GRAINGER®

2026 Impact Report

The 2026 Impact Report highlights the focus areas that strengthen Grainger's business resilience and drive long-term shareholder value.

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For important disclosures about this report, see page 11.

Overview

Grainger serves more than 4.6 million businesses and institutions worldwide by providing them with the products and solutions they rely on to keep their operations running and their people safe. Behind Grainger's impact are nearly 25,000 team members who bring our purpose to life every day – We Keep The World Working®.

For nearly a century, Grainger has built a strong, resilient business grounded in a commitment to our customers, team members and communities. Today, we are proud to be recognized as an industry leader, a trusted employer and a partner that organizations can count on to deliver value not only through what we do, but how we do it.

That commitment comes to life through our purpose-driven culture, guided by the Grainger Edge®, which shapes how we think, act and work together, enabling us to deliver for our customers, strengthen relationships with suppliers and create opportunities for our team members to grow and succeed.

Our Impact Program strategy reflects this same focus. Driven by a double-materiality-informed approach, it helps us prioritize the issues that matter most to our business and stakeholders. The 2026 Impact Report highlights the focus areas that strengthen our business resilience and drive long-term shareholder value.

Across each of these areas, we are focused on delivering meaningful results while serving our customers, investing in our communities and advancing environmental stewardship.

Strong governance helps ensure this work is consistent and aligned with our long-term strategy. The Board Affairs and Nominating Committee (BANC) of Grainger's Board of Directors oversees environmental and social matters, while our Grainger Leadership Team sets direction for Impact Program priorities. Subject matter experts across the business drive execution and track progress.

At the center of this work are nearly 25,000 team members across our operations, who bring our priorities to life each day in alignment with the Grainger Edge®.

Impact Focus Areas					
	Customer Sustainability Solutions	Supplier Relationships and Strategic Alliances	Energy and Emissions	Inclusion, Opportunity and Community	Working Safely and Securely

The Grainger Edge®

Our Purpose

We Keep The World Working®

Our Aspiration

We relentlessly expand our leadership position by being the go-to partner for people who build and run safe, sustainable and productive operations.

Our Principles

The following principles are at the heart of how we work – with one another, our customers, suppliers and communities.

- Start with the customer
- Act with intent
- Win as one team
- Embrace curiosity
- Compete with urgency
- Invest in our success
- Do the right thing

Highlights

Focused on what matters most, Grainger takes pride in the meaningful impact we made over the past year. We supported our customers and team members, strengthened our communities and advanced our environmental stewardship.

Progress and Recognition

Named one of the 2026 World's Most Ethical Companies® by Ethisphere, a global leader in defining and advancing the standards of ethical business practices.

Provided sustainability solutions for our customers through a portfolio of Environmentally Preferable Products (EPPs), Other Sustainability Related Products (OSRPs), services and resources.

Contributed more than $67 million in cash and product donations to nonprofit organizations while supporting community partners through a combination of in-kind donations, nonprofit board placement programs, team member volunteerism and our 3-to-1 Matching Charitable Gifts Program.

Maintained our focus on team member safety with an Occupational Safety and Health Administration (OSHA) Total Recordable Incident Rate and Lost Time Incident Rate of 1.3 and 0.7, respectively, in the U.S. in 2025, based on the number of incidents per 100 team members (or per 200,000 working hours).

Named a 2026 Where You Work Matters Platinum Employer, an independent rating of how well the largest U.S. employers are creating high-quality jobs.

Recognized as one of Fortune's World's Most Admired Companies for the 25th consecutive year earning the top ranking in the Diversified Wholesaler category for the 13th straight year.

Awards

Leading organizations and publications continue to recognize Grainger as an industry leader, a responsible company and a top place to work.

A Culture of Integrity

Integrity is foundational to how Grainger operates. It guides our decisions, shapes our interactions and reinforces the trust our customers, team members and communities have in us. We uphold this standard by acting ethically, complying with applicable laws and creating an environment where concerns can be raised openly.

Standards and Training

Our Code of Conduct sets clear expectations for how we do business and engage with one another, our customers and our partners. All team members and members of the Board of Directors complete an annual certification to confirm their understanding of and commitment to these standards. Ongoing training reinforces key topics such as workplace conduct, reporting responsibilities, non retaliation and data privacy, with additional learning tailored to specific roles.

Reporting Concerns

Maintaining a strong culture of integrity depends on open communication. Team members are encouraged to speak up and have direct access to multiple channels for reporting concerns, including managers, Human Resources, Legal, Ethics & Compliance and the Board of Directors. The Grainger iCareLine also provides a confidential option for anonymous reporting. All concerns are reviewed promptly and handled with fairness and confidentiality. We do not tolerate retaliation against anyone who raises a concern or participates in an investigation.

Operating Sustainably

Our focus on operational excellence and productivity helps us better serve our customers while using resources more responsibly.

At Grainger, team members across the organization play a role in supporting efforts to reduce our carbon footprint and operate more efficiently. By focusing on operational excellence and productivity, we work to reduce waste and use resources more responsibly across our operations.

The following are some highlights from our ongoing sustainability efforts. (For more information on Energy and Emissions, refer to page 7. For more information on climate-related risks and opportunities, refer to pages 19-22.)

In 2025, Grainger had a recycling rate of more than 91% across 11 distribution centers in the U.S.

Packaging	Grainger's Supplier Handbook provides packaging and shipping requirements for our suppliers intended to help products arrive safely while minimizing packaging waste. We also use technology, where feasible, to better match shipping carton size to the products being shipped, reducing the need for excess packaging materials. Our Grainger-branded shipping boxes contain recycled content and are sourced from suppliers that maintain recognized sustainable forestry certifications.
Transportation and Shipping	We optimize order fulfillment by shipping from the nearest location and reducing the number of cartons per order, thereby lowering the amount of packaging material used and emissions generated. For inbound shipments from suppliers, we coordinate orders to reduce the number of deliveries. We also use four strategically located cross-dock facilities to maximize trailer utilization to further reduce our carbon footprint. We're proud to be recognized by the U.S. Environmental Protection Agency (EPA) as a SmartWay® partner, reflecting our use of carriers that meet high fuel-efficiency and emissions standards.
Recycling	Our distribution centers recycle by separating waste into five categories: cardboard, plastic, garbage, metal and wood. We also partner with a third party to track our waste and recycling data and find opportunities to improve our diversion rates.
Waste	Our three silver-level TRUE Zero Waste Certifications at our Dallas-Fort Worth, Illinois and Northeast Distribution Centers demonstrate our commitment to finding innovative solutions to help us reduce or eliminate waste and close material loops.
Hazardous Waste	As a distributor, Grainger does not generate hazardous waste as a result of manufacturing processes or production byproducts. However, incidental hazardous waste may be generated from supplier products that are damaged, expired, obsolete, returned or otherwise unsuitable for sale. Grainger's Waste Management Policy establishes requirements for the proper handling, storage, transportation and disposal of regulated waste in compliance with applicable federal, state and local laws and regulations.
Water	We measure and manage our water usage and look for opportunities to reduce consumption. Grainger's total global water usage in 2025 was more than 430,000 cubic meters, which represented an 8% decrease from a 2024 total of approximately 468,000 cubic meters.

Customer Sustainability Solutions

Supporting safe, sustainable and productive operations to address the operational challenges customers face every day so that they can get their work done.

Grainger works with customers across a wide range of industries, each with unique operational priorities and challenges. From meeting safety requirements to improving how resources are used, our products, services and knowledge are designed to help customers address these needs in practical, day-to-day ways.

Sustainable Products and Solutions

Customers are increasingly looking for ways to operate more sustainably while balancing performance, cost and evolving regulatory requirements. Grainger connects customers with solutions that address these everyday operational challenges, from managing resources to improving environmental conditions within their facilities.

This includes access to Certified Environmentally Preferable Products (CEPPs) and Environmentally Preferable Products (EPPs), which are available across a wide range of categories and can be easily identified on Grainger.com.

Grainger also provides consultative support to help customers take a more integrated approach to their procurement needs. We partner with customers in a variety of ways to meet their unique sustainability objectives. These services focus on four primary challenges our customers face: energy, waste, air quality and water management.

Safety Products and Solutions

Grainger helps customers create safer workplaces through an offering of hundreds of thousands of safety and security products across North America, along with resources and services that support risk management, regulatory compliance and injury prevention.

This work is supported by our Field Safety Professionals, many of whom are certified through the Board of Certified Safety Professionals.

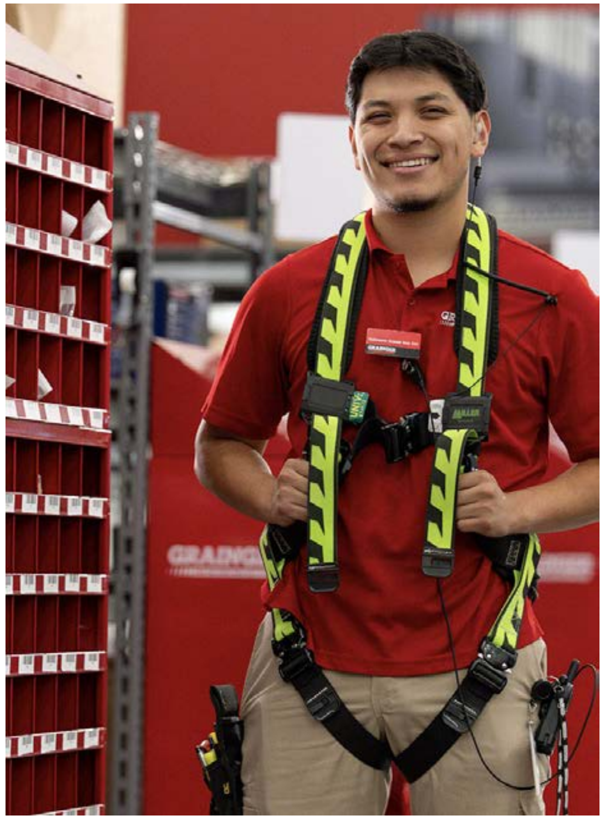
These team members work directly with customers to assess workplace conditions and identify solutions tailored to their specific needs. In 2025, this team completed more than 2,000 on-site safety assessments for customers in the U.S. and Canada. Grainger also works with third-party providers to expand access to safety services, including training, program development and testing, helping customers strengthen their overall safety programs.

Some examples of our customer sustainability solutions include: increasing lighting efficiency through audit and retrofit services, reducing landfill waste through recycling and zero-waste kit services, improving indoor air quality through ventilation system assessment services and reducing water consumption through water-use assessment services.

Supplier Relationships and Strategic Alliances

Grainger has built strong supplier relationships for decades, helping customers strengthen their supply chains, navigate changing requirements and meet evolving purchasing needs.

Grainger serves customers across numerous industries – from healthcare and education to manufacturing and utilities – each with needs that are wide-ranging and continually evolving. Whether responding to new safety requirements or improving operational efficiency, our offering is designed to help customers manage change and complexity.



Supplier Relationships Program

Grainger's Supplier Relationships Program is designed to help customers meet their purchasing goals through a combination of products, services and expertise. The network includes more than 5,000 small business suppliers, including veteran-, HUBZone- and disabled person-owned businesses, as well as other disadvantaged enterprises. Together, these suppliers bring a combination of scale, expertise and niche capabilities that enhance our overall offering.

Expanding and strengthening this network remains a priority. Ongoing efforts to improve program processes and increase supplier diversification also support a more resilient supply chain. These actions help reduce sourcing risk and maintain a reliable flow of products across key categories.

Strategic Alliances

The Strategic Alliances team works alongside local, small and veteran-owned resellers and service providers to extend Grainger's capabilities in the field. These partnerships make it possible to deliver more tailored solutions and localized support where customers need it most.

By combining the reach of the Supplier Relationships Program with the flexibility of Strategic Alliances, Grainger is able to provide dependable access to products, respond to shifting demand and support customers in meeting their MRO needs and procurement goals.

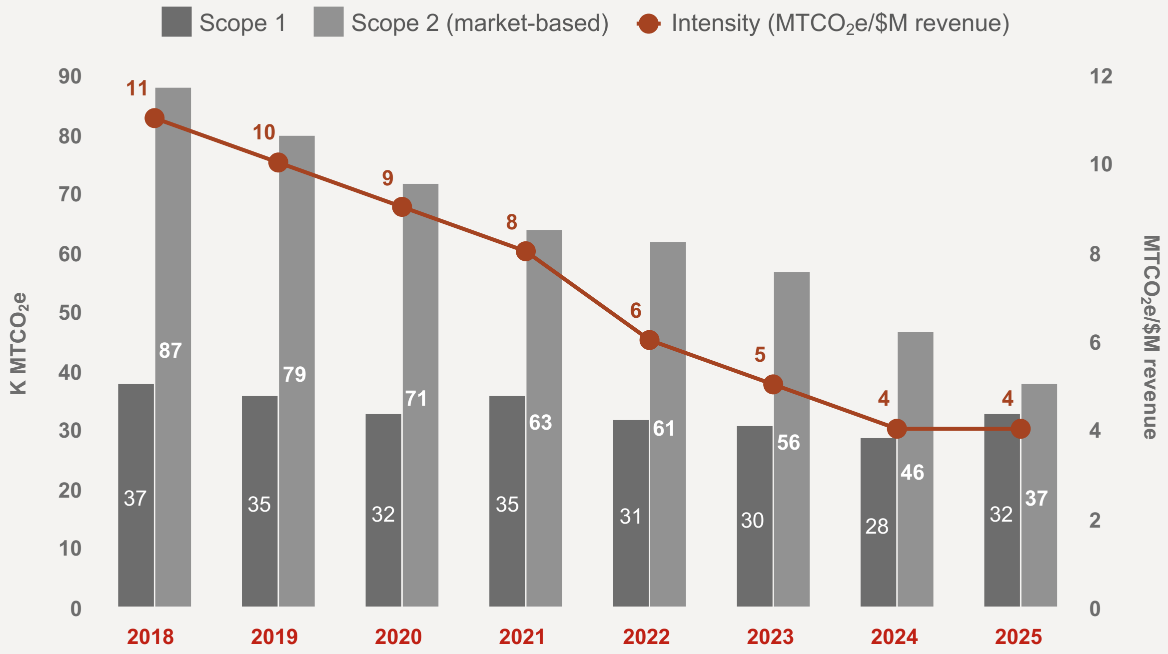
In 2025, Grainger participated in small and veteran-owned business fairs and supplier matchmaking events to identify new partners and broaden our supplier base.

Energy and Emissions

Our approach to managing environmental impact is built into our everyday operations. We continue to improve how we reduce waste and use resources more responsibly across our business.

At Grainger, managing our environmental impact starts with how we operate. The following highlights some of the ways we are putting this approach into practice.

Total Global Scope 1 & 2 Absolute Emissions in Thousands of $MTCO_2e$ and Emissions Intensity



The 2024 Scope 2 market-based figures reflect a restatement from last year's report due to more granular emissions factors that became available at the end of 2025. This updated approach has been applied for 2025 and will be used moving forward.

Emissions	In 2025, we continued to see progress toward our 2030 emissions target of reducing our global absolute Scope 1 and Scope 2 emissions by 50% from a 2018 baseline. For the year, our total Scope 1 and Scope 2 (market-based) emissions totaled 69,000 metric tons of CO_2e ($MTCO_2e$), placing us 88% of the way to meeting our target. The majority of Scope 3 impact (considered all indirect emissions not included in Scopes 1 and 2) resides in the product-use phase, or the energy required to operate the products we sell. Our Scope 3 emissions disclosure can be found in the appendix of this report. Additional information about how we manage energy use and emissions, along with our approach to assessing environmental risks and opportunities, is available in our latest CDP report at Invest.Grainger.com.
Solar Energy	Solar energy is an important part of how Grainger is expanding the use of renewable energy across our network. At our U.S. distribution centers, we have more than 16-megawatt direct-current (MW DC) solar panel installations and nearly 1.4 MW DC at our U.S. branches, as well as almost 0.3 MW DC through Power Purchase Agreements (PPAs) across our network. In 2025, these installations resulted in more than 13,000 megawatt hours (MWh) of renewable energy produced at our distribution centers and nearly 840 MWh at our branches.
Building Management Systems	Building Management Systems (BMS) support our energy efficiency efforts by enabling real-time monitoring and adjustment of building energy use. In recent years, BMS capabilities were expanded across all U.S. distribution centers and branches, delivering energy and cost savings of 10-15% upon installation and improving visibility into energy use across our facilities. In 2025, nearly 64% of our North American footprint was maintained with a BMS.
Life Cycle Replacements	Equipment nearing the end of its useful life is upgraded to more energy-efficient solutions, including LED retrofits with occupancy sensors, HVAC improvements and the installation of heat pumps in select facilities.
Hydrogen Fuel Cell Technology	Hydrogen fuel cell technology is used in most of our distribution centers for Powered Industrial Equipment (PIE), reducing emissions and improving operational efficiency.

Inclusion, Opportunity and Community

Having a broad range of perspectives and experiences strengthens how we operate as a business. It helps us better understand our customers, collaborate more effectively and continue delivering on our purpose.

At Grainger, our team members are central to everything we do. We are committed to creating an environment where everyone feels welcome and has the opportunity to make an impact – at work, in their career and in their community.

Fostering Connections

Business Resource Groups (BRGs) have been part of Grainger's culture for more than a decade, creating space for engagement, networking and shared experiences across the organization. Open to all team members, these groups help strengthen relationships and build a stronger workplace. Creating a connected environment also supports how we serve our customers and grow our business. When team members feel valued and supported, it enhances engagement, strengthens retention and contributes to better outcomes overall. Our Grainger Edge® principles and Code of Conduct set clear expectations for maintaining a collaborative workplace culture.

Making a Difference Where We Work and Live

Supporting the communities where we operate is an important part of how we create long-term value. We focus our efforts in areas where our capabilities and partnerships can make a meaningful difference:

DISASTER RESILIENCE AND RELIEF

During times of crisis, Grainger mobilizes its logistics network, Supplier Program and team member expertise to help ensure critical resources reach customers quickly. We also work alongside nonprofit partners to support disaster preparedness and response efforts in the communities we serve.

WORKFORCE DEVELOPMENT

Access to careers in technology and skilled trades can open the door to long-term stability and growth. Through targeted programs, Grainger helps individuals build the skills and credentials needed to pursue these paths and succeed over time.

LOCAL COMMUNITIES

Our approach to community investment focuses on long-term impact. By supporting programs that address local priorities and needs, we help strengthen well-being, expand access to opportunity and contribute to sustainable outcomes in the places where we live, work and operate.

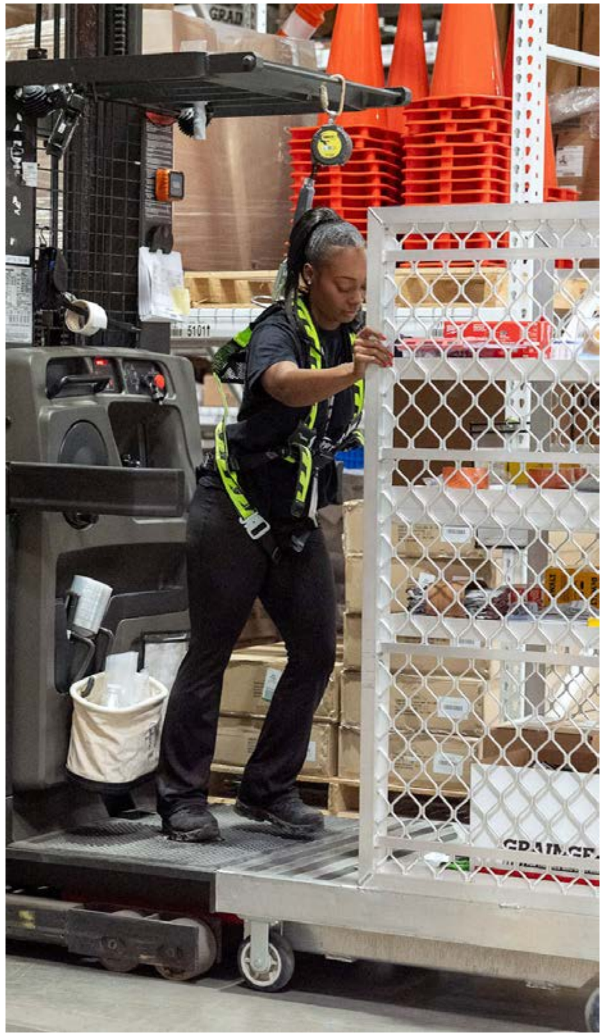
Our Impact

Grainger contributed more than $67 million in cash and product donations to nonprofit organizations in 2025 to both national and locally focused organizations and logged approximately 18,000 volunteer hours to support the communities where our team members live and work.

This support includes grants, in-kind donations, skilled volunteerism, nonprofit board placements and the Grainger Matching Charitable Gifts Program, which provides a 3-to-1 match for U.S. team member contributions to eligible nonprofits, up to $7,500 annually. Through this program, Grainger provided nearly $3 million in matching gift contributions in 2025, supporting over 1,100 nonprofit organizations.

Working Safely and Securely

Safety and security are foundational to how Grainger cares for team members and operates our business. We continue to strengthen this commitment by enhancing our capabilities, advancing key initiatives and taking a proactive, data-informed approach to protecting our people and operations.

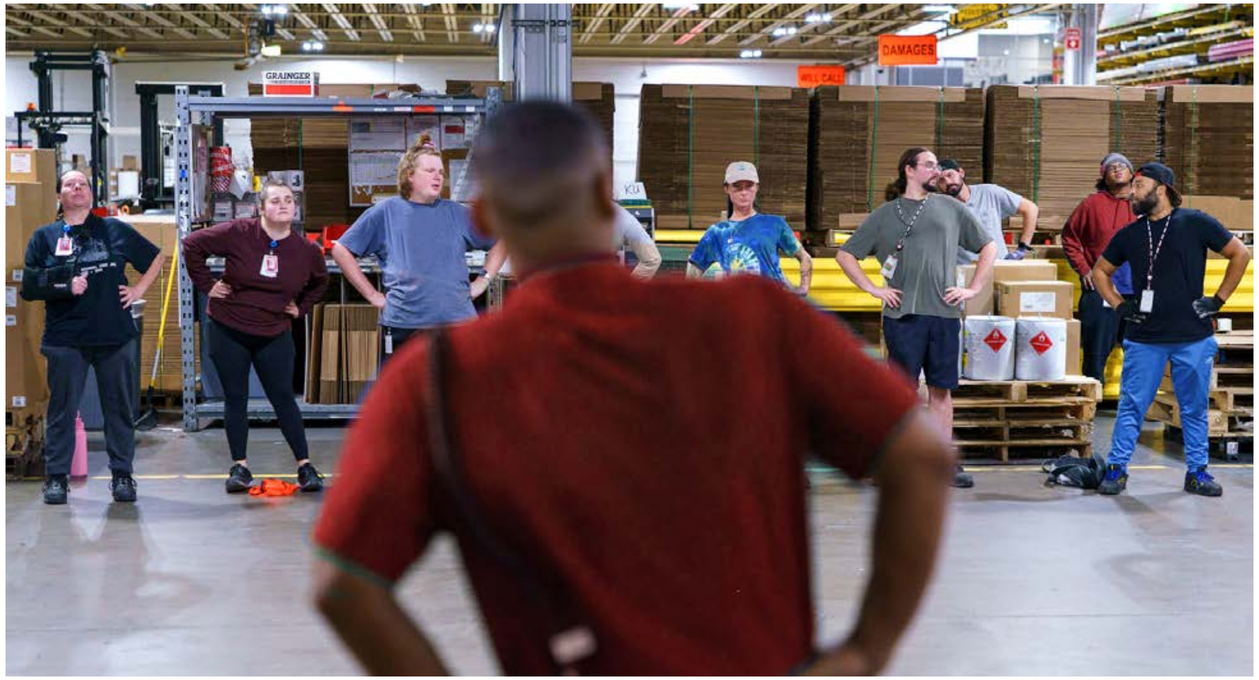


At Grainger, our safety and security programs help ensure team members understand their role in keeping themselves, their colleagues and our customers safe and secure. We reinforce our safety and security programs through ongoing training, communication and engagement.

Across the enterprise, we are expanding the use of real-time data, strengthening safety and security observations and assessments and focusing on high-risk operations such as material handling and powered industrial equipment operations. Greater visibility into safety and security metrics supports more informed decision-making and drives continuous improvement across our sites and operations.

Our U.S.-based safety performance includes all operational and non-operational full-time and part-time team members. In 2025, Grainger experienced a total recordable incident rate of 1.3 and a lost-time incident rate of 0.7, with zero work-related fatalities. These results compare favorably with the wholesale industry averages of 2.2 and 0.9, respectively, as defined by the U.S. Bureau of Labor Statistics (BLS).

These outcomes reflect our continued focus on prevention, along with the disciplined execution of our safety and security initiatives and standard processes.



Safety and Security

Our commitment to the safety and security of our team members and customers is grounded in our Global Environmental, Health and Safety (EHS) Policy, which focuses on three key priorities:

- Safe people and processes for our operations worldwide;
- Safe environments through proper product handling, storage and waste minimization for all business areas; and
- Safe distribution by properly transporting hazardous materials

Appendix

Forward-Looking Statement

All statements in this report other than those relating to historical facts are “forward-looking statements” under the federal securities laws. Forward-looking statements can generally be identified by their use of terms such as “aim,” “anticipate,” “believe,” “commit,” “could,” “drive,” “estimate,” “ensure,” “expect,” “forecast,” “goal,” “intend,” “may,” “mission,” “plan,” “predict,” “project,” “seek,” “strategy,” “strive,” “target,” “will” or “would” and similar terms and phrases, including references to assumptions. In particular, such statements may include but are not limited to: (1) statements which may relate to our purpose, ambitions, aims, commitments, targets, plans, and objectives, and sustainability goal progress; (2) environmental, health, and safety (EHS) data as it relates to the environment, safety performance, management systems, implementation, and regulatory compliance, including data collection systems at applicable sites that track and collect EHS data through the corporate-wide EHS reporting systems; (3) social data as it relates to employee metrics, social practices, and community engagement programs derived from our various databases; (4) responsible sourcing of materials and the related responsible sourcing systems and data; and (5) statements about actions of suppliers and vendors or our work with them.

Grainger cannot guarantee that any forward-looking statement will be realized and achievement of future results is subject to risks and uncertainties, many of which are beyond Grainger’s control, which could cause Grainger’s results to differ materially from those that are presented.

Important factors that could cause actual results to differ materially from those presented or implied in the forward-looking statements include, without limitation: inflation, higher product costs or other expenses, including operational and administrative expenses; a major loss of customers; loss or disruption of sources of supply; changes in customer or product mix; increased competitive pricing pressures; changes in third-party practices regarding digital advertising; failure to enter into or sustain contractual arrangements on a satisfactory basis with group purchasing organizations; failure to develop, manage or implement new technology initiatives or business strategies, including with respect to Grainger’s eCommerce platforms and artificial intelligence; failure to adequately protect intellectual property or successfully defend against infringement claims; fluctuations or declines in Grainger’s gross profit margin; Grainger’s responses to market pressures; the outcome of pending and future litigation or governmental or regulatory proceedings, including with respect to wage and hour, anti-bribery and corruption, environmental, regulations related to advertising, marketing and the internet, consumer protection, pricing (including disaster or emergency declaration pricing statutes), product liability, compliance or safety, trade and export compliance, general commercial disputes, or privacy and cybersecurity matters; investigations, inquiries, audits and changes in laws and regulations; failure to comply with laws, regulations and standards, including new or stricter environmental laws or regulations; government contract matters; the impact of any government shutdown; disruption or breaches of information technology or data security systems involving Grainger or third parties on which Grainger depends; general industry, economic, market or political conditions; general global economic conditions including existing, new, or increased tariffs, trade issues and changes in trade policies, inflation, and interest rates; currency exchange rate fluctuations; market volatility, including price and trading volume volatility or price declines of Grainger’s common stock; an incident that adversely impacts Grainger’s reputation or brand; commodity price volatility; facilities disruptions or shutdowns; higher fuel costs or disruptions in transportation services; effects of outbreaks of pandemic disease or viral contagions, global conflicts, natural or human induced disasters, extreme weather, and other catastrophes or conditions; effects of climate change; failure to execute on our efforts and programs related to our corporate responsibility efforts; competition for, or failure to attract, retain, train, motivate and develop executives and key team members; loss of key members of management or key team members; loss of operational flexibility and potential for work stoppages or slowdowns if team members unionize or join a collective bargaining arrangement; changes in effective tax rates; changes in credit ratings or outlook; Grainger’s incurrence of indebtedness or failure to comply with restrictions and obligations under its debt agreements and instruments; and other factors that can be found in Grainger’s filings with the Securities and Exchange Commission (“SEC”), including Grainger’s most recent periodic reports filed on Form 10-K and Form 10-Q, which are available under “Financials” in the Investor Relations section of Grainger’s website at http://invest.grainger.com.

The preceding list is not intended to be an exhaustive list of all of the factors that could impact Grainger’s forward-looking statements. Caution should be taken not to place undue reliance on Grainger’s forward-looking statements. Historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. The information included in, and any issues identified as material for purposes of, this document shall not be considered material for SEC reporting purposes. As such, in the context of this report, the term “material” is distinct from, and should not be confused with, such term as defined for SEC reporting purposes. Website references and hyperlinks throughout this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report, nor does it constitute a part of this report. Grainger undertakes no obligation to update or revise any of its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This report represents our current policy and intent and is not intended to create legal rights or obligations. The standards of measurement and performance contained in this report are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this report can or will be achieved. This report may contain or incorporate by reference public information not separately reviewed, approved, or endorsed by us, and we make no representation, warranty, or undertaking as to the accuracy, reasonableness, or completeness of such information. This report contains examples of savings and results achieved by us, our customers and our vendors that may or may not be representative of what other companies could achieve in similar circumstances. Inclusion of information in this report is not an indication that the subject or information is material to our business or operating results. No part of this report or our website constitutes, or shall be taken to constitute, an invitation or inducement to invest in us or any other entity and shall not be relied upon in any way in connection with any investment decisions.

About This Report

The contents of this report are informed by the outcomes of our most recent materiality assessment conducted in 2024. Further details on our 2024 materiality assessment are provided on page 13. We also align disclosures in this report to the Task Force on Climate-related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB), and we provide a Global Reporting Initiative (GRI) content index to indicate the location(s) of particular topics and data. The data in this document is for the reporting period January 1, 2025, to December 31, 2025, unless otherwise specified. Throughout this report, data figures are rounded and approximate.

Boundary

Although Grainger's commitments apply throughout the world, this report is primarily focused on Grainger's major operations in North America.[1] These operations currently represent more than 80% of Grainger's business based on percentage of revenue and number of team members. In this report, the specific geographic and business unit boundaries are referenced as follows:

- "Total company", "Grainger", "global" or "globally" refer to W.W. Grainger, Inc. and its subsidiaries, except where the context makes it clear that the reference is only to W.W. Grainger, Inc. itself and not its subsidiaries.
- "High-Touch Solutions N.A." refers to Grainger's High-Touch Solutions segment in North America, which provides value-added MRO solutions that are rooted in deep product knowledge and customer expertise. The high-touch solutions model serves customers with complex buying needs. This segment includes the Grainger-branded businesses in the United States (U.S.), Canada, Mexico and Puerto Rico.
- "High-Touch Solutions U.S." refers to Grainger-branded businesses in the U.S. that form part of the High-Touch Solutions model.
- "Endless Assortment" refers to Grainger's Endless Assortment segment that provides a streamlined and transparent online platform with one-stop shopping for millions of products. The Endless Assortment segment includes Zoro Tools, Inc. (Zoro) and MonotaRO Co., Ltd. (MonotaRO) online channels which operate predominantly in the U.S. and Japan, respectively.
- Stated geographies such as "U.S." or "North America" refer to all of Grainger's operations in the stated geographies. Both reportable segments, High-Touch Solutions N.A. and Endless Assortment, are included.

External Assurance

Grainger engages with Apex Companies, LLC, for verification of our Scope 1, Scope 2 and Scope 3 greenhouse gas emissions, energy consumption, waste generation and water withdrawal data. We have included our emissions assurance in this report on page 35. You can view all of our verification statements at http://invest.grainger.com.

Data Validation

Since 2022, Grainger has maintained a team within our Controllership department that is dedicated to reviewing Impact data and helping to ensure accuracy, completeness and consistency in external reporting. Prior to disclosure, each metric in this report underwent internal validation.

[1] High-Touch Solutions North America and Zoro U.S.

Materiality Assessment

At Grainger, materiality assessments help identify and prioritize the issues most important to our business and stakeholders. Insights from these assessments inform our Grainger Impact Program and broader business strategy, and we refresh our approach regularly to reflect evolving priorities.

Our Approach

In 2024, Grainger partnered with a third-party consulting firm to support an updated materiality assessment. For the first time, we applied a double-materiality-informed approach, expanding our analysis to evaluate both the financial significance of topics to Grainger and our potential impacts on the environment, people and society.

The assessment incorporated benchmarking against leading frameworks and standards, including GRI, SASB, Institutional Shareholder Services Inc. (ISS), MSCI Inc. and TCFD, as well as peer company disclosures. Identified topics were then aligned to the European Sustainability Reporting Standards subtopics and further evaluated through value chain mapping to evaluate dependencies and impacts across our operations and the environment.

Stakeholder Engagement

We engaged a broad range of stakeholders, including senior leaders, team members, customers, investors and community partners, to gather input on financial and impact materiality. Feedback was collected through interviews, workshops and surveys.

Materiality Matrix

Stakeholder inputs were aggregated into a double-materiality-informed matrix, which Grainger's Leadership Team reviewed and approved. The results reinforced our focus on the topics most significant to our business and stakeholders as follows:

- Customer Sustainability Solutions[2]
- Supplier Relationships and Strategic Alliances[3]
- Energy and Emissions[4]
- Inclusion, Opportunity and Community[5]
- Working Safely and Securely[6]

[2] Customer Sustainability Solutions aligns to the "Footprint of products and services" topic in our materiality matrix.
[3] Supplier Relationships and Strategic Alliances aligns to the "Supplier relationships" topic in our materiality matrix.
[4] Energy and Emissions aligns to the "Climate change mitigation" and "Energy" topics in our materiality matrix.
[5] Inclusion, Opportunity and Community aligns to the "Inclusion," "Talent attraction, development and retention," and "Community impact" topics in our materiality matrix.
[6] Working Safely and Securely aligns to the "Working conditions and safety" topic in our materiality matrix.

Product Safety and Quality

While we do not manufacture the products we distribute, we maintain processes and oversight designed to help ensure the products we offer meet our expectations for safety, quality and compliance. This work is supported by a Product Safety Committee composed of senior leaders from the Product Compliance, Legal and Merchandising teams.

Grainger offers a broad selection of national brand products sourced from trusted supplier partners with expertise in their respective industries. As part of our supplier onboarding process, vendors are required to acknowledge our supplier handbook, which helps reinforce expectations for responsible business practices. Additionally, Grainger's engineering team helps support the quality of private label products through product evaluations, testing and direct engagement with suppliers. These efforts help verify that suppliers maintain the standards and processes necessary to deliver consistent product quality.

- **Product Safety:** If product safety concerns or recalls arise, the Product Safety team works closely with suppliers to assess the situation and determine an appropriate response. When necessary, a stop sale is implemented within Grainger's systems to prevent products from being shipped to customers while the issue is evaluated and addressed. Once corrective actions have been completed to the satisfaction of both Grainger and the supplier, the stop sale may be lifted.
- **Quality:** When quality concerns are identified, the engineering team investigates the issue, conducts appropriate testing and determines next steps. Depending on the findings, actions may include supplier process improvements, stop sales, product rework or product recalls.

Supply Chain Transparency

Clear standards help guide responsible sourcing throughout Grainger's supply chain. Our Supplier Code of Ethics, which is incorporated into Grainger's Code of Conduct, establishes expectations across human rights, labor, environmental practices and anti-corruption. Grainger's Human Rights Principles further reinforce our commitment to providing a safe workplace and respecting internationally recognized human rights standards, with oversight provided through regular review by senior leadership. To learn more, visit the Governance section of our website at http://invest.grainger.com.

Conflict Minerals

Grainger's Conflict Minerals Policy supports the objectives of the Dodd-Frank Act by helping prevent armed groups in the Democratic Republic of the Congo (DRC) and surrounding countries from benefiting from the extraction and trade of tantalum, tin, gold and tungsten sourced from the region. The company's Conflict Minerals Policy is available under "Governance" in the Investor Relations section of our website at http://invest.grainger.com.

Team Member Learning

At Grainger, we invest in learning and development so team members can build skills, explore career growth opportunities and strengthen leadership capabilities throughout their careers at the company. To support the needs of our workforce, these North America focused learning opportunities are organized across three portfolios:

- **Professional and Career Development:** Professional and career development programs are designed to help team members build business and personal skills while exploring opportunities for growth and advancement. Examples include:
  - **The Elevate Badging Program,** which provides team members with the opportunity to earn five badges aligned to core business skills.
  - In 2025, nearly 85% of the North American workforce received career or skill-based training.
  - Grainger offers a best-in-class Educational Assistance program to all U.S.-based full-time and part-time team members. The program covers Trade Certificates, GED, Associate, Bachelor's and Master's degrees.
- **Leadership Development:** Leadership development programs focus on strengthening the skills needed to effectively lead, coach and develop others, while preparing future leaders for expanded responsibilities. Examples include:
  - **Leadership Essentials**, an eight-week blended learning program that equips new people leaders with the knowledge and tools needed to coach, develop and provide feedback to their teams. In 2025, nearly 75% of current North American people leaders at Grainger completed the program.
  - **Aspiring Leader**, a six-week blended learning program that helps high-potential team members build the capabilities needed to accelerate their growth and prepare for future leadership opportunities.
- **Senior Leadership Development:** Senior leadership development programs are designed to strengthen business acumen and leadership capabilities among experienced leaders. Examples include:
  - **Grainger's End-to-End (E2E) Leader Program**, which provides Directors and above with hands-on opportunities to deepen their understanding of the business and gain experience across functions.
  - **End-to-End Essentials**, a program designed for Senior Managers that builds business knowledge through a series of online learning modules and expert-led virtual sessions.

Information Security and Data Privacy

Our Information Security team works to safeguard the company's information and technology assets through a risk-based approach aligned with Grainger's Enterprise Risk posture and informed by the National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0. The program is led by a dedicated Chief Information Security Officer and supported by a team of experienced security professionals. We continuously evaluate and strengthen our cybersecurity capabilities as the threat landscape evolves. Key elements of our program include:

- **Governance and Oversight:** Cybersecurity governance is supported through regular reviews by the Security Governance Council, which is composed of executive-level, cross-functional leaders. The company's Audit Committee also receives quarterly updates on cybersecurity risks, mitigation activities and program performance. The program is periodically evaluated through independent third-party assessments and penetration testing to validate effectiveness against industry practices.
- **Proactive Risk Management and Resilience:** Grainger maintains 24/7 security monitoring and response capabilities and actively tracks emerging cyber threats, including risks associated with artificial intelligence. We regularly enhance technologies, processes and services to address evolving risks. We conduct tabletop exercises and simulation drills to assess readiness, strengthen incident response capabilities and reinforce coordination across teams during cyber events.
- **Third-Party Risk Management:** We assess the security posture of suppliers and service providers with access to our systems or data, supported by contractual security requirements and periodic reassessment.
- **Team Member Awareness and Education:** Building a strong security culture requires ongoing education and engagement. Team members participate in regular cybersecurity training, including recurring simulated phishing campaigns designed to strengthen awareness and response capabilities, with completion tracked to measure and improve our security culture.

Grainger's approach to privacy is guided by globally recognized standards and supported by privacy and data protection principles that are incorporated into our systems and processes by design. We are committed to protecting the Personally Identifiable Information (PII) collected through normal business activities, including information used to fulfill customer orders, administer team member benefits and support stakeholder relationships. All team members are required to complete annual privacy training, and team members responsible for handling sensitive personal information receive additional role-based instruction.

We regularly review our records management practices and work to reduce retention of both physical and digital records where appropriate. Information about our data collection, use, sharing and storage practices is available in our Privacy Policy.

Data Transparency Table

	2023	2024	2025
GRAINGER			
Total revenue ($ billion)	16.5	17.2	17.9
Total team members	26,100	26,000	25,000
Total full-time team members	23,200	23,500	22,100
Total part-time team members	3,000	3,000	2,900
Total U.S. team members	19,000	19,000	19,000
THE GRAINGER TEAM: LIFE AT GRAINGER			
Team Member Development[7]			
Total training hours completed by team members (hours)	361,000[8]	400,000	353,000
Average training hours per team member (hours)	11[8]	13	12
Percentage of workforce receiving career or skill-based training (%)	69[8]	94	85
Ethics			
Percentage of global team members who completed Code of Conduct training (%)	100	99	100
Operating Sustainably			
Global non-hazardous waste landfilled (thousand pounds)	24,000	22,000	23,000
Percent of non-hazardous waste landfilled (%)	25	26	26
Global non-hazardous waste recycled (thousand pounds)	72,000	63,000	67,000
Percent of non-hazardous waste recycled (%)	75	74	74
U.S. hazardous waste disposed (thousand pounds)	58	42	53
Global total water use/water withdrawn (cubic meters)	538,000	468,000	430,000
Percent change from prior year in global water usage	7	(13)	(8)
Impacting Communities			
Cash and product contributions to nonprofit organizations ($ million)	56	63	67
U.S. team member volunteer hours (hours)	16,000	23,000	18,000

[7] North American team members only.

[8] Year-over-year data not comparable due to using different methodologies to classify training.

Data Transparency Table (continued)

	2023	2024	2025
PROGRAM FOCUS AREAS			
Customer Sustainability Solutions			
Sustainability Solutions revenue ($ billion)[9]	2	2	2
Percentage of revenue from Sustainability Solutions (% of High-Touch Solutions N.A. revenue)	16	16	16
Supplier Relationships and Strategic Alliances[10]			
Spend with all small businesses ($ billion)	2	2	2
Number of small businesses part of Grainger's Supplier Program	6,000	6,000	5,000
Energy and Emissions[11]			
Total energy consumption from renewable and non-renewable sources (MWh)	309,000	297,000	325,000
Energy intensity (MWh / $M)	19	17	18
Reduction in energy consumption from prior year due to conservation and efficiency initiatives (MWh)	18,000	13,000	12,000
Non-renewable energy usage – branches (MWh)	89,000	84,000	85,000
Non-renewable energy usage – corporate offices (MWh)	40,000	41,000	41,000
Non-renewable energy usage – distribution centers (MWh)	118,000	116,000	121,000
Non-renewable energy usage – other (data centers and warehouses) (MWh)	31,000	26,000	21,000
Percentage renewable energy (%)	10	10	18
Renewable energy produced (MWh)	8,000	7,000	14,000
Percentage grid electricity (%)	591,000 GJ, 53% of total (164,000 MWh)	571,000 GJ, 53% of total (159,000 MWh)	537,000 GJ, 46% of total (149,000 MWh)
Total electrical power consumption (MWh)	164,000	162,000	153,000
Non-renewable electrical power (MWh)	136,000	134,000	112,000
Electrical power consumption – branches (MWh)	32,000	29,000	26,000
Electrical power consumption – corporate offices (MWh)	27,000	29,000	29,000
Electrical power consumption – distribution centers (MWh)	95,000	94,000	88,000
Electrical power consumption – other (data centers and warehouses) (MWh)	11,000	10,000	10,000

[9] Grainger High-Touch Solutions U.S.; Includes products and services.
[10] Grainger High-Touch Solutions U.S.; Includes veteran-, HUBZone- and disabled person-owned businesses, as well as other disadvantaged enterprises.
[11] Total global data.

Data Transparency Table (continued)

	2023	2024	2025
PROGRAM FOCUS AREAS			
Energy and Emissions[11]			
Scope 1 and Scope 2 emissions (market-based) ($MTCO_2e$)	86,000	74,000[12]	69,000
Scope 1 and Scope 2 emission intensity ($MTCO_2e$ / $M)	5	4[12]	4
Reduction of Scope 1 and Scope 2 emissions since 2018 (%)	31	41[12]	44
Scope 1 emissions ($MTCO_2e$)	30,000	28,000	32,000
Scope 1 emissions – branches ($MTCO_2e$)	11,000	11,000	12,000
Scope 1 emissions – corporate offices ($MTCO_2e$)	3,000	2,000	2,000
Scope 1 emissions – distribution centers ($MTCO_2e$)	8,000	8,000	10,000
Scope 1 emissions – other (data centers, warehouses, refrigerants, generators and fleet fuel) ($MTCO_2e$)	8,000	7,000	8,000
Scope 2 emissions (market-based) ($MTCO_2e$)	56,000	46,000[12]	37,000
Inclusion, Opportunity and Community			
Global percent of women team members (%)	Relevant information can be found in our 2025 Annual Report, 2026 Proxy Statement and EEO-1 Report located on our Investor Relations page.		
U.S. percent of women in leadership positions (%)			
Global percent of women on executive leadership team (%)			
Percent of women board of directors (%)			
U.S. percent of racially and ethnically diverse team members (%)			
U.S. percent of racially & ethnically diverse leaders (%)			
U.S. percent of racially & ethnically diverse members of executive leadership team (%)			
Percent of racially & ethnically diverse board of directors (%)			
Working Safely and Securely[13]			
Lost time injury rate – all employees (lost time incidents per 100 team members in a year)	0.4	0.5	0.7
Lost time injury rate – contractors (lost time incidents per 100 team members in a year)	0.0	0.0	0.0
Total recordable incident rate – all employees (OSHA recordable incidents per 100 team members in a year)	1.3	1.3	1.3
Total recordable incident rate – contractors (OSHA recordable incidents per 100 team members in a year)	0.0	0.0	0.0
Total number of fatalities – all employees	0	0	0
Total number of fatalities – contractors	0	0	0

[12] Scope 2 market-based figures reflect a restatement from last year's report due to more granular emissions factors that became available at the end of 2025. This updated approach has been applied for 2025 and will be used moving forward.
[13] U.S. data.

Task Force on Climate-Related Financial Disclosures (TCFD) Index

The Task Force on Climate-related Financial Disclosures (TCFD) developed voluntary, consistent climate-related financial risk disclosures to help companies provide meaningful information to stakeholders, which is now being overseen by the IFRS Foundation through incorporation into the ISSB standards. We are committed to providing transparency on our climate-related risk management, governance and performance. In line with this commitment, we have provided responses to the TCFD recommendations below, along with references to sources where you can find additional details and disclosures. Please note, at the time of publishing this index, our 2025 CDP Assessment covering FY2024 is available. Our 2026 CDP response will be made available later in 2026, according to the CDP's timeline, and will cover FY2025. Please check the Impact section of our website at Invest.Grainger.com for our latest reports and resources, including our CDP submissions and assurance statements.

RECOMMENDED DISCLOSURE	GRAINGER RESPONSE	2026 REFERENCES
Governance		
Describe the Board's oversight of climate-related risks and opportunities.	The Board has oversight of Grainger's Enterprise Risk Management (ERM) program and processes, including risks related to Grainger's Impact Program. Both the Board and Audit Committee regularly review Grainger's risk assessment and management processes and policies, and receive regular updates from Grainger's management team members who are responsible for the effectiveness of Grainger's ERM program. The Board Affairs and Nominating Committee (BANC), which is composed of all of the Board's independent directors, assists the Board in oversight of Grainger's Impact Program, including climate-related topics. The BANC annually reviews Grainger's Impact Program and reporting, which includes climate-related topics. In addition to its annual review, the BANC receives reports and updates on Grainger's Impact Program and climate-related matters on an as-needed basis. Additionally, the Audit Committee (AC) has oversight of Grainger's Impact Program focus areas as they relate to material disclosures in Grainger's SEC filings, as applicable.	CDP 2026 Impact Report, Overview 2026 Proxy Statement, pages 1-2, 28-29
Describe management's role in assessing and managing climate-related risks and opportunities.	Grainger has a Leadership Team that is led by the CEO and composed of management team members. The Grainger Leadership Team sets the strategic direction of Grainger's Impact Program, which includes climate-related topics, identifies ways to incorporate initiatives into our operations and strategy, and provides updates to the BANC and information to the Board. Members of the Grainger Leadership Team regularly receive updates on Grainger's climate-related matters, provide strategic direction, monitor progress and manage and assess climate-related risks and opportunities brought forth as part of Leadership Team updates. Cross-functional working groups composed of subject matter experts manage and implement strategic guidance from the Grainger Leadership Team on climate-related topics.	CDP 2026 Impact Report, Overview 2026 Impact Report, Materiality Assessment 2026 Proxy Statement, page 29

Task Force on Climate-Related Financial Disclosures (TCFD) Index (continued)

RECOMMENDED DISCLOSURE	GRAINGER RESPONSE	2026 REFERENCES
Strategy		
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	As part of Grainger's climate-related risk assessments, Grainger considers both transition and physical risks. For transition risks, Grainger has identified potential and/or actual climate-related transition risks associated with current and emerging regulations, technology, legal issues, market conditions and reputation. For physical risks, Grainger has identified both acute and chronic physical risks that could impact our business.The time horizons for climate-related risk assessments align with our financial reporting time horizons. Our financial reporting time horizons correspond with the SEC's definition of short-term, medium-term, and long-term, where short-term is defined as anything between 0-3 years, medium-term is defined as anything between 3-10 years and long-term is anything beyond 10 years. Further details outlining these risks can be found in our latest CDP Assessment. Grainger has also identified climate-related opportunities that could positively impact our business. Our ability to provide customers with a robust offering of Sustainability Solutions (products, services and resources) is critical to meeting various customer needs and represents a growing sales segment for Grainger worth more than $2 billion in annual revenue.[9] Our Sustainability Solutions offering helps customers manage their energy, air quality, waste and water needs. Additionally, Grainger's Emergency Management Programs help communities prepare for and respond to emergencies such as extreme weather. We ensure our local branches are stocked with products that help communities before, during and after an emergency, and we provide internal and external resources to assist impacted areas. There is potential for increased demand for our Emergency Management programs due to potentially increased weather severity that results in more emergencies. Grainger has also identified opportunities to improve energy efficiency and reduce dependence on non-renewable energy within our own operations. These opportunities include solar installations that have had measurable financial returns, as well as initiatives such as high-efficiency lifecycle replacements and building management systems that have decreased our energy consumption and costs, as well as reduced our emissions (see more information about our emissions target in the Metrics section below). This helps to prevent increases in energy costs and availability, increases in costs related to potential carbon taxes/pricing and any future reputational risks in the transition to a lower carbon economy.	CDP 2026 Impact Report, Energy and Emissions 2026 Impact Report, Customer Sustainability Solutions 2025 Annual Report, pages 13-18
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	Climate-related risks and opportunities have an influence on Grainger's strategy and financial planning. We developed our Sustainability Solutions offering and Emergency Management Programs to meet key customer needs and expect them to remain integral to our business and overall strategy. Grainger continues to make climate-related research and development (R&D) investments, such as building management systems to improve our resource efficiency and monitor site-level trends and climate-related risks. We consider our operations and supply chain, with the understanding that the inability to provide customers with the products they want when they want them because of climate-related risks could significantly impact our business results. Grainger's Business Continuity and Disaster Recovery planning helps minimize the impact of outages affecting Grainger customers. This includes conducting business impact assessments to understand the potential impact of key facilities and locations on our business and supply chain and evaluate how we might mitigate impacts and invest in business continuity actions such as generators and air scrubbers. Grainger engages with suppliers to understand their own climate-related risks, opportunities, targets and performance.	

Task Force on Climate-Related Financial Disclosures (TCFD) Index (continued)

RECOMMENDED DISCLOSURE	GRAINGER RESPONSE	2026 REFERENCES
Strategy		
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Grainger conducts climate-related scenario analysis in a qualitative and quantitative manner to help inform our climate strategy. For the transition scenario, we evaluated a 1.5°C scenario. The analysis showed that our current emissions target and performance are aligned for Scope 1 and Scope 2, but our Scope 3 emissions would not be aligned with a 1.5°C temperature trajectory. Grainger is pursuing continued improvement of Scope 3 through improvements in our data and calculation methodologies and engagement with suppliers and customers to collectively progress on sustainability and emissions goals. To assess our physical risk exposure, in addition to RCP 2.6, we evaluated the 'business as usual' RCP 8.5 scenario, in which long-term climate shifts are likely to lead to severe weather events, disrupting supply chains and impacting revenue. In this scenario, there are increased risks to our assets, as well as higher risks to critical infrastructure in surrounding communities. A business impact analysis revealed that losing a distribution center would affect Grainger's operations and business results; however, we have the ability to mitigate some impacts through rerouting products, drop-shipping, overtime work and other strategies.	CDP
Risk Management		
Describe the organization's processes for identifying and assessing climate-related risks.	Climate-related risks are incorporated into Grainger's overall Enterprise Risk Management (ERM) processes. The ERM team uses the company's Enterprise Risk Management Framework (RMF) to define, measure and monitor risk across the organization. External benchmarking is conducted to determine applicable short-term, medium-term and long-term risks for the organization. As part of this framework, there is an enterprise risk rating scale that provides guidelines for risk scoring/magnitude, which includes both quantitative and qualitative metrics across multiple dimensions. There is a quantitative metric that covers the financial dimension of risk. The risk rating scale quantifies risk magnitude through consideration of impact and likelihood ratings. Applying ratings to each risk helps to commonly measure and prioritize risks consistently. Additionally, Grainger leaders and climate-related subject matter experts throughout the company support the identification of relevant climate risks. There is a cross-functional team that identifies and assesses any emerging or evolving risks related to climate on an ongoing basis. The assessment process for a climate-related risk may include, but is not limited to, reviewing the risk and its likelihood, evaluating the potential or actual financial significance, benchmarking, engaging with key stakeholders, leveraging third-party consultant perspectives, understanding current risk management activities and tracking the current state. Grainger has implemented a specific process to track the financial impact of severe weather events on our business to understand risks better and develop mitigation strategies (including business continuity processes) related to such events. Grainger's Board and management team are engaged in assessing identified material risks and determining the appropriate response and prioritization.	CDP 2026 Proxy Statement, pages 28-29
Describe the organization's processes for managing climate-related risks.		
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.		

Task Force on Climate-Related Financial Disclosures (TCFD) Index (Continued)

RECOMMENDED DISCLOSURE	GRAINGER RESPONSE	2026 REFERENCES
Metrics		
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	The following metrics help Grainger assess and manage the climate-related risks and opportunities outlined above, including opportunities for energy efficiency and customer solutions: • Scope 1 emissions: 32,000 $MTCO_2e$ • Scope 2 emissions, location-based: 55,000 $MTCO_2e$ • Scope 2 emissions, market-based: 37,000 $MTCO_2e$ • Scope 1 and Scope 2 (market-based) emissions: 69,000 $MTCO_2e$ • Scope 1 and Scope 2 (market-based) emissions intensity: 4 $MTCO_2e$ / $M • Scope 3 emissions: ◦ Category 1 – Purchased goods and services: 2,000,000 $MTCO_2e$ ◦ Category 2 – Capital goods: 37,000 $MTCO_2e$ ◦ Category 3 – Fuel- and energy-related activities (not included in Scope 1 or 2): 17,000 $MTCO_2e$ ◦ Category 4 – Upstream transportation and distribution: 410,000 $MTCO_2e$ ◦ Category 5 – Waste generated in operations: 10,000 $MTCO_2e$ ◦ Category 6 – Business travel: 35,000 $MTCO_2e$ ◦ Category 7 – Employee commuting: 51,000 $MTCO_2e$ ◦ Category 8 – Upstream leased assets: 2,000 $MTCO_2e$ ◦ Category 11 – Use of sold products: 39,000,000 $MTCO_2e$ ◦ Category 12 – End of life treatment of sold products: 552,000 $MTCO_2e$ • Customer Sustainability Solutions Revenue[10]: $2 billion Scope 1, Scope 2 and Scope 3 emissions methodology and assurance statements can be found at Invest.Grainger.com. Further details outlining the metrics we use to assess climate-related risks and opportunities can be found in our latest CDP Assessment.	CDP 2026 Impact Report, Emissions Reporting: Assurance 2026 Impact Report, Energy and Emissions 2026 Impact Report, Emissions Reporting - Accompanying Disclosures Invest.Grainger.com
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	**Scope 1 and Scope 2 Target**: Since we have achieved our prior goal, Grainger's current 2030 emissions target seeks to reduce our global absolute Scope 1 and Scope 2 emissions by 50% from a 2018 baseline. In 2025, we continued to see progress toward our target. **Performance Against Target:** Since 2018, we have reduced global absolute Scope 1 and Scope 2 emissions by 44%. For the year, our Scope 1 and Scope 2 (market-based) emissions totaled 69,000 metric tons of CO_2e, placing us 88% of the way to meeting our target.	CDP 2026 Impact Report, Energy and Emissions

SASB Index

SASB has developed and maintains (with oversight by the IFRS Foundation) industry-specific standards to assist companies in disclosing financially material sustainability information to investors. The following chart outlines our SASB disclosure responses to the Multiline and Specialty Retailers & Distributors standard, with references to where this information can be found.

ACCOUNTING METRIC	DATA TYPE	CODE	GRAINGER DISCLOSURE
Energy Management In Retail & Distribution			
(1) Total energy consumed	Quantitative	CG-MR-130a.1	1,169,000 GJ (325,000 MWh)
(2) Percentage grid electricity	Quantitative	CG-MR-130a.1	537,000 GJ, 46% of total (149,000 MWh)
(3) Percentage renewable	Quantitative	CG-MR-130a.1	205,000 GJ, 18% of total (57,000 MWh)

SASB Index (continued)

ACCOUNTING METRIC	DATA TYPE	CODE	GRAINGER DISCLOSURE
Data Security			
Description of approach to identifying and addressing data security risks	Qualitative	CG-MR-230a.1	2025 Annual Report, pages 20-21, 24 2026 Impact Report, Information Security and Data Privacy **Vulnerability Identification:** Grainger identifies vulnerabilities using vulnerability management tools and exercises such as scans and penetration tests, which are aligned with a defined, documented and approved vulnerability remediation strategy for all Grainger-owned operational assets. Grainger's IT environment is continuously analyzed to help identify new assets, devices or applications that require vulnerability scanning and penetration testing. The Threat and Vulnerability Management Team provides reports or automated dashboards identifying the current state of vulnerabilities impacting Grainger assets to those stakeholders and management team members who are responsible for reviewing and responding to vulnerability risk. In addition to scanning assets, the Information Security Architecture team reviews security designs and identifies security risks, and communicates with the Governance, Risk and Compliance (GRC) team to ensure the risks are remediated prior to the implementation of the technology asset or service. **Information Security Risk Management:** The GRC team's function is to provide governance to ensure that Grainger's information and systems are secured in accordance with our standards and to support our commitment to asset security and integrity. The GRC team accomplishes this through established governance and risk management processes that support asset classification, control implementation, risk assessments, audit support, risk acceptance, technology authorization and ongoing risk and control monitoring. **Information Security — Vendor Risk Management:** Grainger's Information Security GRC team reviews vendors when they are onboarded, upon contract renewal and when a new Statement of Work (SOW) is executed. The team conducts a review of the information and applications involved and then advises on the appropriate controls needed in the contract to ensure that adequate protections are in place. **Information Security Policies:** The Information Security team has numerous policies and administrative procedures in place to provide guidance on Information Security and Risk Management requirements. These policies are available to all team members on the company's intranet homepage and are updated regularly to align with industry standards, regulatory requirements and contractual agreements. **Information Security Awareness:** Grainger has an Information Security Awareness program that provides team members with an understanding of the foundations of Information Security through regular communications via the company intranet and newsletters. **Information Security Training:** All team members go through annual training regarding Information Security to ensure that they understand their roles and responsibilities in protecting Grainger information and systems. Additional training is provided to team members who have certain specific roles, such as software developers who build such systems and applications. In addition, Grainger's Information Security organization executes monthly companywide Information Security education and awareness campaigns and phishing tests to determine compliance with company policies and best practices and to determine additional focus needs. Grainger uses gamification to improve employee engagement with its security awareness content and tracks compliance with remediation training, leveraging Human Resources as an escalation point if needed.

SASB Index (continued)

ACCOUNTING METRIC	DATA TYPE	CODE	GRAINGER DISCLOSURE
Data Security			
(1) Number of data breaches, (2) Percentage involving personally identifiable information (PII) (3) Number of users affected	Quantitative	CG-MR-230a.2	While Grainger does not currently disclose all of these metrics, further information on data security can be found in the following: • 2025 Annual Report on pages 20-21, 24 • 2026 Impact Report, Information Security and Data Privacy
Labor Practices			
(1) Average hourly wage and (2) Percentage of in-store employees earning minimum wage, by region	Quantitative	CG-MR-310a.1	Grainger does not currently disclose this information.
(1) Voluntary and (2) Involuntary turnover rate for all employees	Quantitative	CG-MR-310a.2	
Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	CG-MR-310a.3	Material legal proceedings are disclosed in our 2025 Annual Report for the fiscal year ended December 31, 2025, on page 37, but Grainger does not currently disclose this specific metric.
Workforce Diversity & Inclusion			
Percentage of gender and diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees	Quantitative	CG-MR-330a.1	Relevant information can be found in our 2025 Annual Report and EEO-1 Report located on our Investor Relations page.
Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative	CG-MR-330a.2	Material legal proceedings are disclosed in our 2025 Annual Report for the fiscal year ended December 31, 2025, in Note 14, but Grainger does not disclose this specific metric.

SASB Index (continued)

ACCOUNTING METRIC	DATA TYPE	CODE	GRAINGER DISCLOSURE
Product Sourcing, Packaging & Marketing			
Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	CG-MR-410a.1	Grainger realized more than $2 billion in High-Touch Solutions U.S. Customer Sustainability Solutions revenue, including certified and validated environmentally preferable products, supporting sustainability services and Other Sustainability Related Products (OSRPs). OSRPs are not explicitly identified with specific environmental attributes and may not meet generally accepted sustainability criteria; however, while these products may not have a stated sustainability benefit, they still play a role in supporting sustainability goals by offering solutions that may contribute to broader environmental, health, and safety benefits, including energy management, waste management, air quality management, and water management. OSRPs can encompass a wide range of product categories and can potentially help advance sustainability initiatives without the explicit certifications found in CEPPs and EPPs. 2026 Impact Report, Customer Sustainability Solutions
Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	CG-MR-410a.2	**Products**: Our strong understanding of the MRO industry and products is driven by information received from our suppliers and product expectations from our customers. Where necessary to serve our customers, Grainger will work with suppliers to identify alternative products. For Grainger's private label products where we are the importer of record, we conduct in-person factory and product audits and quality checks prior to any new product entering our supply chain. When a private label product enters our supply chain, we conduct audits before the product is released into stock to ensure the product meets the requirements set with the supplier. All products must meet the testing and ingredient requirements for functionality, quality, federal and state regulations. We continue to increase the number of products in our portfolio with environmental certifications and attributes, such as GreenGuard, EPA Safer Choice and "Plastic-Free Packaging," helping consumers identify and consider these products while shopping. We also continue to monitor product safety best practices and forecast emerging risks and regulations. **Hazard Communication Program**: Grainger maintains a comprehensive Hazard Communication Program supported by established policies, procedures, and best practices. The program is administered by Grainger's Corporate Environmental, Health & Safety (EHS) team, which is responsible for its implementation and oversight. Employees who work with, handle or may be exposed to hazardous chemicals receive Hazard Communication training before beginning their job responsibilities. In addition, all new employees participate in a health and safety orientation that includes an overview of the Hazard Communication Standard and the Globally Harmonized System (GHS) for chemical classification and labeling. To ensure compliance with hazardous materials shipping requirements, appropriately trained members of Grainger's Distribution Center (DC) and Branch management teams are required to review and sign the Hazardous Material Shipping Compliance Guidelines Acknowledgment.
Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	CG-MR-410a.3	2026 Impact Report, Operating Sustainably

SASB Index (continued)

ACCOUNTING METRIC	DATA TYPE	CODE	GRAINGER DISCLOSURE
Activity Metric			
Number of: (1) retail locations and (2) distribution centers	Quantitative	CG-MR-000.A	Retail locations (branches): 374 Distribution centers: 33 Further details can be found in our 2025 Annual Report, page 25
Total area of: (1) retail space and (2) distribution centers	Quantitative	CG-MR-000.B	Retail locations (branches): 7,000,000 square feet Distribution centers: 17,000,000 square feet Further details can be found in our 2025 Annual Report, page 25

GRI Content Index

Grainger has reported the information cited in this GRI content index for the period January 1, 2025, to December 31, 2025, unless otherwise specified. Grainger applies the GRI Standards in the GRI content index below as a means of indicating where particular topics and disclosures can be found.

Please note, at the time of publishing this index, our 2025 CDP Assessment covering FY2024 is available. Our 2026 CDP response will be made available later in 2026, according to the CDP's timeline, and will cover FY2025. Please check the Impact section of our website at Invest.Grainger.com for our latest reports and resources, including our CDP submissions and assurance statements.

GRI 1 used — **GRI 1: Foundation 2021**

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	W.W. Grainger, Inc. 2025 Annual Report, pages 1, 5-10, 25
	2-2 Entities included in the organization's sustainability reporting	2026 Impact Report, About this Report
	2-3 Reporting period, frequency and contact point	Reporting period: Fiscal year 2025 (January 1, 2025, to December 31, 2025), unless otherwise noted. Reporting frequency: Annual Contact: Communications@Grainger.com
	2-4 Restatements of information	Details of restatements can be found in footnotes of respective sections in the 2026 Impact Report.
	2-5 External assurance	2026 Impact Report, About this Report and Emissions Reporting: Assurance GHG Assurance Letter at Invest.Grainger.com Water and Waste Assurance Letter at Invest.Grainger.com
	2-6 Activities, value chain and other business relationships	2025 Annual Report, pages "About Us," iv, 5-10
	2-7 Employees	25,000 total team members 2025 Annual Report, pages 8-10 2026 Impact Report, Team Member Learning
	2-8 Workers who are not employees	Grainger does not currently disclose this information.
	2-9 Governance structure and composition	2026 Proxy Statement
	2-10 Nomination and selection of the highest governance body	2026 Proxy Statement, pages 9-19
	2-11 Chair of the highest governance body	2026 Proxy Statement, page 24

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	2026 Proxy Statement, pages 1-2, 27-30
	2-13 Delegation of responsibility for managing impacts	2026 Proxy Statement, pages 20-23, 27-30
	2-14 Role of the highest governance body in sustainability reporting	2026 Proxy Statement, pages 27-30 2026 Impact Report, Overview
	2-15 Conflicts of interest	2026 Proxy Statement, pages 3-4, 7-8 Code of Conduct, page 4
	2-16 Communication of critical concerns	2026 Proxy Statement, pages 29-30 www.GraingerCodeofConduct.com
	2-17 Collective knowledge of the highest governance body	2026 Proxy Statement, pages 5-19
	2-18 Evaluation of the performance of the highest governance body	2026 Proxy Statement, pages 24-26
	2-19 Remuneration policies	2026 Proxy Statement, pages 31-34, 40-76
	2-20 Process to determine remuneration	2026 Proxy Statement, pages 31-32, 41-76
	2-21 Annual total compensation ratio	2026 Proxy Statement, page 70
	2-22 Statement on sustainable development strategy	2026 Impact Report, Overview
	2-23 Policy commitments	Code of Conduct Conflict Minerals Policy Supplier Code of Ethics Global Environmental, Health and Safety Policy
	2-24 Embedding policy commitments	2026 Impact Report (including but not limited to): – A Culture of Integrity – Supplier Relationships and Strategic Alliances – Energy and Emissions – Working Safely and Securely
	2-25 Processes to remediate negative impacts	2026 Impact Report, A Culture of Integrity www.GraingerCodeofConduct.com Code of Conduct

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	2026 Impact Report, A Culture of Integrity www.GraingerCodeofConduct.com Code of Conduct
	2-27 Compliance with laws and regulations	Material legal proceedings are disclosed in our 2025 Annual Report for the fiscal year ended December 31, 2025, on pages 25, 37, 39-40, 67
	2-28 Membership associations	2026 Proxy Statement, page 30
	2-29 Approach to stakeholder engagement	2026 Impact Report, Materiality Assessment
	2-30 Collective bargaining agreements	Code of Conduct Supplier Code of Ethics
GRI 3: Material Topics 2021	3-1 Process to determine material topics	2026 Impact Report, Materiality Assessment
	3-2 List of material topics	2026 Impact Report, Materiality Assessment
	3-3 Management of material topics	2026 Impact Report, Materiality Assessment For further details on specific material topics, please see the respective sections and metrics included in the 2026 Impact Report.
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2025 Annual Report, pages 39-67
	201-2 Financial implications and other risks and opportunities due to climate change	2025 Annual Report, pages 13-15, 18 CDP
	201-3 Defined benefit plan obligations and other retirement plans	2025 Annual Report, pages 55-58
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	2025 Annual Report, pages 8-10, 22 2026 Impact Report: – Customer Sustainability Solutions – Supplier Relationships and Strategic Alliances – Inclusion, Opportunity and Community
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	2026 Impact Report, Supplier Relationships and Strategic Alliances and Data Transparency Table
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Code of Conduct Supplier Code of Ethics

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 207: Tax 2019	207-1 Approach to tax	2025 Annual Report, pages 47, 61-64
	207-2 Tax governance, control, and risk management	2025 Annual Report, pages 21-22, 31, 47, 61-64 Audit Committee Charter
GRI 301: Materials 2016	301-2 Recycled input materials used	2026 Impact Report, Operating Sustainably and Customer Sustainability Solutions
	301-3 Reclaimed products and their packaging materials	2026 Impact Report, Operating Sustainably and Customer Sustainability Solutions
GRI 302: Energy 2016	302-1 Energy consumption within the organization	325,000 MWh 2026 Impact Report, Data Transparency Table SASB, CG-MR-130a.1
	302-3 Energy intensity	18 MWh / $M 2026 Impact Report, Data Transparency Table
	302-4 Reduction of energy consumption	12,000 MWh 2026 Impact Report, Energy and Emissions and Data Transparency Table
	302-5 Reductions in energy requirements of products and services	2026 Impact Report: – Customer Sustainability Solutions – Energy and Emissions
GRI 303: Water and Effluents 2018	303-5 Water consumption	430,000 cubic meters 2026 Impact Report, Operating Sustainably
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	32,000 $MTCO_2e$ 2026 Impact Report, Energy and Emissions CDP
	305-2 Energy indirect (Scope 2) GHG emissions	Market-based: 37,000 $MTCO_2e$ Location-based: 55,000 $MTCO_2e$ 2026 Impact Report, Energy and Emissions CDP

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	2026 Impact Report, Emissions Reporting: Accompanying Disclosures 2026 Impact Report, Energy and Emissions
	305-4 GHG emissions intensity	Scope 1 and Scope 2 emission intensity ($MTCO_2e$ / $M): 4 2026 Impact Report, Energy and Emissions
	305-5 Reduction of GHG emissions	44% reduction in Scope 1 and Scope 2 emissions as of December 31, 2025 vs. 2018 baseline 2026 Impact Report, Energy and Emissions CDP
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	67,000,000 lbs of waste recycled 23,000,000 lbs of non hazardous waste disposed 53,000 lbs of hazardous waste disposed in the U.S. 2026 Impact Report, Operating Sustainably 2026 Impact Report, Data Transparency Table
	306-3 Waste generated	
	306-4 Waste diverted from disposal	
	306-5 Waste directed to disposal	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Code of Ethics CDP
	308-2 Negative environmental impacts in the supply chain and actions taken	2026 Impact Report, Operating Sustainably and Energy and Emissions Supplier Code of Ethics
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Total Rewards Website
	401-3 Parental leave	Total Rewards Website

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy
	403-2 Hazard identification, risk assessment, and incident investigation	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy
	403-3 Occupational health services	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy Total Rewards Website
	403-4 Worker participation, consultation and communication on occupational health and safety	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy
	403-5 Worker training on occupational health and safety	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy
	403-6 Promotion of worker health	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy Total Rewards Website
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy
	403-8 Workers covered by an occupational health and safety management system	2026 Impact Report, Working Safely and Securely Global Environmental, Health and Safety Policy
	403-9 Work-related injuries	2026 Impact Report, Working Safely and Securely 0.7 U.S. LTIR all employees 0.0 U.S. LTIR contracted employees No work-related fatalities in 2025
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Average hours of training per team member: 12 2026 Impact Report, Data Transparency Table
	404-2 Programs for upgrading employee skills and transition assistance programs	2026 Impact Report, Team Member Learning
	404-3 Percentage of employees receiving regular performance and career development reviews	2026 Impact Report, Team Member Learning and Data Transparency Table

GRI Content Index (continued)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2026 Impact Report, Data Transparency Table EEO-1 Report at Invest.Grainger.com 2026 Proxy Statement, pages 6-7 2025 Annual Report, page 9
	405-2 Ratio of basic salary and remuneration of women to men	Grainger remains committed to ensuring fair and equitable compensation for all employees. In furtherance of this commitment, Grainger complies with all applicable country- and state-level requirements for mandatory compensation analyses and disclosures.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	2026 Impact Report, Supply Chain Transparency Code of Conduct Supplier Code of Ethics
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	2026 Impact Report, Supply Chain Transparency Code of Conduct Supplier Code of Ethics
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	2026 Impact Report, Inclusion, Opportunity and Community
	413-2 Operations with significant actual and potential negative impacts on local communities	Grainger has not identified any operations where there are significant actual or potential negative impacts on local communities.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	2026 Impact Report, Supply Chain Transparency Supplier Code of Ethics
	414-2 Negative social impacts in the supply chain and actions taken	2026 Impact Report, Supplier Relationships and Strategic Alliances, and Supply Chain Transparency Code of Conduct Supplier Code of Ethics
GRI 415: Public Policy 2016	415-1 Political contributions	Code of Conduct
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	2026 Impact Report, Customer Sustainability Solutions, and Product Safety and Quality
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Material items would be disclosed in our 2025 Annual Report for the fiscal year ended December 31, 2025.

Emissions Reporting: Assurance

APEX

VERIFICATION OPINION DECLARATION
GREENHOUSE GAS EMISSIONS

To: The Stakeholders of W. W. Grainger, Inc.

Apex Companies LLC, (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by W. W. Grainger, Inc. (Grainger) for the period stated below. This opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Grainger. Grainger is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide

Types of GHGs: CO_2, N_2O, CH_4, and HFCs

GHG Emissions Statement:

- **Scope 1:** 31,749 metric tons of CO_2 equivalent
- **Scope 2 (Location-Based):** 55,256 metric tons of CO_2 equivalent
- **Scope 2 (Market-Based):** 37,198 metric tons of CO_2 equivalent
- **Scope 3:**

  Purchased Goods & Services: 2,413,880 metric tons of CO_2 equivalent

  Capital Goods: 36,821 metric tons of CO_2 equivalent

  Fuel- and Energy-Related Activities: 17,228 metric tons of CO_2 equivalent

  Upstream Transportation and Distribution: 409,503 metric tons of CO_2 equivalent

  Waste Generated in Operations: 9,946 metric tons of CO_2 equivalent

  Business Travel: 34,722 metric tons of CO_2 equivalent.

  Employee Commuting and Working from Home: 51,083 metric tons of CO_2 equivalent

  Upstream Leased Assets: 1,728 metric tons of CO_2 equivalent

  Use of Sold Products: 38,627,351 metric tons of CO_2 equivalent

  End of Life Treatment of Sold Products: 552,133 metric tons of CO_2 equivalent.

Data and information supporting the Scope 1 and Scope 2 GHG emissions statement were primarily historical in nature, but in some cases were estimated.

Data and information supporting the Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

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Period covered by GHG emissions verification:

- January 1, 2025 to December 31, 2025

Global Warming Potential (GWP) and emission factor data sets:

- Intergovernmental Panel on Climate Change (IPCC), Fifth Assessment Report (AR5)
- The Climate Registry Default Emission Factors, published in 2024 and 2025
- United Nations Framework Convention on Climate Change (UNFCCC), Country-specific reports released April 2023
- United Kingdom (UK) Department for Environment Food & Rural Affairs (DEFRA), *UK Government GHG Conversion Factors for Company Reporting*, 2025
- United States Environmental Protection Agency (USEPA) Emissions & Generation Resource Integrated Database (eGRID), published in 2024 and 2025
- International Energy Agency (IEA) Emission Factor Database (2022 and 2023 data), published in 2024 and 2025
- Environment Canada National Inventory Report, published in 2024 and 2025
- Utility-specific emission factors, sourced from EEI 2024 and EEI 2025
- Green-E Residual Mix Emission Rates (2022 data), published in 2024
- Association of Issuing Bodies (AIB) European Residual Mix Emission Factors, published in 2024 and 2025
- Cornerstone Supply Chain Emission Factors v1.4, 2025
- EcoInvent V3.10.1

Criteria against which verification was conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3)

Reference Standard:

- ISO 14064-3 Second Edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of 5% for aggregate errors in sampled data for each of the above indicators.

GHG Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of Grainger and their consultant;
- Review of documentary evidence produced by Grainger and their consultant;
- Review of Grainger data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and

APEX

- Audit of sample of data used by Grainger to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that Grainger has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with Grainger, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

Scott Johnston, Lead Verifier
ESG Principal Consultant
Apex Companies, LLC
Miami, Florida

Jessica Jacobs, Technical Reviewer
ESG Program Manager
Apex Companies, LLC
Cincinnati, Ohio

August 7, 2026

This verification opinion declaration, including the opinion expressed herein, is provided to W.W. Grainger Inc. and is solely for the benefit of W.W. Grainger Inc. in accordance with the terms of our agreement. We consent to the release of this declaration to the public or other organizations but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

Emissions Reporting: Accompanying Disclosures

Grainger's Scope 1, Scope 2 and Scope 3 emissions are reported in CO_2e and are substantially comprised of CO_2. Beyond CO_2 emissions, other greenhouse gas types are insubstantial.

In alignment with the Greenhouse Gas Protocol Corporate Standard requirement, Grainger applies a significance threshold of 5% of the base year's total Scope 1 and Scope 2 emissions to trigger a baseline recalculation.

For more information about emissions reporting, please see our latest CDP report at Invest.Grainger.com.

	BASE YEAR 2018	2025
Scope 1	37,000	32,000
Scope 2 market-based	87,000	37,000
Scope 2 location-based	91,000	55,000
Scope 1 and Scope 2 market-based	124,000	69,000

	BASE YEAR 2024	2025
Scope 3 Category 1 – Purchased goods and services	2,000,000	2,000,000
Scope 3 Category 2 – Capital goods	43,000	37,000
Scope 3 Category 3 – Fuel- and energy-related activities (not included in Scope 1 or 2)	16,000	17,000
Scope 3 Category 4 – Upstream transportation and distribution	369,000	410,000
Scope 3 Category 5 – Waste generated in operations	10,000	10,000
Scope 3 Category 6 – Business travel	39,000	35,000
Scope 3 Category 7 – Employee commuting	45,000	51,000
Scope 3 Category 8 – Upstream leased assets	1,000	2,000
Scope 3 Category 11 – Use of sold products	39,000,000	39,000,000
Scope 3 Category 12 – End of life treatment of sold products	473,000	552,000

2026 Impact Report

For our most up-to-date news and company information, visit Invest.Grainger.com. For questions, contact communications@grainger.com.