



# Investor Presentation



# *Safe Harbor Statement*

Some of the comments made and information contained in our presentation will be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include projections of revenue, earnings, capital structure, and other financial items; statements on the plans and objectives of the Company and its management; statements of future economic performance and assumptions underlying the statements regarding the Company and its business. These are based on current information and the beliefs and expectations of the Company but are subject to various risks and uncertainties that could cause the Company's actual results to differ materially from the Company's expectations. These include, among other things, the Company's ability to successfully implement its business initiatives and integrate its acquisitions in each of its business segments, slowing demand for the Company's products, changes in general economic conditions, including, unemployment, inflation or deflation, changes in tax policies, changes in energy costs, uncertain credit markets and other macro-economic conditions, the ability to maintain favorable vendor arrangements and relationships, disruptions in our vendors' operations, competitive product, service and pricing pressures, the uncertainties and costs of litigation, as well as other risks and uncertainties described in the Company's latest SEC filings. The statements speak only as of the date on which they are made and the Company assumes no obligation to update any forward-looking statements made during this presentation or in these materials except as required by law.



# ***Investment Highlights***

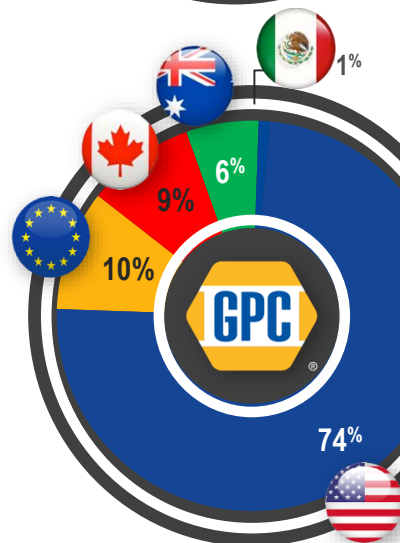
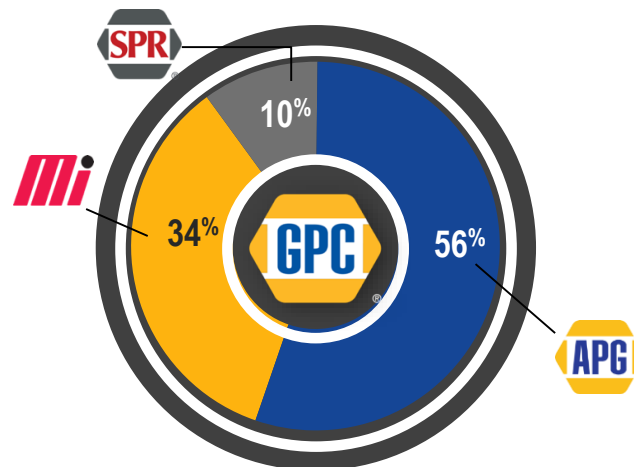
- ◆ **Leading global distributor in diversified end markets**
- ◆ **Proven track record of steady growth**
- ◆ **Strong balance sheet with meaningful free cash flow generation**
- ◆ **Committed to maximizing shareholder value**
- ◆ **Opportunity for market share growth in large and fragmented industries**
- ◆ **Large customer base built upon long-standing relationships**



# - Company Overview -

TTM 2019 Sales \$19.0 Billion

- ◆ Founded in 1928
- ◆ Leading distributor to three primary end-markets:
  - Automotive Parts (APG)
  - Industrial Parts Group (Motion)
  - Business Products (S.P. Richards)
- ◆ Critical partner to our customers:
  - Best in class operating and distribution efficiencies
  - Industry leading coverage of consumable/replacement items
  - Outstanding just-in-time service
  - Technology solutions





# ***Portfolio Optimization***

- ◆ **Global Presence with Significant Brand Strength**
- ◆ **Financial Strength with Access to Capital and Low Cost of Capital**
- ◆ **Enhanced Global Buying Power for Direct and Indirect Spend**
  - Global sourcing, common suppliers and providers, volume/scale
- ◆ **Common Distribution Processes**
  - Shared talent, practices, technology & systems, services, transportation
- ◆ **Continue focus on 3 primary segments:**
  - Automotive, Industrial and Business Products





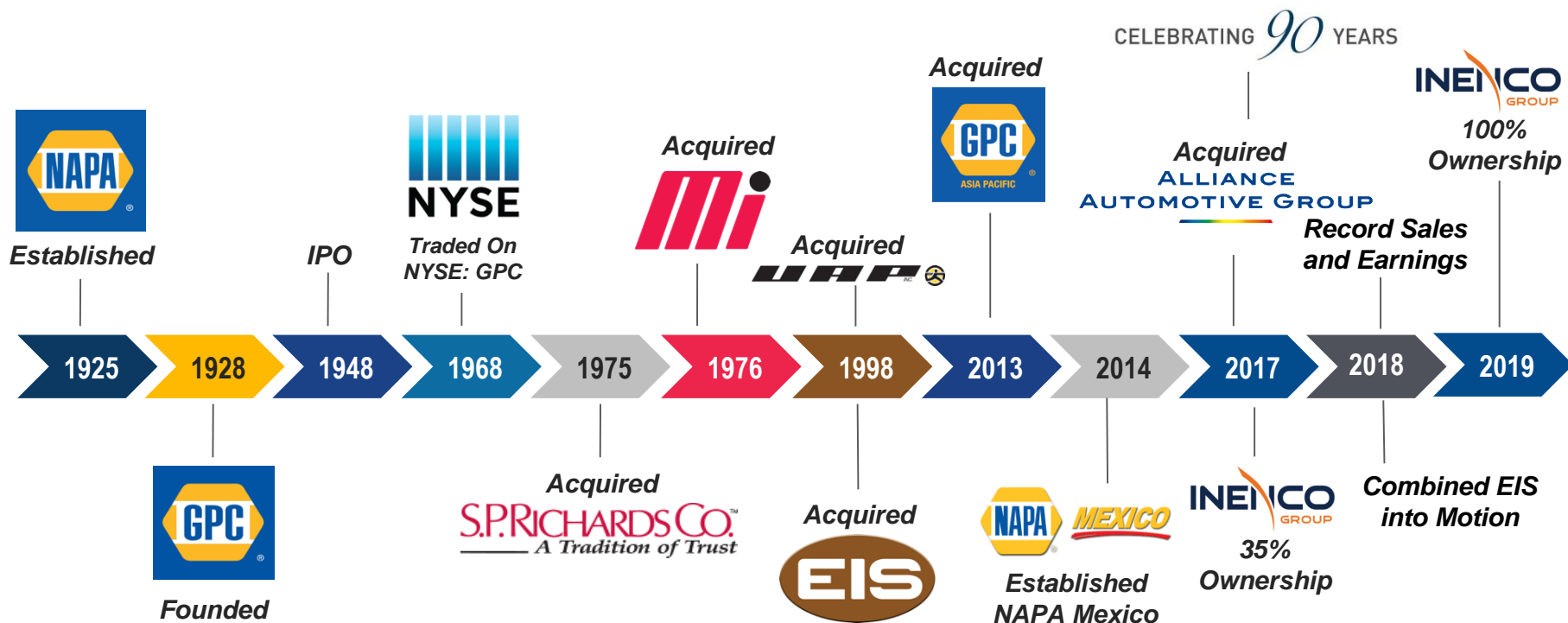
# Track Record of Success

## ◆ Strong history of sales & profit growth

- Sales have increased in 86 of 91 year history
- Profit has increased in 75 of 91 year history

## ◆ Dividend growth

- 2019 marks GPC's 63rd consecutive year of dividend increases



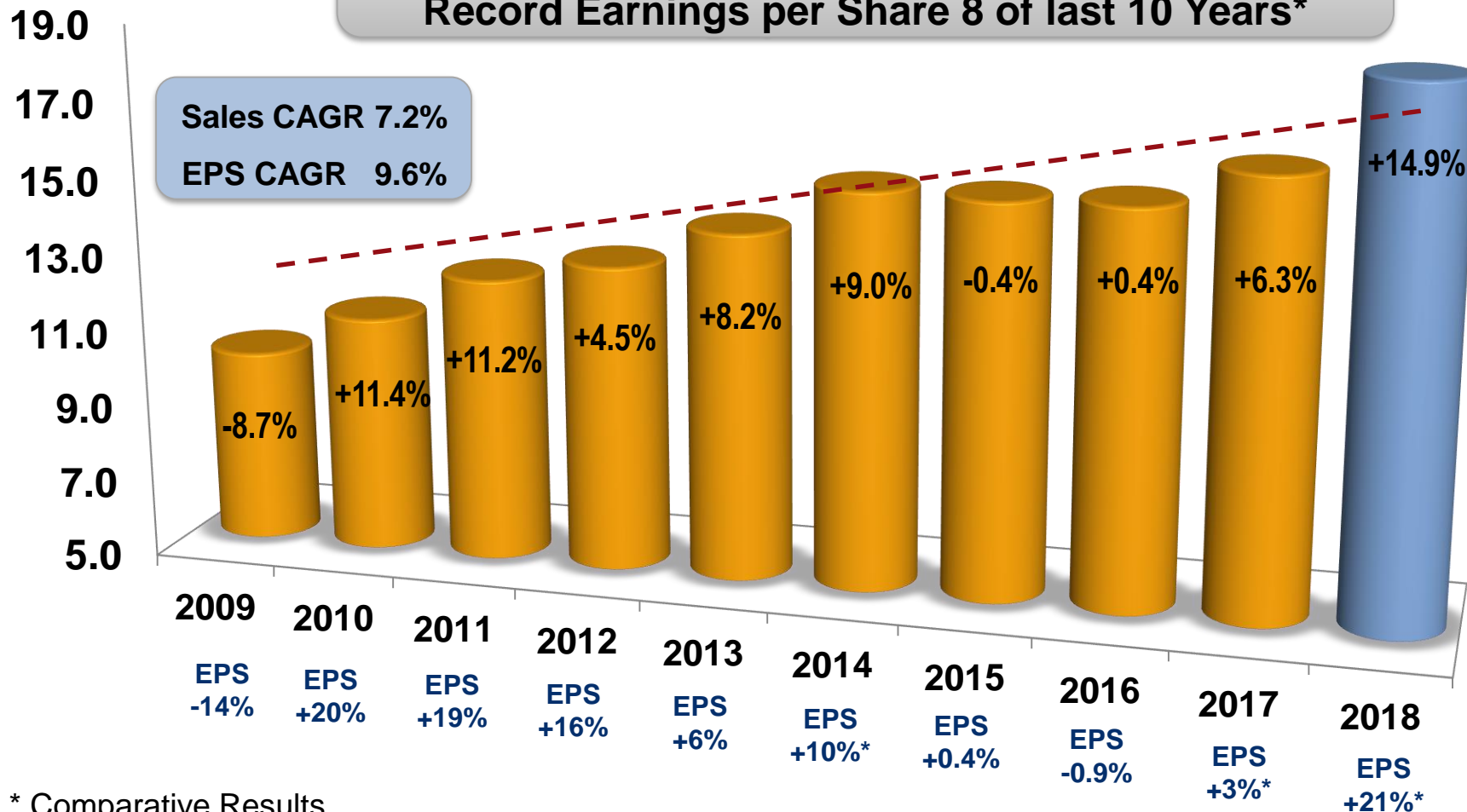


# Ten Year Sales & Earnings History

\$ Billions

Record Sales 7 of last 10 Years

Record Earnings per Share 8 of last 10 Years\*

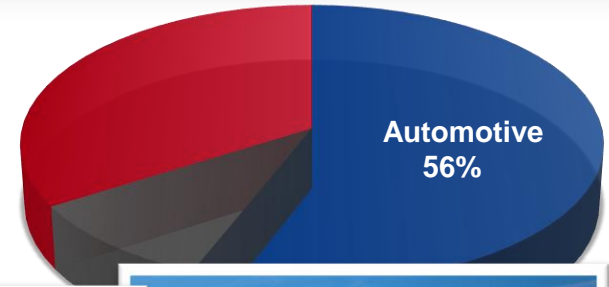


\* Comparative Results



# Automotive Parts Group Highlights

- ◆ Largest global auto parts network
- ◆ TTM 2019 Sales at \$10.6 billion
  - US: 57 DC's & ~ 6,000 NAPA stores (~1,150 Co. owned)
  - Canada: 12 DC's & ~ 700 NAPA stores (~200 Co. owned)
  - Mexico: 1 DC & 41 NAPA stores
  - Automotive Supply Group
    - ▶ Parts Repackager
    - ▶ Brake Products Distributor
    - ▶ OE Import Parts
    - ▶ Heavy Vehicle Parts
- ◆ 70 DC's & 2,300+ Store Footprint in U.K., France, Germany, Poland, the Netherlands & Belgium via Alliance Automotive Group
- ◆ 12 DC's & 558 Store footprint in Australia and New Zealand via Repco & other banners
- ◆ Superior brand recognition & customer service
- ◆ Globally positioned to benefit from positive industry trends

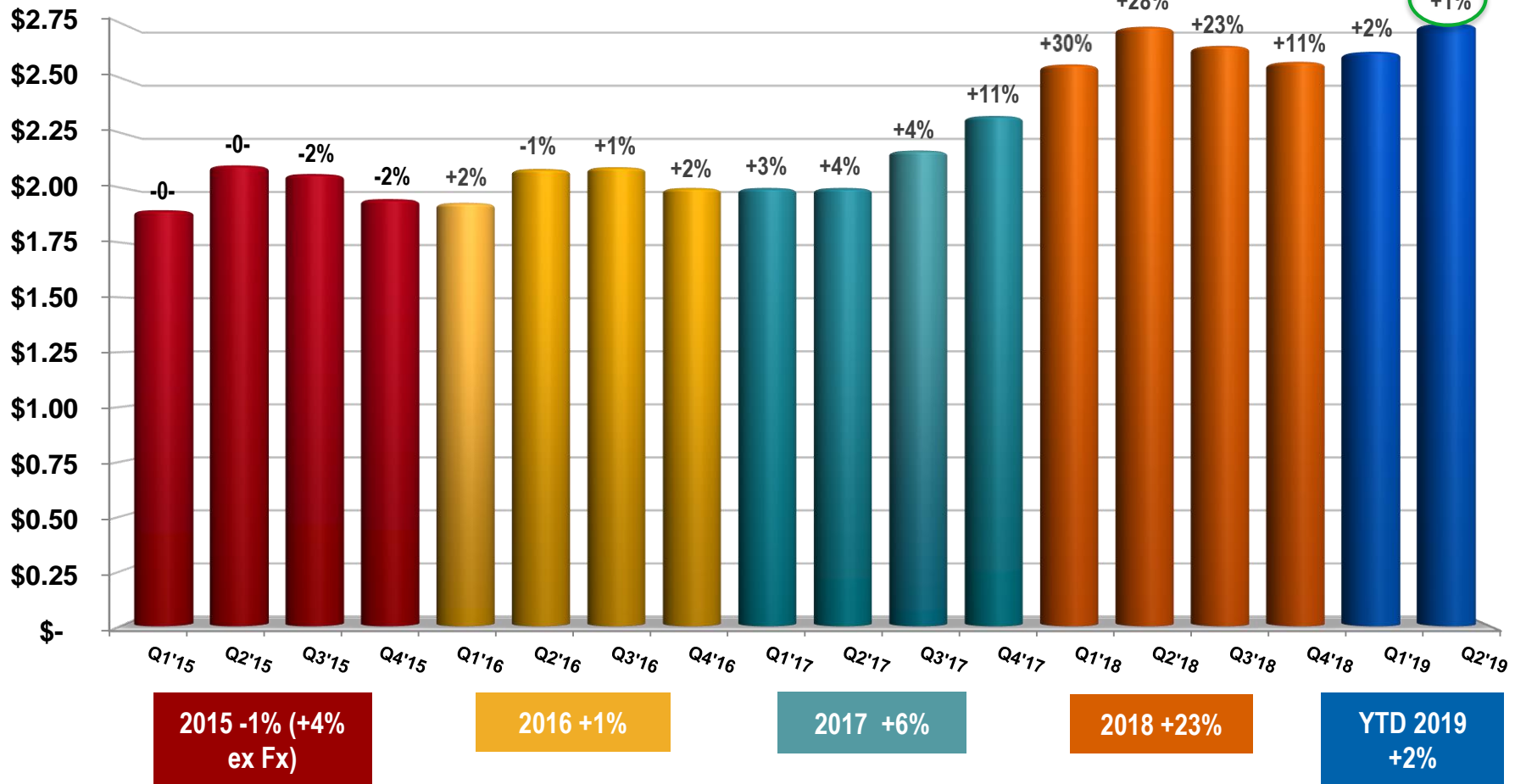






# Quarterly Sales History

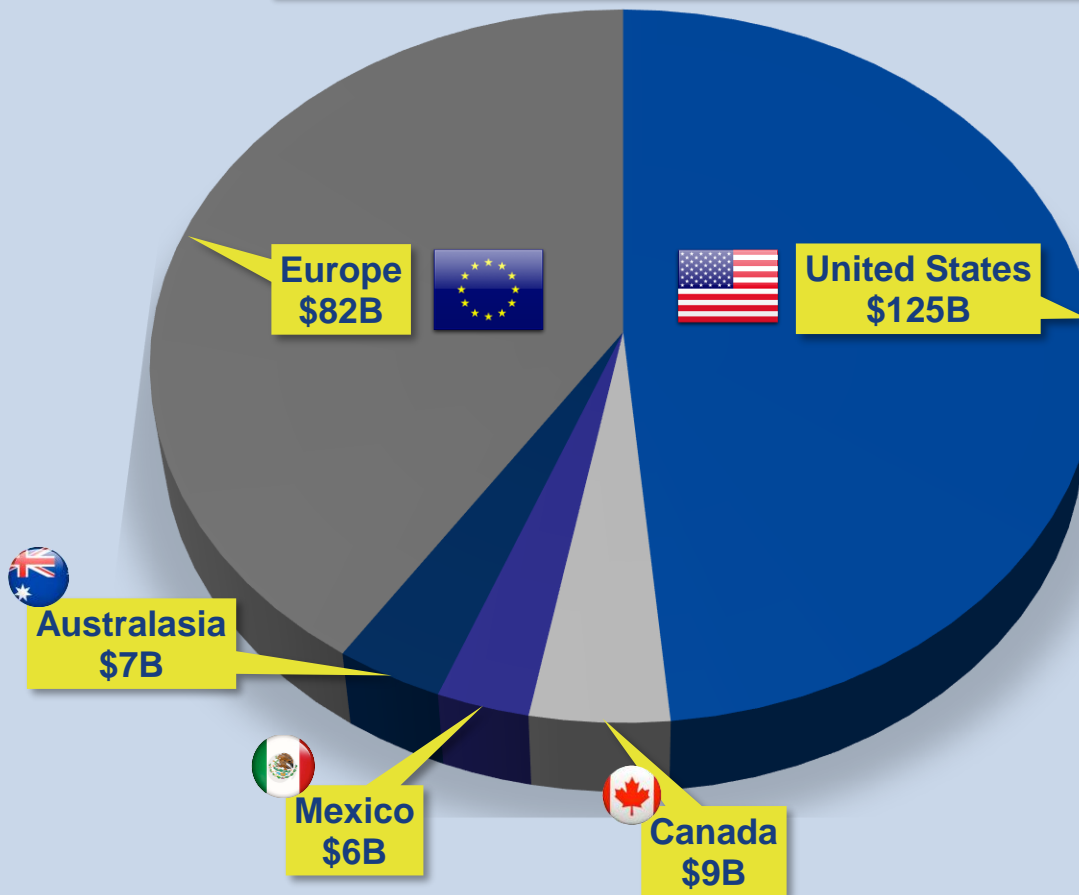
Sales  
Billions





# The Global Automotive Aftermarket

**\$200B Global Market - Large, Fragmented, and Growing**








Country	Market Share	Industry Growth
United States	7%	+2%
Europe*	5%	+2%
Canada	14%	+3%
Australasia	20%	+2%
Mexico	2%	+6%
<b>Total</b>	<b>7.5%</b>	<b>+2%</b>

\*Reflects France, U.K., Germany, Poland, the Netherlands & Belgium



# Global Leader in the Aftermarket

		<i>TTM Sales</i>	DCs	Stores
USA		\$6.4B	57	6,000
Europe		\$1.9B	70	2,300
Canada		\$1.1B	12	700
Australasia		\$1.2B	12	600
Mexico		\$75M	1	41
\$10.6 Billion			152	9,641



# Global Leader in Commercial Programs

## Global Repair Center Partnerships (25,000+)



**18,130**

NAPA AutoCare  
Centers



**1,627**

NAPA  
AutoCare

**617**

NAPA  
AUTOPRO



**467**

RAS  
(Repco Authorized Service)



**4,200**

Top Garage,  
Precisium Garage,  
GroupAuto –  
Auto Care



# NA Automotive Parts Group Overview

## NAPA Established 1925

- ◆ (90%) NAPA branded products
- ◆ NAPA Know How Differentiators:
  - Product quality, depth and breadth
  - Trained personnel/service capabilities
  - Technology offering and training
- ◆ Commercial/DIFM customers
  - Professional service repair facilities
  - Approx. 80% of NAPA sales
- ◆ 18,000+ NAPA U.S. AutoCare Centers
  - 1,600+ in Canada (& 600+ AUTOPRO Centers)
- ◆ Major Accounts: AAA, Goodyear, Firestone, TBC, CBAdvantage
- ◆ Retail/DIY customers
  - Individual consumer customer
  - Approx. 20% of NAPA sales

### Major Competitors

**U.S.** - AutoZone, Advance Auto Parts, O'Reilly

**Canada** - Uni-Select, AAP/Carquest

**Mexico** - AutoZone



### Major Account Customers

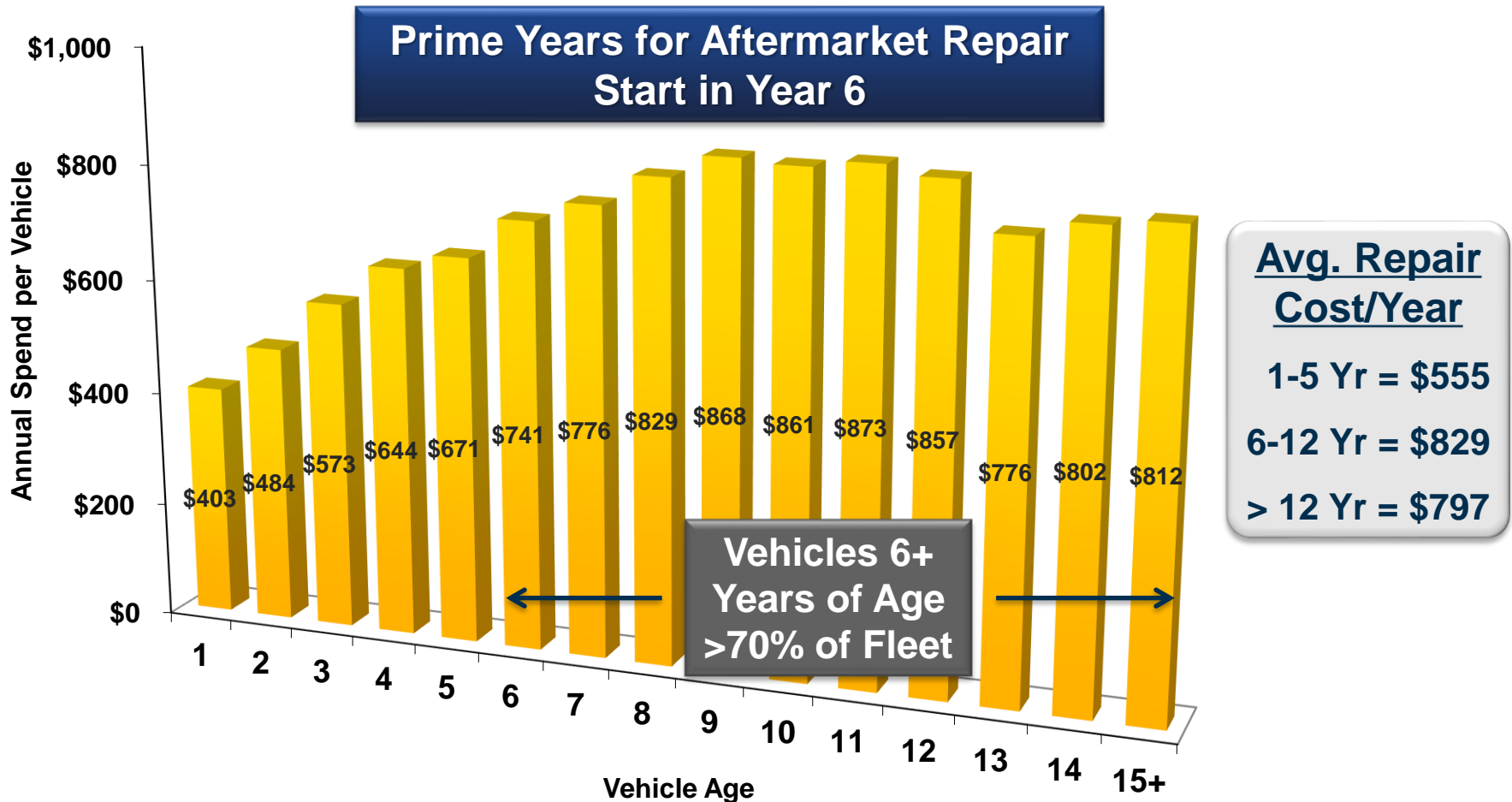






# U.S. Vehicle Fleet Trends

## Consumers Are Maintaining Older Vehicles



Source: IMR, Inc. Automotive Research, BB&T



# ***Fundamentally Strong Aftermarket in U.S.***

- ◆ **Total vehicle fleet growing**
- ◆ **Average age of fleet increasing**
- ◆ **Affordable gas prices**
- ◆ **Miles driven reaching new peaks**

**+1 to 2%  
thru 2020**

**11.8 Years**

**\$2.80/GL  
at June 2019**

**+0.4% in 2018  
+1.0% thru May  
2019**



# NAPA Retail Store



Before







# NAPA Retail Store – New Store Concept

## After

- ❖ U.S. company-owned store roll-out completed in 2018
- ❖ Roll-out to independents underway
- ❖ Retail sales for these stores > company average





# NAPA AutoCare Centers

Before



After



NAPA AutoCare  
18,130 in U.S.  
1,627 in Canada

NAPA AUTOPRO  
617 in Canada

**PRO**image

**The Aftermarket's Preeminent Commercial Program  
for the Independent Repair Center**



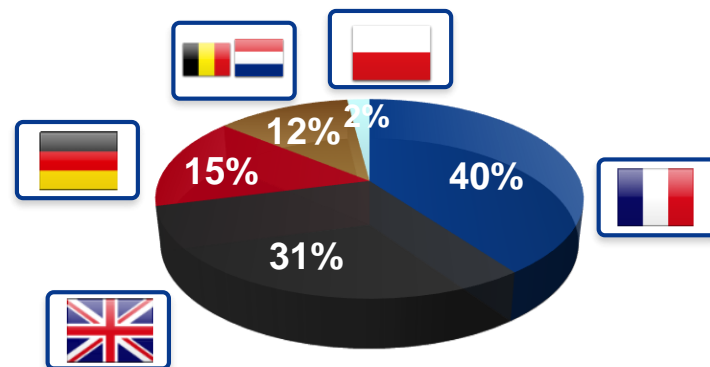


# Alliance Automotive Group

## Acquired November 2017

- ◆ Leading European distributor of vehicle parts, tools, and workshop equipment
- ◆ Focused on light vehicle and commercial vehicle replacement parts
- ◆ A leading European player in attractive markets with strong fundamentals and growth potential:
  - #1 in France
  - #2 in the U.K. and the Netherlands
  - #3 in Germany and Belgium
- ◆ **Acquired Parts Point Group in June 2019**  
(150 locations and \$330 US\$ in annual revenues)
- ◆ **Acquired Hennig Fahrzeugteile Group in January 2019**  
(31 locations and \$190M US\$ in annual revenues)
- ◆ Integrated distribution model similar to GPC
- ◆ Allows GPC to leverage global supplier base across businesses
  - ~\$25M in annual synergies

% Revenue by country



Key Figures (USD)<sup>1</sup>

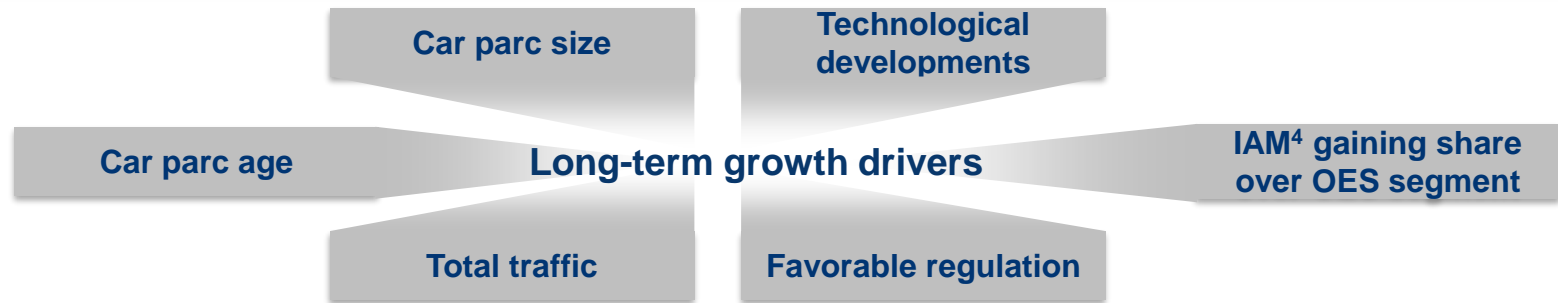
Proforma Annual Sales \$2.3bn	Sales +13% in 2018	2,300 Total Outlets
70 Distribution centers	40,000+ Customers	1,700 Affiliated outlets
500+ Suppliers	12,000+ Employees	600 Owned outlets

Serves 4,200 repair centers under leading commercial programs, including the Top Garage, Precisium Garage & GroupAuto-Auto Care banners

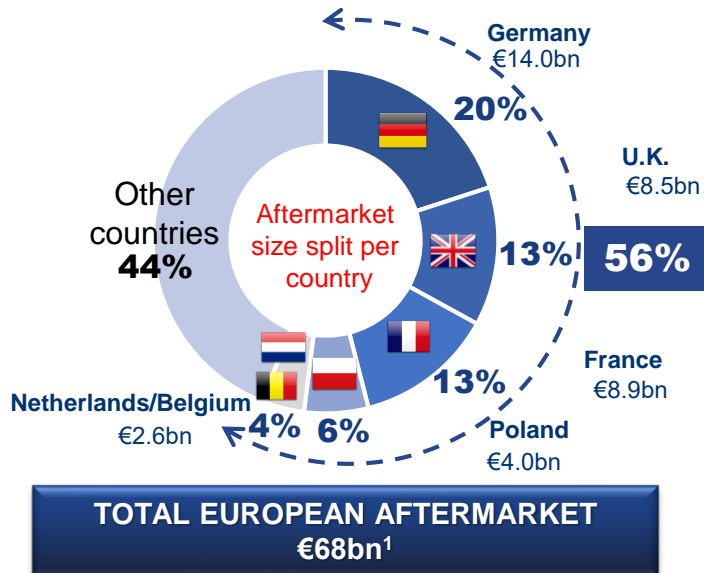
<sup>1</sup> USD / EUR of 1.12. Revenues exclude direct ship billings per U.S. GAAP.



# European Automotive Aftermarket



Overview of European LV aftermarket at distribution level



European LV market per country at distribution level

	France <sup>2</sup>	U.K. <sup>2</sup>	Germany <sup>2</sup>
Car parc size (m, LV)	38.3	35.6	47.9
Car parc age (years, PC)	8.9	7.6	9.3
Mileage (km per year, LV)	13,400	13,400	14,300
Annual spend per car <sup>3</sup> (retail price, €, PC)	390	385	470

**AAG operates in the largest and most attractive European markets**

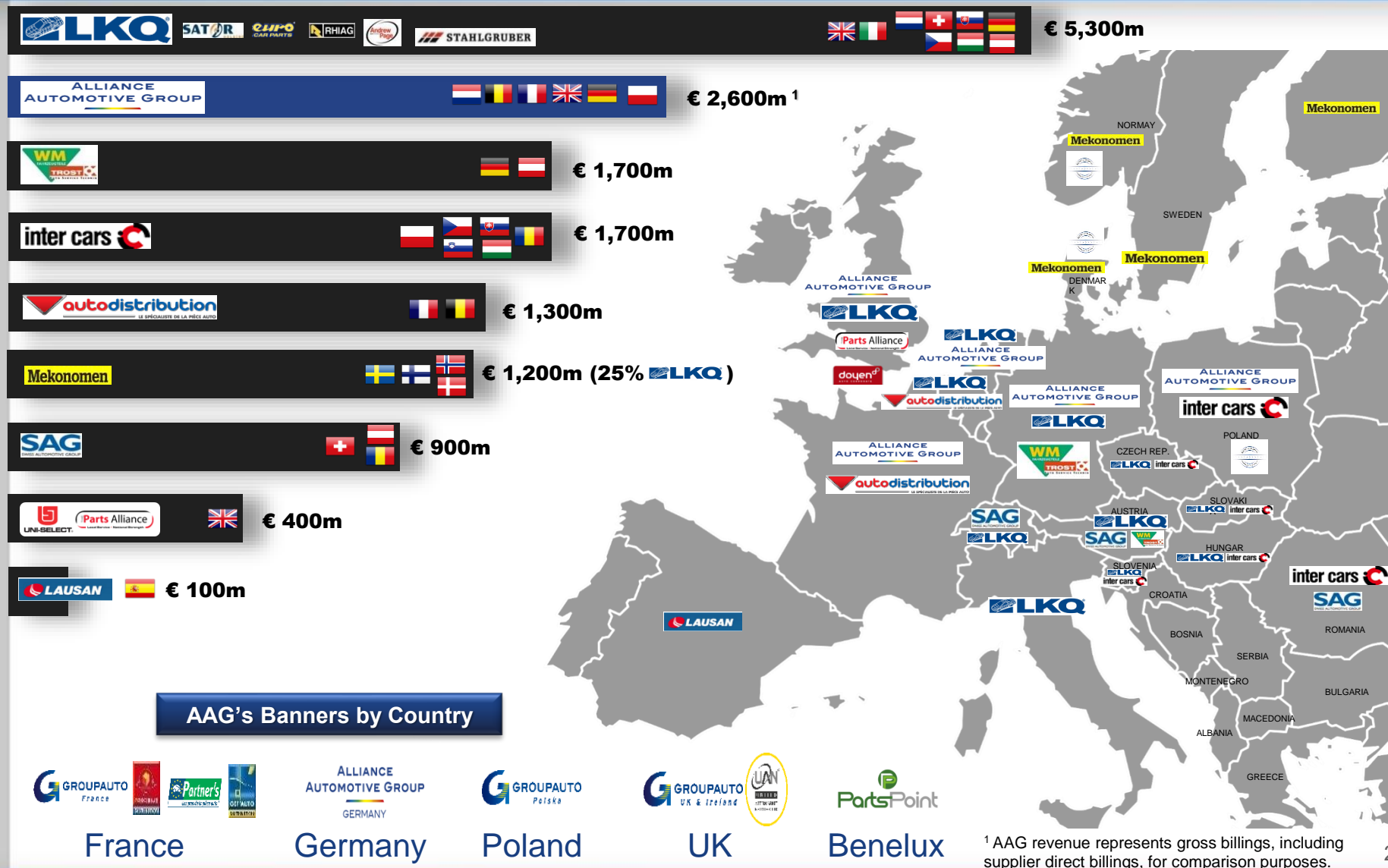
Source: Roland Berger

<sup>1</sup> LV parts (tires included) plus tools and equipment, captive parts excluded, in EU's 28 countries; <sup>2</sup> Stats relate to 2016; <sup>3</sup> Parts only

<sup>4</sup> Independent Aftermarket ("IAM"); IAM represents approx. 48% of total LV aftermarket covered by AAG



# Top 3 position in the largest European markets with significant opportunities for growth



<sup>1</sup> AAG revenue represents gross billings, including supplier direct billings, for comparison purposes.



# GPC Asia Pacific

## Acquired 2013

### ◆ Market Share Leader in Australia and New Zealand

- 558 Company-owned stores
- Added ~60 stores since 2015

### Primary Banners



### Repair Center Commercial Program

467 Repco-Authorized Service Centers



### Major Competitors

Supercheap, Burson, & autoBarn



# Growth Opportunities

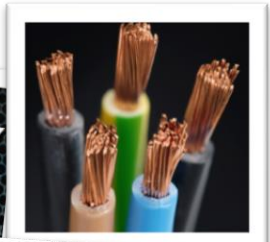
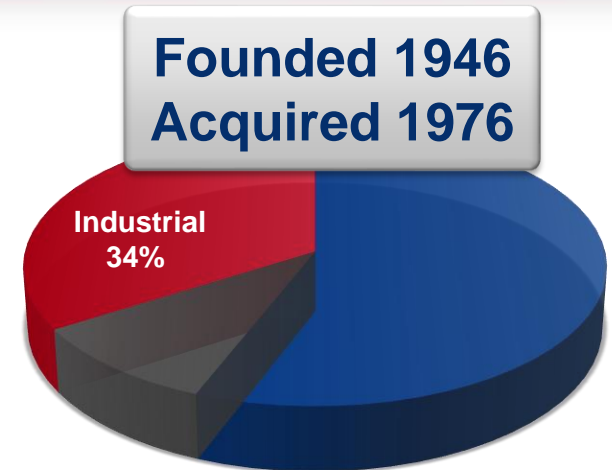
Key Areas of Focus	Initiatives
New Distribution	<ul style="list-style-type: none"><li>• Plans for new NAPA AUTO PARTS stores in U.S., Canada, and Mexico</li><li>• Alliance Automotive Group expansion in Europe</li><li>• Store expansion in Australia and New Zealand</li></ul>
Commercial Programs	<ul style="list-style-type: none"><li>• Continued Enhancements and Expansion of Global Commercial Programs for Independent Repair Centers<ul style="list-style-type: none"><li>• NAPA AutoCare, AUTOPRO, RAS, Top Garage, Precisium Garage, Groupauto AutoCare</li></ul></li></ul>
Major Accounts	<ul style="list-style-type: none"><li>• Further Expansion of Major Account Customer Sales</li></ul>
Outside Sales	<ul style="list-style-type: none"><li>• Additional Outside Sales Representation at Stores</li></ul>
Connectivity	<ul style="list-style-type: none"><li>• Enhanced Installer Connectivity and Capabilities</li></ul>
Special Markets	<ul style="list-style-type: none"><li>• Heavy Duty Parts, Import Parts, Paint, Tools &amp; Equipment</li></ul>
Store Resets & Upgrades	<ul style="list-style-type: none"><li>• Retail Sales Initiatives<ul style="list-style-type: none"><li>• Impact Store Initiative in U.S. and Canada</li><li>• Ongoing Programs to Refresh and Upgrade All Stores</li></ul></li></ul>





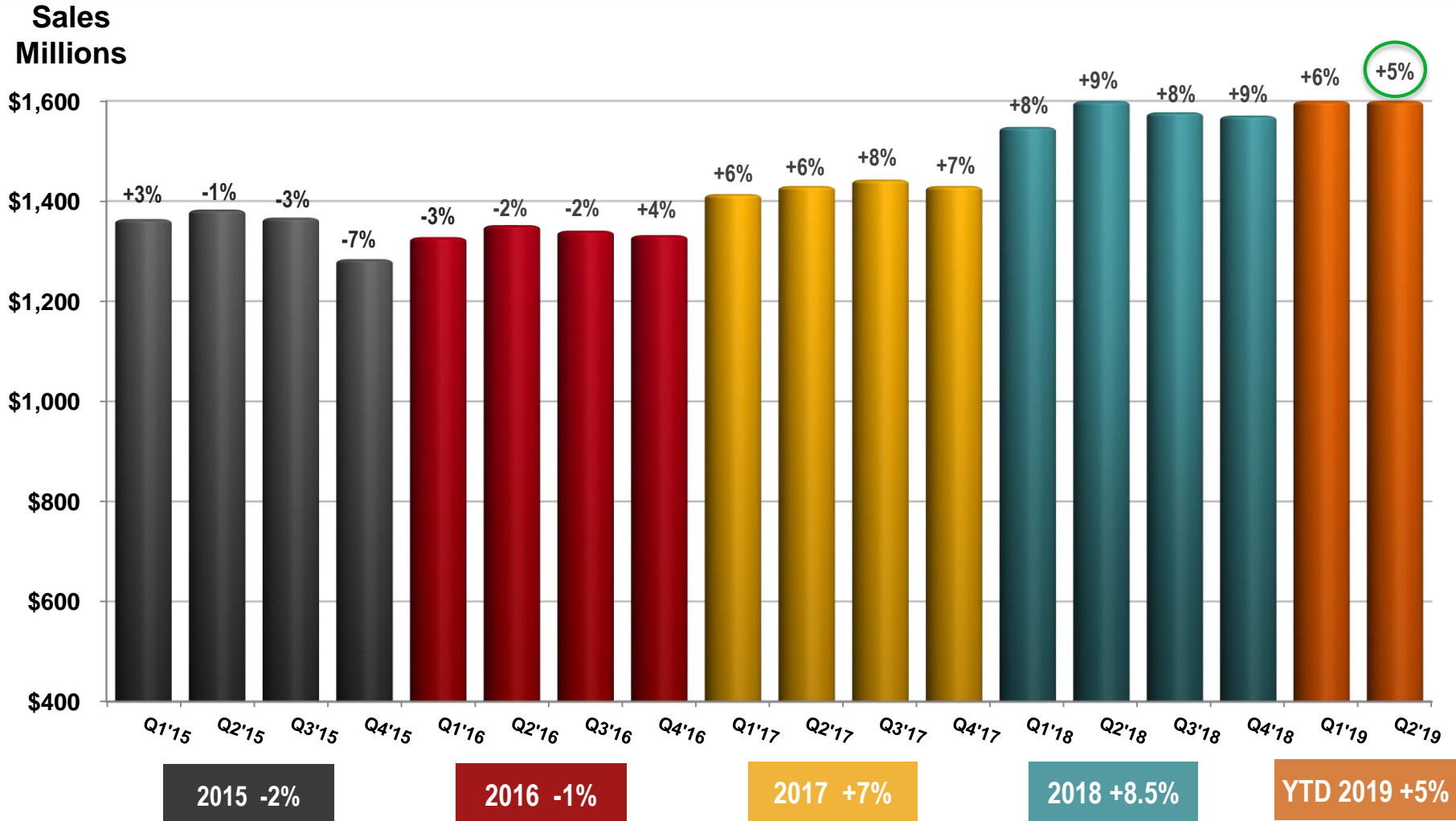
## Motion Industries Highlights

- ◆ Leading industrial parts MRO distributor in North America
- ◆ TTM 2019 Sales at \$6.5 billion
  - 15 MI DC's and 600+ branches and service centers in the U.S., Canada and Mexico
- ◆ Acquired Inenco July 1, 2019
  - Leading industrial distributor in Australasia (*160+ locations and \$400 US\$ in annual revenues*)
- ◆ Proven track record with over 70 years in the industry
- ◆ Access to over 7.1 million products
  - Global manufacturing base
- ◆ Very large and fragmented industry
- ◆ Efficient supply chain and vendor partnerships
- ◆ High customer service levels & tech support
- ◆ Industry leading E-Business capabilities





# Quarterly Sales History





# Overview

- ◆ Suppliers: SKF, Baldor, Gates, Rexnord, Timken, Eaton and 3M

**SKF**

**BALDOR**  
BALDOR • DOUG • RELIANCE

*Gates*

**3M**

**Rexnord**

**TIMKEN**

**EATON**

- ◆ Customers represent all industry groups, including Equipment & Machinery, Food Products, Iron & Steel, Pulp & Paper and Mining & Aggregate



**JOHN DEERE**

**MARS**



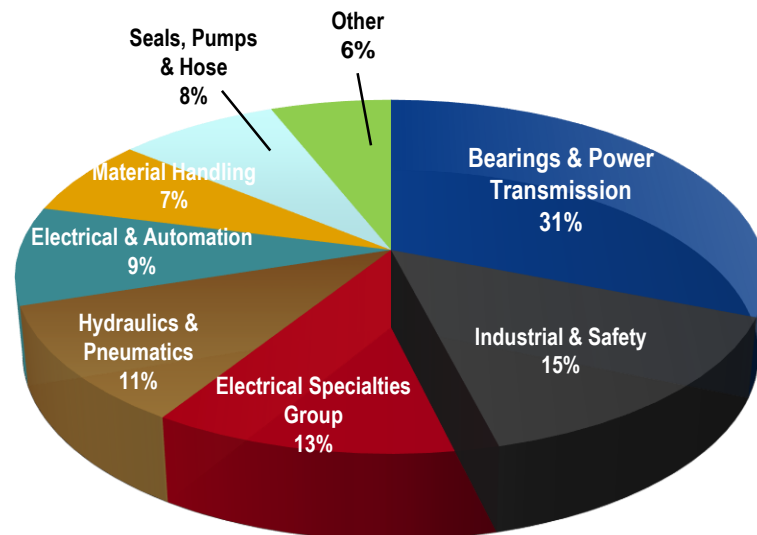
**Georgia-Pacific**



## Major Competitors

Applied Industrial Technologies  
Kaman (Industrial Technologies Div.)  
DXP Enterprises

## Industrial Sales by Product Category





# Industries Served

- ◆ Equipment and Machinery
- ◆ Food Products & Processing
- ◆ Iron and Steel
- ◆ Pulp and Paper
- ◆ Automotive
- ◆ Chemical & Allied Products
- ◆ Lumber and Wood Products
- ◆ Fabricated Metal Products
- ◆ Aggregate & Cement
- ◆ Rubber & Plastic Products
- ◆ Equipment Rentals/Leasing
- ◆ Oil & Gas Extraction



**HALLIBURTON**



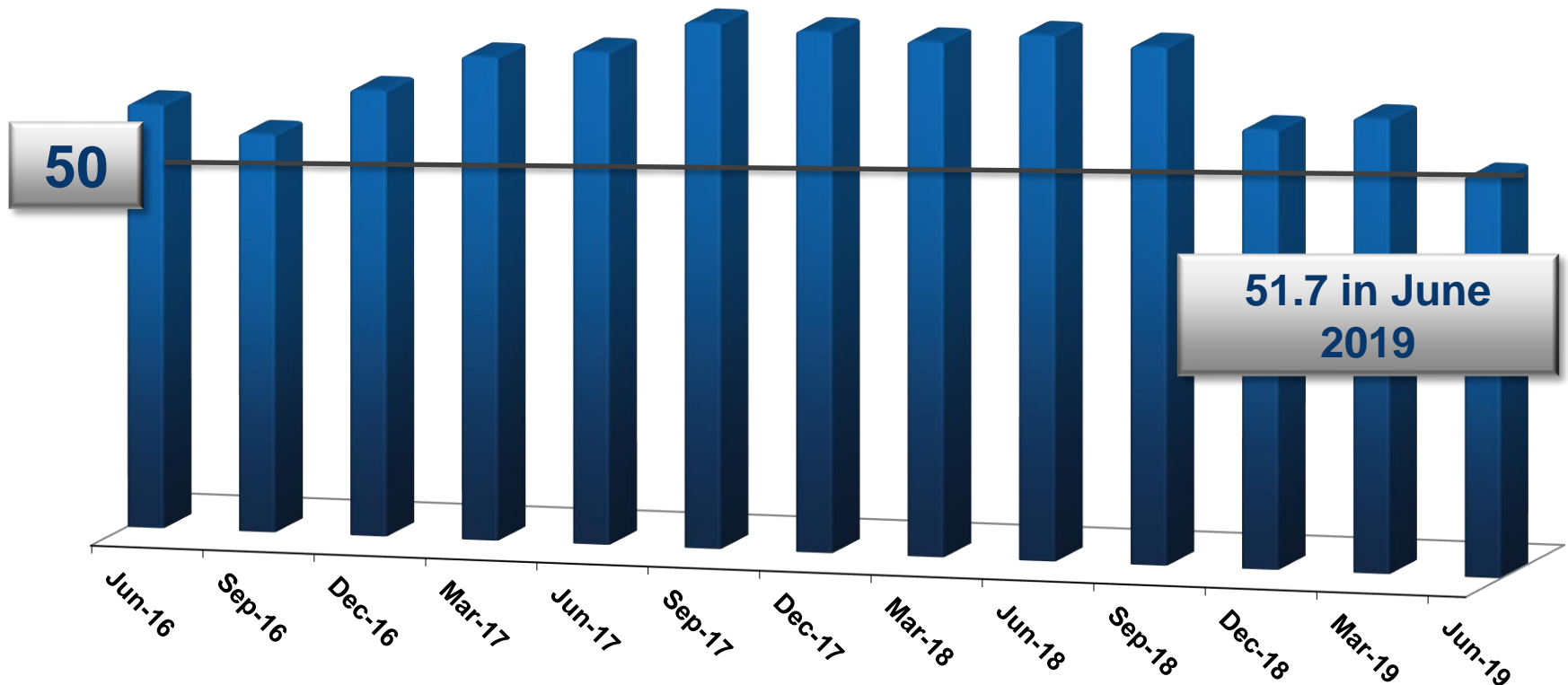
**PEPSICO**



# Industry Trends

## Index Supportive of Industry Growth

**Institute for Supply Management - Purchasing Managers Index  
>50 for 34 Consecutive Months**





# Other Indicators for our Industrial Parts Group



- ◆ **Mfg Industrial Production and Capacity Utilization**
- ◆ **Energy Sector Activity – Rig Counts**
- ◆ **Export Volume**



**Motion/EIS distribution center in Dallas, TX.**  
**This collaborative effort consolidated 3 DCs and 2 branches into one DC, creating efficiencies and a lower cost structure.**

# Inenco

## Acquired July 2019

- ◆ Market Leading Industrial Distributor in Australasia
- ◆ ~AU\$550M in FY 2019 Sales



### World Class Suppliers:

**NTN**  
SCHAEFFLER

**TIMKEN**

**NSK**



**CARLISLE**



Rothe Erde



### 60,000+ Customers:

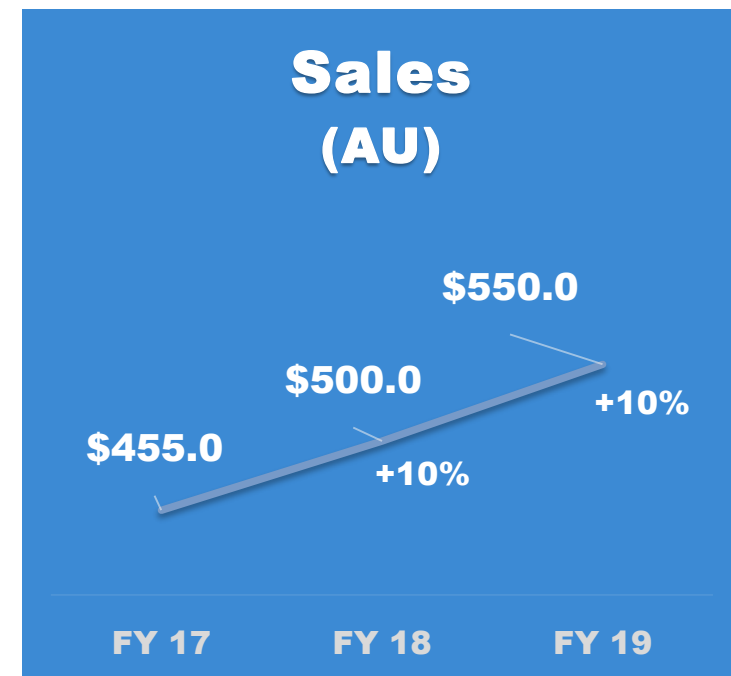
- ◆ Freeport - McMoRan
- ◆ BHP Billiton
- ◆ Rio Tinto
- ◆ Visy
- ◆ Onesteel
- ◆ Joy Global
- ◆ Alcoa
- ◆ Carlton United Brewery
- ◆ Fonterra

# Inenco

## Acquired July 2019



## Strong Sales Growth





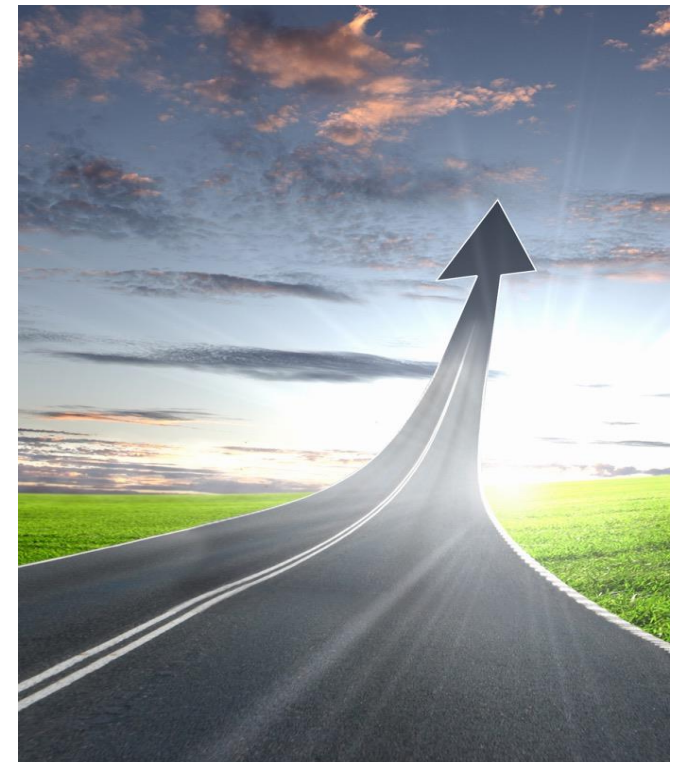
# Industrial Parts Group

## Growth Opportunities

- ◆ **Product Category Expansion**
  - Automation, Process Pumps, and Safety
- ◆ **Acquisitions**
  - Completed Inenco acquisition in July of 2019
    - ▶ Acquired 35% in April 2017
  - Added Axis Automation Mar. 2019
  - Added Hydraulic Supply Company Oct. 2018
- ◆ **Expansion in New Markets**
- ◆ **Repair, Fabrication, and Assembly**
- ◆ **E-Commerce**
- ◆ **Vending, VMI, and Store Room Mgmt**
- ◆ **Share Gains with Major Accounts**



**Only 8% share of market –  
estimated at \$80+ billion**







# ***Business Products Group Highlights***

- ◆ S.P Richards is the nation's second largest distributor of business products, office furniture, computer supplies and facilities, breakroom and safety supplies
- ◆ TTM 2019 Sales at \$1.9 billion
  - 52 DC's in U.S. and Canada
- ◆ Long history of serving the independent reseller and national accounts
- ◆ Access to over 98,000 products
  - 850+ leading manufacturers
  - Global sourcing includes nine proprietary product brands
- ◆ Superior fill rates, accurate and timely shipments and competitive pricing
- ◆ Database management, logistical support, e-commerce
- ◆ Comprehensive array of sales, marketing and training programs

**Founded 1848**  
**Acquired 1975**

**Business Products**  
**10%**

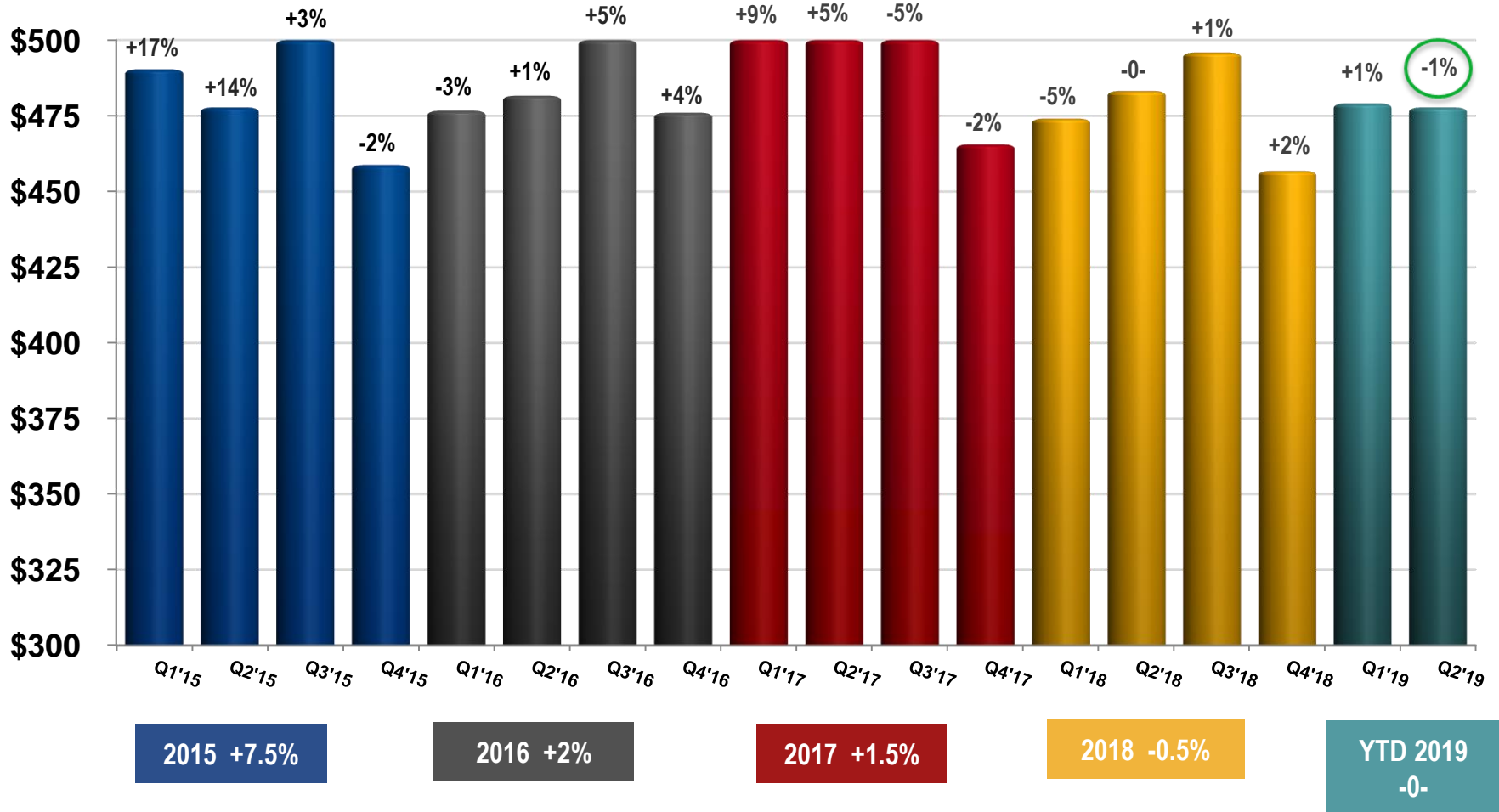






# Quarterly Sales History

Sales  
Millions





# Business Products Group Overview

- ◆ Suppliers: Hewlett Packard, 3M, Hon, Newell, Kimberly Clark, Georgia Pacific..



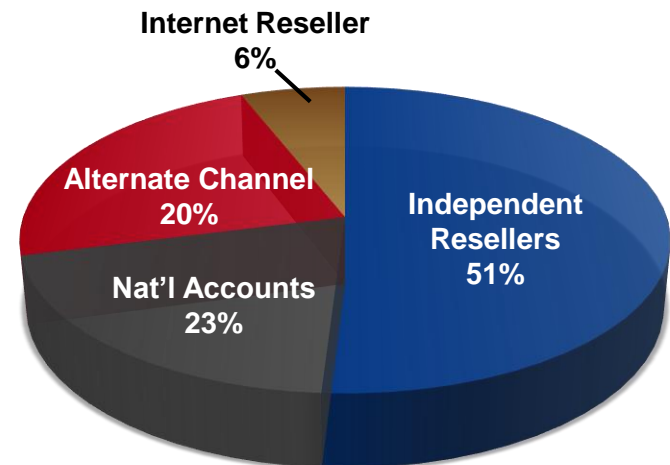
- ◆ Customers: Serves ~10,000 business product resellers



## Major Competitors

Essendant  
Amazon/E-tailers  
Mass Merchants  
Specialty Distributors  
Importers

## Primary Sales Channels

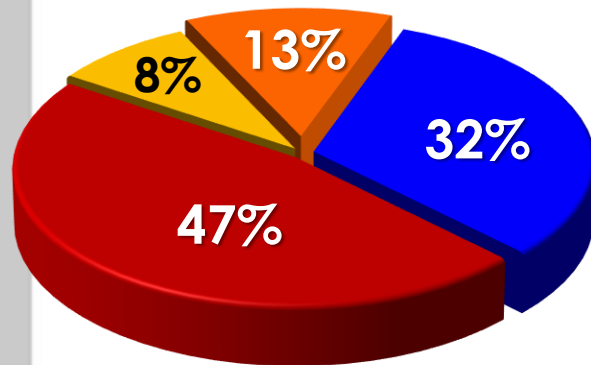




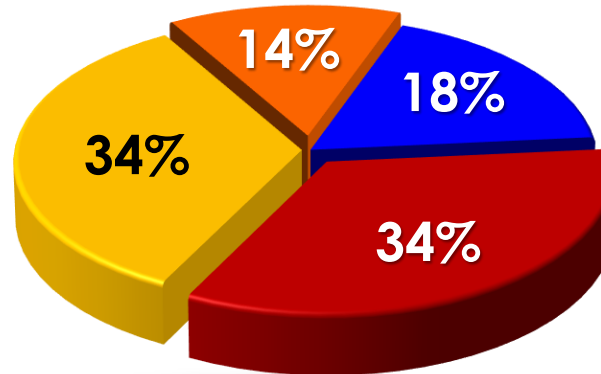
# Drive for Diversification

## PRODUCT MIX

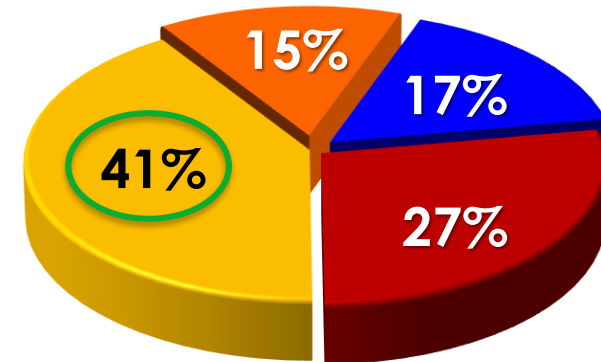
Office Supplies FBS Furniture Tech



2010



2018



2020  
(Est)

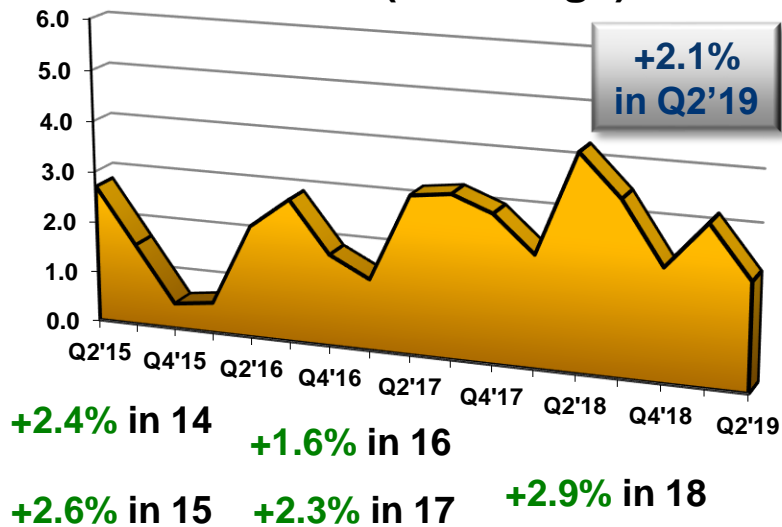
Initiatives to Diversify Product Offering are Significantly Increasing Facility, Breakroom & Safety Supply Sales



# U.S. GDP and Employment Levels

## Macro Demand Drivers Relatively Stable

U.S. GDP (% Change)

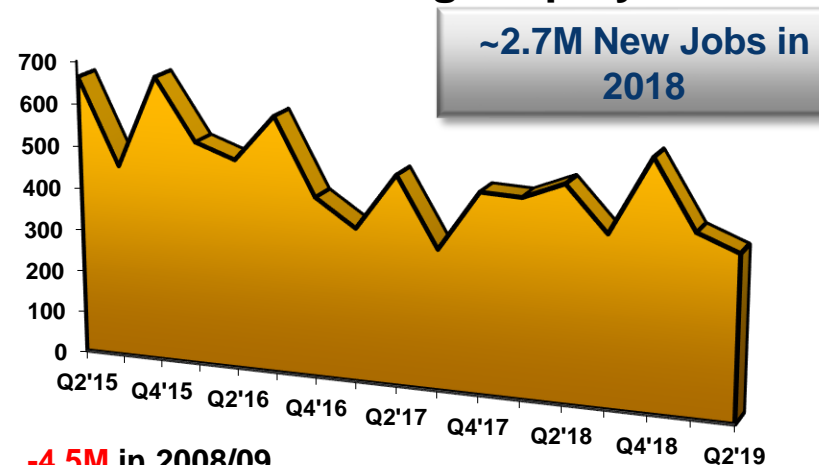


Source: BEA.gov

**Continued GDP  
Growth in 2019**

**Steady and Consistent New  
Job Growth for last 6 Years**

Service-Providing Employment



-4.5M in 2008/09  
1M+ in 2010  
2M+ in 2011 - 2018

Source: BLS.gov

**Q2 2019  
Unemployment  
Rate at 3.7%**



# ***Business Products Group***

## ***Growth Opportunities***

- ◆ **Market Share Initiatives**
- ◆ **Product Line Expansion**
- ◆ **New Products**
- ◆ **Private Brand Expansion**
- ◆ **Enhanced Dealer Services/  
Marketing & Electronic Content**
- ◆ **FBS and Alternate Channel  
Growth**




**Low percentage share of market  
– estimated at \$100+ billion**







# Drivers and Opportunities

Demand Drivers		Opportunities and Initiatives
	<b>Automotive</b> <ul style="list-style-type: none"> <li>• Total vehicles &gt; 6 years old</li> <li>• Complexity of vehicles/ # Trucks &amp; SUV's</li> <li>• Average age of cars &amp; light trucks</li> <li>• Gas Prices/Miles driven on roads each year</li> </ul>	<ul style="list-style-type: none"> <li>• 7.5% global market share – est. \$200+ billion</li> <li>• 500,000+ products &amp; hundreds of thousands of customers across North America, Europe &amp; Australasia</li> <li>• New distribution, commercial programs, major A/C's, O/S sales, connectivity, niche markets – heavy duty, imports, paints and tools &amp; equipment, store resets and retail initiatives</li> </ul>
	 <b>Industrial</b> <ul style="list-style-type: none"> <li>• Manufacturing expansion (ISM's PMI)</li> <li>• Manufacturing industrial production</li> <li>• Capacity utilization rates</li> <li>• Capital expenditure budgets/expansion</li> <li>• Manufacturing employment in U.S.</li> </ul>	<ul style="list-style-type: none"> <li>• 8% share of market – estimated at \$80+ billion</li> <li>• Approx. 7.1 million products &amp; &gt; 200,000 customers</li> <li>• Footprint Expansion to Australasia via Inenco</li> <li>• Growth via product category and line expansion, acquisitions, expansion in new markets, repair, fabrication and assembly services, e-commerce, vending, VMI and store room management and share gains with major accounts</li> </ul>
	 <b>Business Products</b> <ul style="list-style-type: none"> <li>• U.S. gross domestic product (GDP)</li> <li>• White collar employment numbers</li> <li>• Office occupancy rates in U.S.</li> </ul>	<ul style="list-style-type: none"> <li>• Low percentage share of market – est. \$100+ billion</li> <li>• More than 98,000 Products &amp; ~10,000 Customers</li> <li>• Growth via market share initiatives, product line expansion (including proprietary brands), new products, enhanced marketing/electronic content and new or alternate channels via FBS diversification</li> </ul>



# Recent Financial Highlights

	Q2 2019	v. Q2 '18	YTD 19	v. '18
Net Sales ( <i>billions</i> )	\$4.93	+2%	\$9.67	+3%
Net Income ( <i>millions</i> )*	\$230	-1%	\$417	-1%
Diluted EPS*	\$1.57	-1%	\$2.85	-0-

\*The periods presented exclude transaction-related costs and fees



## Balance Sheet Highlights

### ◆ Strong cash position

- Consistently at \$300M+

### ◆ Prudent working capital management

- Working capital efficiency at 14.2% TTM in 2019
- 108% Accounts Payable/Inventory at 06/30/19
- Cash conversion cycle at 44.4 days - Improved 1 day YTD in 2019

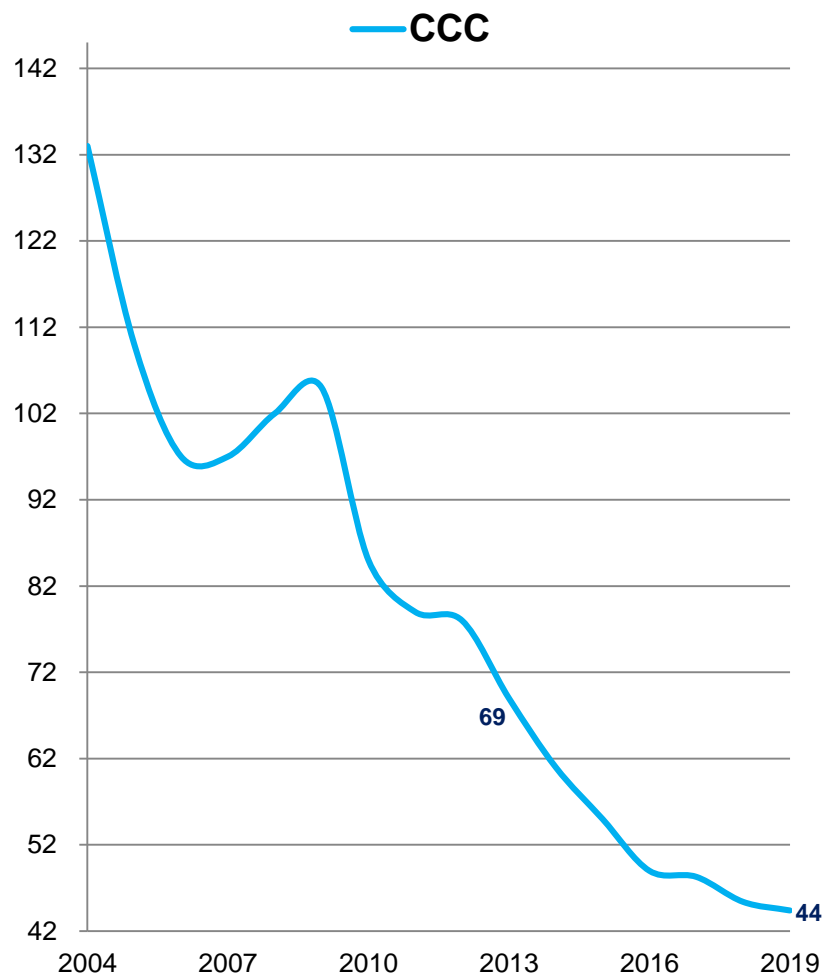
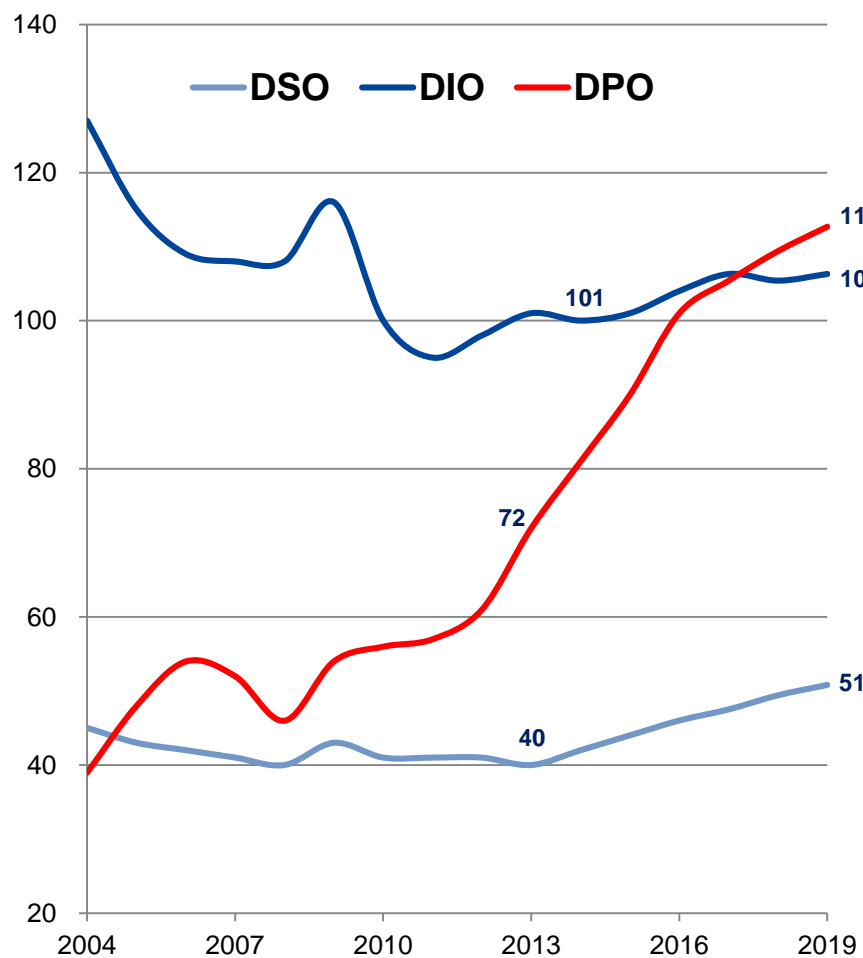
### ◆ After-tax return on invested capital (ROIC) > WACC

- ~13% ROIC TTM 2019 → Exceeding 7.5% WACC

### ◆ Comfortable with capital structure

- Total debt of \$3.9B at 06/30/19
- ~ 50% Debt to total capital; ~2.8X Debt to EBITDA

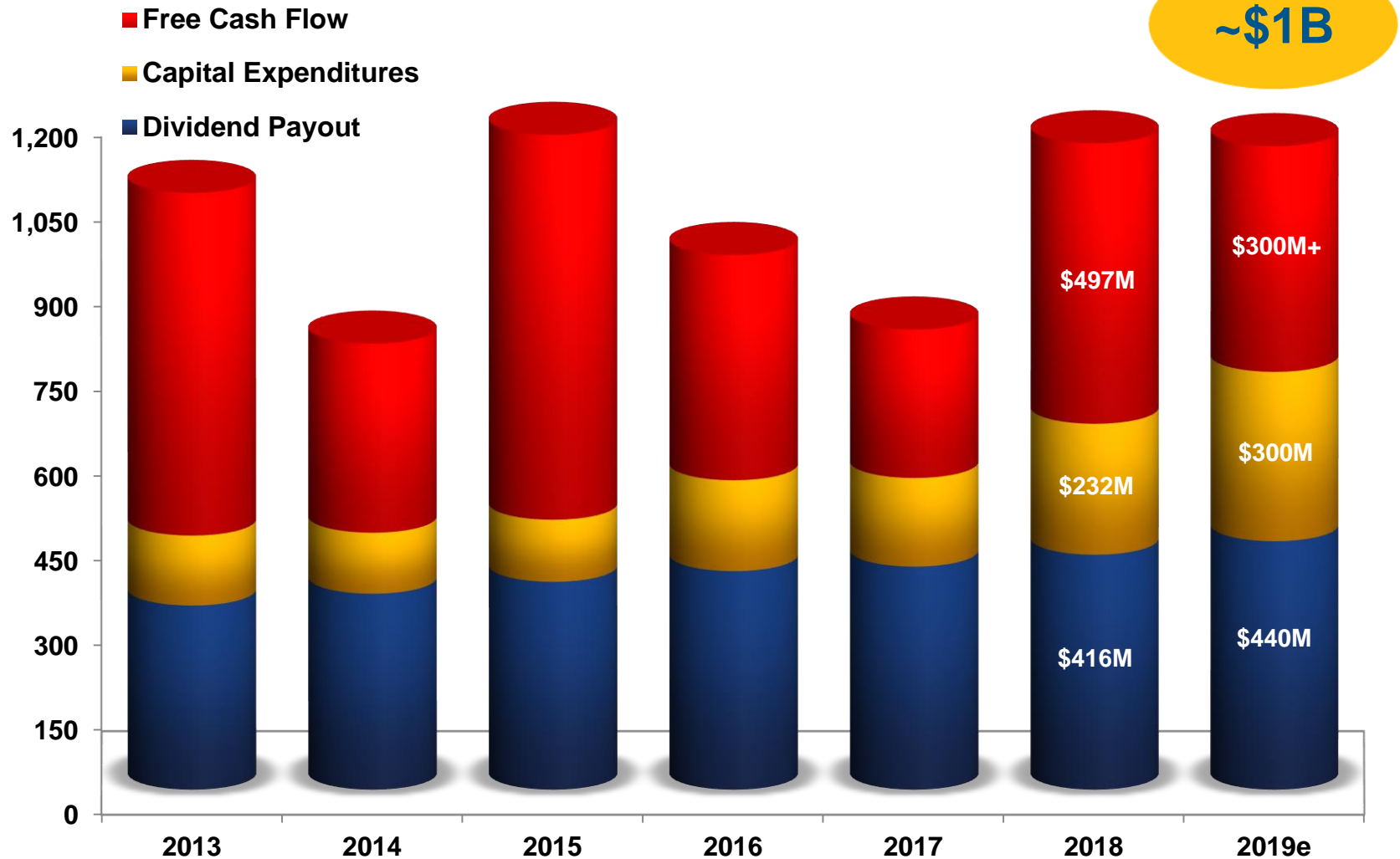
# CCC/Working Capital







# Steady and Strong Cash Flows








# ***Commitment to Shareholders***

## ***Priorities for Cash***

- ◆ **Reinvestment in Businesses**
- ◆ **Acquisitions**
- ◆ **Dividends**
- ◆ **Share Repurchases**



# Recent Acquisitions

				Estimated Annual Revenues
<b>2016</b>	<b>11</b> Olympus, Cova, Global, AMX, Auto-Camping, ASL + 5 Store Groups	<b>6</b> Epperson, MO Power, Colmar, OBBCO, Braas, CPS	<b>2</b> Safety Zone, RMC Jan/San	\$600M
<b>2017</b>	<b>12</b> AAG, 6 Store Groups (+48 new stores), Stone Truck Parts, Welch, Sulco T&E, autoBarn, Universal	<b>4</b> 35% Inenco (Australia) Numatic, Apache, Empire	N/A	\$2.1B
<b>2018</b>	<b>20</b> U.S. - Smith & Hastings Europe - TMS & Platinum Tuck-in store expansion (16)	<b>3</b> Sterling Engineering, Power Industries, Hydraulic Supply	N/A	\$280M
<b>2019 (YTD)</b>	<b>7</b> Hennig & PartsPoint in Europe 3 Canadian store groups 2 European store groups	<b>2</b> Axis 100% Inenco	N/A	\$1.0B



# 2018 Dividend Kings

## *Dividend Stocks with 50+ Years of Increasing Dividends*

AWR	American States Water Company	64	LOW	Lowe's Companies, Inc.	56
DOV	Dover Corporation	63	CL	Colgate-Palmolive Company	55
NWN	Northwest Natural Gas Company	63	NDSN	Nordson Corporation	55
GPC	Genuine Parts Company	62	FMCB	Farmers & Merchants Bancorp	53
PH	Parker-Hannifin Corporation	62	HRL	Hormel Foods Corporation	53
PG	The Procter & Gamble Company	62	TR	Tootsie Roll Industries	53
EMR	Emerson Electric Co.	62	CWT	California Water Service Group	51
MMM	3M Company	60	SJW	SJW Group	51
VVC	Vectren Corporation	59	FRT	Federal Realty Investment Trust	51
CINF	Cincinnati Financial Corporation	58	SWK	Stanley Black & Decker	51
KO	The Coca-Cola Company	56	SCL	Stepan	51
JNJ	Johnson & Johnson	56	ABM	ABM Industries	51
LANC	Lancaster Colony Corporation	56	CBSH	Commerce Bancshares	50





# Commitment to Shareholders

## Dividend Record

**2019 Annual Dividend**  
**\$3.05, +6% from 2018**  
**Consistent 3% Yield**

**63 Consecutive Years of  
Increased Dividends**



**2019**

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# Commitment to Shareholders

## Share Repurchases History

<i>(in millions)</i>	# Shares	Cash Paid
1994 – 2004	24.0	\$649.9
2005 – 2009	18.2	782.3
2010 – 2014	8.2	495.3
2015 – 2016	5.3	473.6
2017	1.9	173.5
2018	1.0	92.0
<b>TOTAL</b>	<b>58.6</b>	<b>\$2,666.6</b>

***16.4 Million Shares Remaining to be Repurchased***

***Consistent History Of Returning Cash To Shareholders***



## *Commitment to Shareholders*

### *5-Year Returns to Shareholders*

	2014	2015	2016	2017	2018
Dividends	\$347.3	\$368.3	\$386.9	\$395.5	\$416.0
Share Repurchases	95.9	292.3	181.4	173.5	92.0
Total	443.2	660.6	568.3	569.0	508.0

***\$2.75 Billion Returned to  
Shareholders Over 5 Years***



# Our Sustainability Commitment



## ENERGY

- ▶ LED lighting conversion
- ▶ Alternative sources (solar, battery, wind)
- ▶ 500+ active projects
- ▶ 15 million BTU reduction (25%)



## FLEET

- ▶ Rail vs truck conversion (18 mpg)
- ▶ Improved fuel economy/vehicle selection criteria (10%)
- ▶ Route optimizations
- ▶ Millions of miles reduced



## COMMUNITY

- ▶ Sustainability ambassadors
- ▶ Awareness at local level
- ▶ Volunteer support programs
- ▶ Structured give back campaigns



## WATER

- ▶ Low-flow devices
- ▶ Natural water retention treatment vs runoff policy
- ▶ Usage reduction programs
- ▶ Closed loop systems



## WASTE

- ▶ Diversion for waste streams
- ▶ Recycle programs at source
- ▶ Packaging conversion/reduction
- ▶ Fiber recycle



# Outlook & Objectives

## 2019 Outlook

- Sales growth **+4.5-5.5%**
- **Flattish** operating margin
- EPS growth **Flat to +1%**
- Cash from operations in **\$1.0B target range**
- Steadily improving working capital efficiency and CCC

## Key Long-term Annual Objectives

- Improve sales by **6-8%**
- Continuous operating margin improvement
- Grow EPS by **7-10%**
- Generate solid cash flows
- Maintain strong balance sheet



# Thank You