

2022 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INDEX

General Disclosures			
102-1	General Disclosures	Name of the organization	W.W. Grainger, Inc.
102-2	General Disclosures	Activities, Brands, Products & Services	Grainger at a Glance, Pages 6-8; Fact Sheet, Page 1; Annual Report, Pages 2-6
102-3	General Disclosures	Location of headquarters	Lake Forest, Illinois, USA
102-4	General Disclosures	Location of operations	Grainger at a Glance, Page 8; Fact Sheet, Page 1; Annual Report, Page 9
102-5	General Disclosures	Ownership and legal form	Annual Report, Page 9
102-6	General Disclosures	Markets served	Grainger at a Glance, Page 8; Fact Sheet, Page 1; Annual Report, Page 4
102-7	General Disclosures	Scale of the organization	Grainger at a Glance, Page 8; People & Purpose, Page 16; Fact Sheet, Page 1; Annual Report, Page 4
102-8	General Disclosures	Information on employees and other workers	People & Purpose, Pages 16-22; Annual Report, Page 7
102-9	General Disclosures	Supply chain	Supply Chain, Pages 39-46; Fact Sheet, Page 2; Annual Report, Page 6
102-10	General Disclosures	Significant changes to the organization and its supply chain	Annual Report, Pages 11-13
102-11	General Disclosures	Precautionary Principle or approach	Grainger does not have a position on the precautionary approach
102-12	General Disclosures	External initiatives	GRI; CDP Report; SASB Index; TCFD Index
102-13	General Disclosures	Membership of associations	United States Chamber of Commerce National Association of Wholesaler-Distributors
102-14	General Disclosures	Statement from senior decision-maker	A Letter from our CEO, Page 3
102-15	General Disclosures	Key impacts, risks and opportunities	A Letter from our CEO, Page 3; Grainger at a Glance, Pages 8-9; Fact Sheet, Page 2; Annual Report, Pages 11-20 Item 1A (Risk Factors); TCFD Index; CDP Report
102-16	General Disclosures	Values, principles, standards, and norms of behavior	Ethics & Governance, Pages 11-15; Proxy Statement, Pages 24-33
102-17	General Disclosures	Mechanisms for advice and concerns about ethics	Ethics & Governance, Page 14
102-18	General Disclosures	Governance structure	Ethics & Governance, Page 12; Annual Report, Page 71; Proxy Statement, Page 1; TCFD Index
102-19	General Disclosures	Delegating authority	Proxy Statement, Page 124
102-20	General Disclosures	Executive-level responsibility for economic, environmental, and social topics	A Letter from our CEO, Page 3; Ethics & Governance, Pages 12-13; Proxy Statement, Page 34

General Disclosures (cont.)			
102-21	General Disclosures	Consulting stakeholders on economic, environmental, and social topics	Grainger at a Glance, Page 9
102-22	General Disclosures	Composition of the highest governance body and its committees	Ethics & Governance, Pages 12-13; Proxy Statement, Pages 34-35; Annual Report, Page 71
102-23	General Disclosures	Chair of the highest governance body	Proxy Statement, Page 24
102-24	General Disclosures	Nominating and selecting the highest governance body	Proxy Statement, Pages 4, 24
102-25	General Disclosures	Conflicts of interest	Proxy Statement, Pages 10, 98
102-26	General Disclosures	Role of highest governance body in setting purpose, values and strategy	A Letter from our CEO, Page 3; Ethics & Governance, Pages 12-13; TCFD Index; Annual Report, Pages 7, 71; Proxy Statement, Page 1
102-27	General Disclosures	Collective knowledge of highest governance body	A Letter from our CEO, Page 3; Ethics & Governance, Pages 12-13; TCFD Index; Annual Report, Pages 7, 71; Proxy Statement, Pages 9-27
102-28	General Disclosures	Evaluating the highest governance body's performance	Proxy Statement, Pages 29-30
102-29	General Disclosures	Identifying and managing economic, environmental, and social impacts	A Letter from our CEO, Page 3; Ethics & Governance, Pages 9, 10, 13, 15; TCFD Index; SASB Index; Annual Report, Pages 11-20, Item 1A (Risk Factors); Proxy Statement, Pages 32-35; CDP Report
102-30	General Disclosures	Effectiveness of risk management processes	A Letter from our CEO, Page 3; Ethics & Governance, Pages 12-15; TCFD Index; SASB Index; Annual Report, Pages 11-20, Item 1A (Risk Factors); Proxy Statement, Page 33; CDP Report
102-31	General Disclosures	Review of economic, environmental, and social topics	Annual Report, Pages 11-20, Item 1A (Risk Factors); Proxy Statement, Pages 32-35
102-32	General Disclosures	Highest governance body's role in sustainability reporting	A Letter from our CEO, Page 3; Ethics & Governance, Pages 12-13; Annual Report, Pages 7, 71; TCFD Index; Proxy Statement, Pages 32-35
102-33	General Disclosures	Communicating critical concerns	Grainger Investor Relations Website
102-34	General Disclosures	Nature and total number of critical concerns	Annual Report, Pages 37
102-40	General Disclosures	List of stakeholder groups	Grainger at a Glance, Page 9
102-42	General Disclosures	Identifying and selecting stakeholders	Grainger at a Glance, Page 9
102-43	General Disclosures	Approach to stakeholder engagement	Grainger at a Glance, Page 9
102-44	General Disclosures	Key topics and concerns raised	A Letter from the CEO, Page 3; Grainger at a Glance, Pages 8-11
102-45	General Disclosures	Entities included in the consolidated financial statements	Annual Report, Pages 4-6, 24; Fact Sheet, Page 2

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General Disclosures (cont.)			
102-46	General Disclosures	Defining report content and topic Boundaries	Grainger at a Glance, Page 9 ; Boundary, Page 48
102-47	General Disclosures	List of material topics	Grainger at a Glance, Pages 9-10
102-48	General Disclosures	Restatements of information	None
102-49	General Disclosures	Changes in reporting	None
102-50	General Disclosures	Reporting period	Annual
102-51	General Disclosures	Date of most recent report	June 2021
102-52	General Disclosures	Reporting cycle	Annual
102-53	General Disclosures	Contact point for questions regarding the report	graingeresg@grainger.com
102-54	General Disclosures	Claims of reporting in accordance with the GRI Standards	This report is prepared in close alignment with the Global Reporting Initiative's (GRI) Standards, but does not claim to be in full accordance with the GRI Standards
102-55	General Disclosures	GRI content index	GRI content index
102-56	General Disclosures	External assurance	Appendix, Page 49 ; Proxy Statement, Page 42
Management Approach			
103-1	Management Approach	Explanation of the material topic and its Boundary	Grainger at a Glance, Pages 9-10 ; Boundary, Page 48 ; Sustainability & Stewardship, Pages 32-33
103-2	Management Approach	The management approach and its components	A Letter from the CEO, Pages 3-4 ; Grainger at a Glance, Pages 9-10 ; Ethics & Governance, Pages 13-15 ; Boundary, Page 48
103-3	Management Approach	Evaluation of the management approach	Ethics & Governance, Page 12 ; Grainger at a Glance, Page 13
Economic Performance			
201-1	Economic Performance	Direct economic value generated and distributed	Grainger at a Glance, Page 8
201-2	Economic Performance	Financial implications and other risks and opportunities due to climate change	TCFD Index; Annual Report, Item 1A, Page 19
201-3	Economic Performance	Defined benefit plan obligations and other retirement plans	Annual Report, Pages 55-58
Indirect Economic Impacts			
203-2	Indirect Economic Impacts	Significant indirect economic impacts	Annual Report, Item 1A, Page 19
Anti-corruption			
205-1	Anti-corruption	Operations assessed for risks related to corruption	Ethics & Governance, Page 14 ; Annual Report, Page 18
205-2	Anti-corruption	Communication and training about anti-corruption policies and procedures	None, material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021
205-3	Anti-corruption	Confirmed incidents of corruption and actions taken	None, material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021

Anti-competitive behavior			
206-1	Anti-competitive behavior	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None, material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021
Materials			
301-2	Materials	Recycled input materials used	Sustainability & Stewardship, Pages 36, 38 ; Supply Chain, Pages 44-45
301-3	Materials	Reclaimed products and their packaging materials	Sustainability & Stewardship, Page 38 ; Supply Chain, Pages 44-45 ; SASB Index
Energy			
302-1	Energy	Energy consumption within the organization	Sustainability & Stewardship, Page 35 ; SASB Index; CDP Report
302-2	Energy	Energy consumption outside of the organization	CDP Report
302-3	Energy	Energy intensity	Sustainability & Stewardship, Page 37 ; Key Performance Data, Page 47 ; SASB Index; CDP Report
302-4	Energy	Reduction of energy consumption	Sustainability & Stewardship, Page 35 ; SASB Index; CDP Report
302-5	Energy	Reductions in energy requirements of products and services	Sustainability & Stewardship, Pages 37-38 ; SASB Index; CDP Report
Water and Effluents			
303-5	Water and Effluents	Water consumption	Sustainability & Stewardship, Page 36
Emissions			
305-1	Emissions	Direct (Scope 1) GHG emissions	Sustainability & Stewardship, Page 33 ; CDP Report
305-2	Emissions	Energy indirect (Scope 2) GHG emissions	Sustainability & Stewardship, Page 33 ; CDP Report
305-3	Emissions	Other indirect (Scope 3) GHG emissions	Sustainability & Stewardship, Page 33 ; CDP Report
305-4	Emissions	GHG emissions intensity	Sustainability & Stewardship, Page 33 ; CDP Report
305-5	Emissions	Reduction of GHG emissions	Sustainability & Stewardship, Page 33 ; CDP Report
Effluents and Waste			
306-2	Effluents and Waste	Waste by type and disposal method	Sustainability & Stewardship, Page 36
306-3	Effluents and Waste	Significant spills	None; material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021
306-4	Effluents and Waste	Transport of hazardous waste	SASB Index
Environmental Compliance			
307-1	Environmental Compliance	Non-compliance with environmental laws and regulations	None; material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021

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Supplier Environmental Assessment			
308-1	Supplier Environmental Assessment	New suppliers that were screened	Supply Chain, Pages 39-45; CDP Report
308-2	Supplier Environmental Assessment	Negative environmental impacts in the supply chain and actions taken	None; material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021
Occupational Health and Safety			
403-1	Occupational Health and Safety	Occupational health and safety management system	People & Purpose, Pages 16-20
403-2	Occupational Health and Safety	Hazard identification, risk assessment, and incident investigation	People & Purpose, Pages 16-20
403-3	Occupational Health and Safety	Occupational health services	People & Purpose, Pages 16-20
403-4	Occupational Health and Safety	Worker participation, consultation, and communication on occupational health and safety	People & Purpose, Pages 16-20
403-5	Occupational Health and Safety	Worker training on occupational health and safety	People & Purpose, Pages 16-20
403-6	Occupational Health and Safety	Safety Promotion of worker health	People & Purpose, Pages 16-20
403-9	Occupational Health and Safety	Work-related injuries	People & Purpose, Page 17; SASB Index No work-related fatalities in 2021
Training and Education			
404-1	Training and Education	Average hours of training per year per employee	People & Purpose, Page 24
404-2	Training and Education	Programs for upgrading employee skills and transition assistance programs	People & Purpose, Pages 24-27
404-3	Training and Education	Percentage of employees receiving regular performance and career development reviews	People & Purpose, Pages 24-27
Diversity and Equal Opportunity			
405-1	Diversity and Equal Opportunity	Diversity of governance bodies and employees	Ethics & Governance, Page 11-12 People & Purpose, Pages 21-22; SASB Index 2022 Proxy Statement, Page 7
Freedom of Associations and Collective Bargaining			
407-1	Freedom of Associations and Collective Bargaining	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Grainger has not identified any operations where the right to freedom of association is at risk
Child Labor			
408-1	Child Labor	Operations and suppliers at significant risk for incidents of child labor	Grainger has not identified any operations where there are significant risks of child labor
Forced or Compulsory Labor			
409-1	Forced or Compulsory Labor	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Grainger has not identified any operations where there are incidents of forced or compulsory labor

Security Practices			
410-1	Security Practices	Security personnel trained in human rights policies or procedures	Grainger has not identified any operations where there are significant risks of human rights violations
Rights of Indigenous Peoples			
411-1	Rights of Indigenous Peoples	Incidents of violations involving rights of indigenous peoples	None; material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021
Human Rights Assessment			
412-1	Human Rights Assessment	Operations that have been subject to human rights reviews or impact assessments	Supply Chain, Page 40
412-2	Human Rights Assessment	Employee training on human rights policies or procedures	Ethics & Governance, Page 14; Supply Chain, Page 40
412-3	Human Rights Assessment	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Supply Chain, Page 40
Local Communities			
413-1	Local Communities	Operations with local community engagement, impact assessments, and development programs	People & Purpose, Pages 28-30
413-2	Local Communities	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
Supplier Social Assessment			
414-1	Supplier Social Assessment	New suppliers that were screened using social criteria	Supply Chain, Page 40
414-2	Supplier Social Assessment	Negative social impacts in the supply chain and actions taken	Grainger has not identified any negative social impacts in the supply chain
Public Policy			
415-1	Public Policy	Political Contributions	Grainger's Code of Business Ethics prohibits the use of company funds or assets for political purposes, including for contributions to any political party, candidate or committee. In accordance with this policy, we do not maintain a political action committee ("PACs"), nor do we contribute to any third-party PACs or other political entities organized under Section 527 of the Internal Revenue Code.
Customer Privacy			
418-1	Customer Privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021
Socioeconomic Compliance			
419-1	Socioeconomic Compliance	Non-compliance with laws and regulations in the social and economic area	Material items would be disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021

¹ This index makes reference to the Global Reporting Initiative's GRI Standards. Although we reference the GRI Standards to provide context to our report, our report has not been prepared in accordance with the GRI Standards.