By Employee.** Employee agrees that Employee's breach of any of the restrictive covenants contained herein will result in irreparable damage and continuing injury to the Company. Therefore, in the event of any breach or threatened breach of such covenants, the Company shall be entitled to an injunction from a court of competent jurisdiction enjoining Employee from committing any violation of those covenants, and Employee hereby consents to the issuance of such an injunction. Employee further agrees that the Company shall not be required to post a bond to obtain such an injunction. All remedies available to the Company by reason of a breach by Employee of the provisions of this Agreement are cumulative, none is exclusive, and all remedies may be exercised concurrently or consecutively at the Company's option. Further, in the event of a breach or violation by Employee of any of the provisions of this Agreement, the effective time period of such provision shall be tolled until such breach or violation has been fully cured. Any disputes regarding this Section of the Agreement shall be heard by a judge, and all parties irrevocably waive any right to a trial by jury in any action relating to the restrictive covenants contained in this Agreement.

14. **Ongoing Obligations and Forfeiture of Severance.** In the event Employee violates any of the provisions in this Agreement, the Company shall have the right to discontinue the Consideration Offered if not already paid. In the event of such discontinuance, however, Employee's obligations and commitments under this Agreement shall remain in effect and binding.

15. **Return of Property.** All property, documents, data, and Confidential Information prepared or collected by Employee as part of Employee's employment with the Company, in whatever form, are and shall remain the property of the Company. Employee agrees that Employee

shall return, within one (1) week of the Employee's Separation Date, all documents, data, Confidential Information, and other property belonging to the Company in Employee's possession or control, regardless of how stored or maintained and including all originals, copies and compilations.

16. Non-Reemployment. Employee confirms that Employee's employment with GPC has ended. Employee understands that as of his/her termination date, Employee **will** no longer represent that Employee is an officer, director or employee of GPC and Employee **will** immediately discontinue using Employee's Company mailing address, telephone, facsimile, voice mail and/or e-mail. Employee does hereby agree and acknowledge that Employee is not entitled to and **will not** seek employment, reemployment and/or reinstatement with the Released Parties. It is further agreed that the Released Parties have no duty or obligation to hire Employee in the future nor shall Employee file any type of legal action or claim against the Released Parties for not reemploying Employee following his/her cessation of employment with GPC. This Agreement **will** not, however, prevent the Released Parties from unilaterally offering Employee re-employment at their sole discretion. If Employee is rehired by the Company after receiving severance pay, Employee **will** be entitled to keep that portion of severance pay equal to his/her regular, normal workweek base wage prior to employment termination multiplied times the number of weeks and/or fraction of weeks between the termination date and the rehire date. Any remainder must be either returned to the Company upon rehire or it **will** be deducted from Employee's pay as overpaid wages.

17. No Voluntary Participation In Claims Against Released Parties. Employee agrees that Employee **will** not voluntarily participate in any other individual's or class's litigation, grievance, or administrative claim against GPC and/or any Released Party, nor encourage any other individual to pursue any litigation, grievance or administrative claim against GPC and/or any Released Party. Nothing in this section is intended to preclude Employee from disclosing information in response to a subpoena duly issued by a court of law, arbitrator, or a government agency having jurisdiction or power to compel such disclosure or from giving full, complete, truthful and cooperative answers in response to a duly issued subpoena. Should Employee be served with a subpoena relating to GPC or any Released Party, Employee agrees to promptly notify GPC in writing of the subpoena, and to provide GPC with a copy of the subpoena no later than seven (7) days prior to providing testimony or producing any documents in compliance with the subpoena. Notice shall be provided to Vickie Smith, SVP, Employee Experience at 2999 Wildwood Parkway, Atlanta, Georgia 30339 or via e-mail to Vickie_Smith@gent.com.

Employee further understands that nothing contained in this Agreement limits Employee's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). Employee further understands that this Agreement does not limit Employee's ability to communicate or share information with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agencies. However, based on the release of claims set forth above, Employee acknowledges and agrees that Employee is releasing all claims and causes of action that Employee might personally pursue or that might be pursued in Employee's name and, to the extent permitted by applicable law, his/her right to recover monetary damages or obtain injunctive relief that is personal to Employee in

connection with such claims and causes of action. Notwithstanding any other provision contained herein, nothing in this Agreement shall be construed as a waiver of any right which, by law, cannot be waived.

18. Wages, Vacation/PTO Time, and Business Expenses Paid. Employee represents and warrants that as of the date of the signing of this Agreement, Employee will have been paid and received all leave (paid or unpaid), compensation, wages, overtime, bonuses, commissions, penalties, premiums, and/or benefits to which Employee is entitled, and that no other leave (paid or unpaid), compensation, overtime, wages, bonuses, commissions, penalties, premiums, and/or benefits are due to Employee. Employee expressly represents and warrants that Employee timely received Employee's final paycheck in full.

19. Attorneys' Fees and Expenses. The Parties agree to bear their own respective attorneys' fees and expenses related to the subject matter of this Agreement. In the event that any Party shall institute any action, proceeding, or litigation against another Party to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover its expenses, including reasonable attorneys' fees, in addition to any other relief to which the Party is found entitled.

20. Tax Liabilities. The Company makes no representation as to the tax consequences or liability arising from the Consideration Offered herein. Employee further agrees that: (i) Employee shall be solely responsible for all federal, state, and/or local tax liability, if any, arising from receipt of the Consideration Offered pursuant to this Agreement, including any interest or penalties associated with tax liability, and Employee will not look to or seek from the Company compensation for any tax liability or related costs Employee incurs as a result of the Consideration Offered; (ii) no tax advice has been provided to Employee whatsoever by the Company or its attorneys; and (iii) should any taxing authority seek to recover from the Company any taxes, interest or penalties deemed to be due as a result of the Consideration Offered, Employee shall indemnify, defend and hold harmless the Company and its successors and assigns from and against any and all such claims for taxes, interest or penalties. As noted in the Consideration Offered section of this Agreement, GPC will make all applicable deductions from any payments described herein.

21. No Admission. The Parties hereby acknowledge, recognize, and understand that nothing contained in this Agreement shall constitute, be construed, or be treated as an admission of liability or wrongdoing by GPC, or by any current or former employees of GPC. The Parties further agree that the payment and benefits conferred herein are not to be construed as an admission of liability on the part of the persons, corporations and entities hereby released, by whom liability is expressly denied.

22. Successors. This Agreement shall be binding upon the Parties, and their heirs, representatives, executors, administrators, successors, insurers, and assigns, and shall inure to the benefit of each and all of the Released Parties, and to their heirs, representatives, executors, administrators, successors, and assignees.

23. Governing Law and Jurisdiction and Venue. The Parties hereby agree that this Agreement and all related disputes will be governed by and construed in accordance with the laws of the State of Georgia, and that any actions or proceedings arising in connection with this Agreement

shall be tried and litigated exclusively in the state and federal courts located in Georgia. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature.

24. Severability. The Parties hereby agree that if any provision, or portion thereof, of this Agreement shall for any reason be held to be invalid or unenforceable or to be contrary to public policy or any law, then the remainder of the Agreement shall not be affected thereby and shall be enforced as if the invalid provision or portion thereof were not a part of this Agreement. Should any provision or portion thereof be held unenforceable for any reason, then such provision or portion thereof shall be enforced to the maximum extent permitted by law. Nothing in this section or in any other provision of this Agreement shall, or is intended to, limit any other rights or remedies GPC may have by virtue of this Agreement or otherwise.

25. Scanned and Counterpart Signatures. The Parties agree that scanned signatures are deemed to be originals and that this Agreement may be executed in counterpart originals with like effect as if executed in a single original document.

26. Entire Agreement. The Parties hereby acknowledge and agree that no promises or representations were or are made which do not appear written in this Agreement, that this Agreement contains the entire agreement between Employee and GPC, and that no Party is relying on any representation or promise that does not appear in this Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subjects contained herein and supersedes any and all prior and/or contemporaneous agreements, representations, or understandings, written or oral, with the exception of Genuine Parts Company's Code of Conduct and Ethics, the governing LTI award agreements, the applicable SRP, Pension Plan and Tax Deferred Savings Plan plan documents and any confidentiality agreement executed by Employee, which remain in effect and binding. It is expressly understood and agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect or particular whatsoever except in writing duly executed by Employee and an authorized representative of GPC.

PLEASE READ CAREFULLY. THIS SEPARATION AGREEMENT AND GENERAL RELEASE INCLUDES A COMPLETE RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Dated: _____

James Neill

Dated: _____

For and on behalf of Genuine Parts Company

Title

CONSULTING AND INDEPENDENT CONTRACTOR AGREEMENT

THIS CONSULTING AND INDEPENDENT CONTRACTOR AGREEMENT (“Agreement”) is made by and between Genuine Parts Company (hereinafter “GPC” or “the Company”) and James Neill (“Consultant”) (hereinafter collectively “the parties”) and entered into as of the date of execution by both parties (the “Effective Date”).

WHEREAS, Consultant intends to retire and resign his employment with GPC effective April 30, 2024;

WHEREAS, the parties have entered into a Separation Agreement and General Release (hereinafter “Separation Agreement”) and intend for all terms contained within the Separation Agreement to remain in effect and binding;

WHEREAS, GPC wishes to continue to affiliate with Consultant to obtain the consulting services described below; and

WHEREAS, GPC wishes to maintain in confidence all trade secrets and Confidential Information as that term is defined in the Separation Agreement for the purpose of the consulting services or arising from the consulting services.

NOW, THEREFORE, the Company and Consultant hereby agree:

1. **Scope of Engagement.** During the term of this Agreement, the Company hereby engages the Consultant as an independent contractor to provide consulting services to the Company (hereinafter “Consulting Services”). These Consulting Services shall consist of assisting in the transition of all duties and functions related to the Executive Vice President & Chief Human Resources Officer position previously held by Consultant; being available for consultation with GPC executives; and any and all other services as specifically authorized and directed by the Company to perform. Consultant agrees that he will provide services exclusively for GPC during this Agreement’s Term (as defined in Section 2 below).
2. **Term.** The Consultant’s engagement with the Company shall commence on May 1, 2024, and shall continue for a period of five (5) months, through and until September 30, 2024, after which it shall terminate (the “Term”). The Term may be extended beyond September 30, 2024 with the mutual consent of both parties in writing. Any such extension of the Agreement shall be month to month and either party may terminate thereafter by giving written notice to the other party prior to the start of any subsequent month.
3. **Fees and Benefits.**
 - 3.1 As full compensation for the Consulting Services, the Company will pay Consultant a fixed consulting fee of Forty Five Thousand Five Hundred dollars (\$45,500.00) per month (“Consulting Fee”), and additional amounts as reimbursement for pre-approved travel and necessary and ordinary business-related expenses incurred by Consultant in performing Consulting Services. Consultant shall timely submit invoices detailing any approved travel

and business-related expenses incurred, along with supporting receipts and documentation. The Consulting Fee shall be payable monthly and any approved reimbursements shall be payable in a lump sum within thirty (30) days following the date the documentation is submitted to the Company by Consultant. Consultant understands that he will receive an IRS Form 1099 from the Company at year-end for the Consulting Fees and reimbursements detailed herein. Consultant further acknowledges and agrees that he shall be solely responsible for all federal, state and local taxes as detailed more fully in Section 4.2 below.

- 3.2 The Company agrees to further pay Consultant an additional bonus payment for the period of May 2024 through September 2024, which will be 5/12 of Consultant's target bonus that he would have been eligible to receive had he remained employed with GPC during the five (5) month Term of this Agreement. Such bonus payment will be paid as a lump sum in February 2025 based on Company performance and Consultant will receive an IRS Form 1099 from the Company at year-end for the payment.
- 3.3 The Company agrees to pay the cost for Consultant to continue to participate in the Goldman Sachs Ayco Executive Financial Management Advisory Services program ("the program") through and until September 30, 2025. Consultant already has the benefit of the program for one (1) year following his April 30, 2024 retirement date; therefore, this will extend the Company's payment for the cost of the program from Consultant's retirement date through and until September 30, 2025.
- 3.4 The parties agree that Deena McGee, or another Company designee, will assist Consultant with any of his administrative needs and/or travel arrangements related to the Consulting Services.
- 3.5 Should Consultant elect COBRA continuation coverage following his retirement from GPC, the Company will pay the COBRA premium to allow Consultant to continue group insurance benefits (Medical Plan, Dental Plan and Vision Plan) for Consultant and his spouse for five (5) months beginning on May 1, 2024. Other than these COBRA benefits, Consultant agrees that he is not entitled to any benefits that the Company provides to its employees, including but not limited to vacation, group medical or life insurance, disability, retirement benefits or any other benefit plans offered by the Company. Consultant expressly waives the right to participate in any such programs. Consultant also agrees that, consistent with his independent contractor status, Consultant will not apply for any government-sponsored benefits that are intended to apply to employees, including, but not limited to, unemployment benefits or workers' compensation benefits.
- 3.6 The Company will permit Consultant to utilize a Company-provided laptop during the Term for use only in connection with rendering the Consulting Services. The Company will also allow Consultant to utilize the Company's email system to perform Consulting Services. The Company property described above, and all other Company property, must be returned to the Company upon cessation of Consulting Services provided pursuant to this Agreement and, if it is not returned, the Company may withhold payment on any outstanding invoices until such property is returned.

3.7 Except for pre-approved travel and business-related expenses, Consultant is responsible for payment of all expenses incurred in performing the Consulting Services, including but not limited to expenses for Internet or phone service on mobile or other devices. Moreover, unless specifically authorized or otherwise addressed herein, Consultant shall furnish, at his own expense, the equipment, supplies, and other materials used to perform the Consulting Services. Consultant will be provided with access to the Company's premises and equipment to the extent necessary for the performance of the Consulting Services.

4. Independent Contractor Status.

- 4.1 Consultant understands and agrees that he is being engaged by the Company as an independent contractor. Nothing in this Agreement shall transform the Consultant into an employee, agent, or legal representative of the Company in any capacity whatsoever. Unless expressly authorized to do so, Consultant has no authority to bind or obligate the Company in any manner and shall not hold himself out to others as having any such authority. In addition, Consultant shall not make any agreements or representations on the Company's behalf without the Company's prior written consent. The Consultant shall be responsible for any and all of his acts or omissions. The Consultant agrees to indemnify and hold harmless the Company from all losses, liabilities, and costs incurred by the Company on account of any acts or omissions of the Consultant.
- 4.2 As an independent contractor, the Consultant understands and agrees that he will be responsible for obtaining his own valid workers' compensation insurance or any other required insurance. The Company shall not be responsible for any injuries sustained by Consultant while engaged with the Company. Consultant acknowledges and agrees that, due to the fact that Consultant is an independent contractor, the Company will not be responsible for withholding or paying any income, payroll, Social Security, or other federal, state, or local taxes, or making any insurance contributions. Consultant is responsible for, and shall indemnify the Company against, all such taxes or contributions, including any penalties and interest.
- 4.3 To the extent Consultant performs the Consulting Services on the Company's premises and/or utilizes the Company's equipment, he shall comply with all applicable policies of the Company relating to business and office conduct, health and safety, and use of the Company's facilities, supplies, information technology, equipment, networks and other resources.

5. Confidentiality.

- 5.1 In the course of Consultant providing Consulting Services, he will have access to and acquire knowledge of trade secrets and other Confidential Information as that term is defined in the Separation Agreement concerning GPC's and its affiliates' operations, plans, products, finances, employees, and business methods, which information Consultant understands would be extremely damaging to GPC if disclosed to a competitor or made available to any other person or corporation. Consultant promises that he will not disclose or reveal any trade secrets or Confidential Information to anyone, and will not use GPC's

and/or its affiliates' trade secrets or Confidential Information for any personal or business purpose, unless necessary in the performance of the Consulting Services. The agreements set forth in this paragraph shall survive the termination of other arrangements contained in this Agreement and the duty imposed on Consultant hereunder shall remain effective for as long as the trade secrets and Confidential Information remain protected under state law. The parties agree and acknowledge that this non-disclosure provision is reasonable and breach of this provision would cause harm to GPC.

- 5.2 Nothing in this Agreement prohibits Consultant from the disclosure of Confidential Information as may be required by applicable law or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency. Any disclosure of confidential information must be in good faith and effectuated in a manner that prevents the dissemination of confidential information beyond those persons necessary to comply with the court or agency's order. Any disclosure that includes a report or filing including Confidential Information shall be filed under seal to otherwise prevent it from being publicly disclosed.

6. "Work Made for Hire" and Intellectual Property Developed by Consultant.

- 6.1 The Company shall own all right, title and interest in any inventions or discoveries (e.g., compositions of matter, devices, processes, treatments, improvements, concepts, ideas and the like), whether or not patentable, developed or acquired by Consultant and/or the Company's employees as a result of the Consulting Services (hereinafter "Inventions").
- 6.2 Consultant will promptly, without royalty and at the Company's expense, (i) disclose to Company any Inventions that he develops or acquires, (ii) execute all applications, assignments and other instruments and do such other acts that the Company may deem necessary to obtain and maintain patent rights, copyrights and other similar intellectual property rights anywhere in the world and (iii) provide the Company assistance as needed in any legal proceedings regarding such intellectual property rights.
- 6.3 Consultant will document, and provide such documentation at no extra charge to the Company, sufficient details of the work performed such that the Company can verify the work done and use such documentation for understanding and permanent records of change.

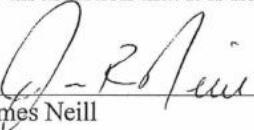
7. **Consultant's Representation.** The Consultant represents and warrants to the Company that his acceptance of engagement by the Company hereunder does not violate and will not violate any contract or agreement to which the Consultant is a party and does not or will not result in a breach by the Consultant of any covenant of non-disclosure or non-competition or any other covenant or agreements owed by the Consultant to any person, corporation or legal entity other than the Company. The Consultant shall indemnify and hold the Company harmless from any and all claims, suits, or causes of action arising from any contract, agreement, or covenant described herein to which the Consultant is a party. It is understood and agreed between the parties that the performance of Consulting Services as defined in this Agreement shall not be

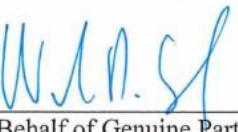
deemed to violate the post-employment covenants contained within the Separation Agreement executed by the parties.

8. Terms.

- 8.1 **Waiver.** The waiver by the Company of a breach of any provision of this Agreement by Consultant shall not operate or be construed as a waiver of any subsequent breach by Consultant or any of the Company's rights hereunder.
- 8.2 **Entire Agreement.** This Agreement and the Separation Agreement contain the entire agreement between the parties and supersede any prior or contemporaneous agreements between the parties. This Agreement may not be changed orally, but only by an agreement in writing, duly signed by the party against whom enforcement of any waiver, change, modification, extension, or discharge is sought.
- 8.3 **Severability.** In the event that any provisions of this Agreement shall be deemed void or invalid by a court of competent jurisdiction, the remaining provisions shall be and remain in full force and effect and Consultant hereby confers upon such court the power to replace such void or invalid provisions with such other enforceable and valid provisions as shall be as close to the original in form and effect.
- 8.4 **Governing Law.** This Agreement and all related disputes shall be governed by and construed in accordance with the laws of the State of Georgia, irrespective of the fact that either of the parties now is or may become a resident of a different state. Consultant acknowledges that Georgia has a substantial nexus with this Agreement.
- 8.5 **Forum Selection.** The parties hereto agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state and federal courts located in Georgia. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation between the parties with respect to or arising out of this Agreement in any jurisdiction other than that specified in this paragraph.
- 8.6 **Successors and Assigns.** The rights and obligations of the Company under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the Company. Consultant cannot assign any of his rights or obligations under this Agreement.
- 8.7 **Consultant Acknowledgement.** Consultant acknowledges that he has been advised by the Company to consult with independent counsel of his own choice, at his expense, concerning this Agreement, that he has had the opportunity to do so, and that he has taken advantage of that opportunity to the extent that he desires. Consultant further acknowledges that he has read and understands this Agreement, is fully aware of its legal effect, and has entered into it freely based on his own judgment.
- 8.8 **Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original and together shall constitute one executed Agreement. Scanned or

facsimile signatures shall be deemed valid and the equivalent of originals unless there is an assertion that it is not genuine.

By: 
James Neill

By: 
On Behalf of Genuine Parts Company

Address: 3621 Vinings Slope #2519 Address: 2999 Wildwood Parkway
Atlanta, GA 30339 Atlanta, GA 30339

Date: April 9, 2024

Date: April 10, 2024

CERTIFICATIONS

I, Paul D. Donahue, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Genuine Parts Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 18, 2024

/s/ Paul D. Donahue

Paul D. Donahue
Chairman and Chief Executive Officer

CERTIFICATIONS

I, Bert Nappier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Genuine Parts Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 18, 2024

/s/ Bert Nappier

Bert Nappier
Executive Vice President and Chief Financial Officer

STATEMENT OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF
GENUINE PARTS COMPANY
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
§ 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Genuine Parts Company (the "Company") on Form 10-Q for the quarter ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul D. Donahue, Chairman and Chief Executive Officer of the Company, and, I, Bert Nappier, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- 1 The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2 The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Paul D. Donahue

Paul D. Donahue
Chairman and Chief Executive Officer
April 18, 2024

/s/ Bert Nappier

Bert Nappier
Executive Vice President and Chief Financial Officer
April 18, 2024