

2021 Corporate Responsibility Index¹

General Disclosures

102-1	General Disclosures	Name of the organization	W.W. Grainger, Inc.
102-2	General Disclosures	Activities, brands, products, and services	Grainger at a Glance, Pages 7-8 Fact Book, Pages 2-11 Annual Report, Pages 3-7
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 Book, Annual Report: Pages 4-9
102-5	General Disclosures	Ownership and legal form	Annual Report, Pages 4-9, 28
102-6	General Disclosures	Markets served	Grainger at a Glance, Pages 7-8 Fact Book, Page 4; Annual Report, Pages 4-6
102-7	General Disclosures	Scale of the organization	Grainger at a Glance, Pages 7-8 People & Purpose, Page 22 Fact Book, Pages 2-11; Annual Report, Pages 4-9
102-8	General Disclosures	Information on employees and other workers	People & Purpose, Page 22 Annual Report, Page 9
102-9	General Disclosures	Supply chain	Supply Chain, Pages 38-42; Fact Book, Pages 2-11 Annual Report, Pages 5-7
102-10	General Disclosures	Significant changes to the organization and its supply chain	Annual Report, Page 25-27
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, Page 8; TCFD Index; Fact Book, Pages 2-10; Annual Report, Pages 9-15, Item 1A (Risk Factors); CDP Report
102-16	General Disclosures	Values, principles, standards, and norms of behavior	Ethics & Governance, Pages 13-16 Proxy Statement, Pages 22-30
102-17	General Disclosures	Mechanisms for advice and concerns about ethics	Ethics & Governance, Pages 13-16
102-18	General Disclosures	Governance structure	Ethics & Governance, Pages 13-14 TCFD Index; Annual Report, Page 29 Proxy Statement, Pages 1-38
102-19	General Disclosures	Delegating authority	Ethics & Governance, Pages 13-16 Annual Report, Page 29 Proxy Statement, Pages 1-38
102-20	General Disclosures	Executive-level responsibility for economic, environmental, and social topics	A Letter from Our CEO, Page 3 Ethics & Governance, Pages 13-14 Proxy Statement, Pages 19, 26
102-21	General Disclosures	Consulting stakeholders on economic, environmental, and social topics	Grainger at a Glance, Pages 9-10

General Disclosures (cont.)

102-22	General Disclosures	Composition of the highest governance body and its committees	Ethics & Governance, Pages 13-14 Annual Report, Page 29 Proxy Statement, Pages 1-38
102-23	General Disclosures	Chair of the highest governance body	Ethics & Governance, Pages 13-14 Annual Report, Page 29 Proxy Statement, Pages 1-38
102-24	General Disclosures	Nominating and selecting the highest governance body	Ethics & Governance, Pages 13-14 Annual Report, Page 29 Proxy Statement, Pages 1-38
102-25	General Disclosures	Conflicts of interest	Ethics & Governance, Page 15; Annual Report, Page 29; Proxy Statement, Page 78
102-26	General Disclosures	Role of highest governance body in setting purpose, values and strategy	A Letter from Our CSR Executive Sponsor, Page 4 Ethics & Governance, Pages 13-14 TCFD Index; Annual Report, Page 29 Proxy Statement, Pages 1-38
102-27	General Disclosures	Collective knowledge of highest governance body	A Letter from our CEO, Page 3 Ethics & Governance, Pages 13-14 TCFD Index; Annual Report, Page 29 Proxy Statement, Pages 1-38
102-28	General Disclosures	Evaluating the highest governance body's performance	Proxy Statement, Pages 1-38
102-29	General Disclosures	Identifying and managing economic, environmental, and social impacts	A Letter from our CEO, Page 3 A Letter from Our CSR Executive Sponsor, Page 4 Ethics & Governance, Pages 13-14 TCFD Index; SASB Index; Annual Report, Pages 9-15, Item 1A (Risk Factors) Proxy Statement, Pages 1-38; CDP Report
102-30	General Disclosures	Effectiveness of risk management processes	A Letter from our CEO, Page 3 Ethics & Governance, Pages 13-14 TCFD Index; SASB Index; Annual Report, Pages 9-15, Item 1A (Risk Factors) Proxy Statement, Pages 1-38; CDP Report
102-31	General Disclosures	Review of economic, environmental, and social topics	Ethics & Governance, Page 14 Proxy Statement, Pages 19, 26
102-32	General Disclosures	Highest governance body's role in sustainability reporting	A Letter from our CEO, Page 3; TCFD Index; Proxy Statement, Pages 19, 26
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 9-15
102-40	General Disclosures	List of stakeholder groups	Grainger at a Glance, Page 10 People & Purpose, 27-29
102-42	General Disclosures	Identifying and selecting stakeholders	Grainger at a Glance, Page 10 People & Purpose, 27-29
102-43	General Disclosures	Approach to stakeholder engagement	Grainger at a Glance, Page 10 People & Purpose, Pages 27-29; CDP Report
102-44	General Disclosures	Key topics and concerns raised	A Letter from our CEO, Page 3 Grainger at a Glance, Page 9
102-45	General Disclosures	Entities included in the consolidated financial statements	Fact Book, Pages 2-3; Annual Report, Pages 3-7

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General Disclosures (cont.)

102-46	General Disclosures	Defining report content and topic Boundaries	Grainger at a Glance, Pages 9, 11
102-47	General Disclosures	List of material topics	Grainger at a Glance, Page 9
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	September 2020
102-52	General Disclosures	Reporting cycle	Annual
102-53	General Disclosures	Contact point for questions regarding the report	Joseph Micucci
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 44

Management Approach

103-1	Management Approach	Explanation of the material topic and its Boundary	Grainger at a Glance, Pages 9-11 ; Ethics & Governance, Page 14 ; Sustainability & Stewardship, Pages 32-33 ; Supply Chain, Page 39 ; People & Purpose, Page 22
103-2	Management Approach	The management approach and its components	Grainger at a Glance, Pages 9-11 ; Ethics & Governance, Pages 14-15
103-3	Management Approach	Evaluation of the management approach	Grainger at a Glance, Pages 9-11 ; Ethics & Governance, Pages 14-15

Economic Performance

201-1	Economic Performance	Direct economic value generated and distributed	Fact Book, Pages 11, 13-14
201-2	Economic Performance	Financial implications and other risks and opportunities due to climate change	TCFD Index Annual Report, Item 1A, Pages 10-11
201-3	Economic Performance	Defined benefit plan obligations and other retirement plans	Annual Report, Pages 58-62

Indirect Economic Impacts

203-2	Indirect Economic Impacts	Significant indirect economic impacts	Annual Report, Pages I-ii, Item 1A
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Anti-corruption

205-1	Anti-corruption	Operations assessed for risks related to corruption	Ethics & Governance, Page 15
205-2	Anti-corruption	Communication and training about anti-corruption policies and procedures	Ethics & Governance, Page 15

Anti-corruption (cont.)

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, 2020
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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, 2020
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Materials

301-2	Materials	Recycled input materials used	Sustainability & Stewardship, Pages 34-35
301-3	Materials	Reclaimed products and their packaging materials	Sustainability & Stewardship, Pages 34-35 ; Supply Chain, Page 42 ; SASB Index

Energy

302-1	Energy	Energy consumption within the organization	Sustainability & Stewardship, Page 33 ; SASB Index ; CDP Report
302-2	Energy	Energy consumption outside of the organization	Sustainability & Stewardship, Page 33 ; SASB Index ; CDP Report
302-3	Energy	Energy intensity	Sustainability & Stewardship, Page 33 ; SASB Index ; CDP Report
302-4	Energy	Reduction of energy consumption	Sustainability & Stewardship, Page 33 ; SASB Index ; CDP Report
302-5	Energy	Reductions in energy requirements of products and services	Sustainability & Stewardship, Pages 36-37

Water and Effluents

303-5	Water and Effluents	Water consumption	Sustainability & Stewardship, Page 35
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Emissions

305-1	Emissions	Direct (Scope 1) GHG emissions	Sustainability & Stewardship, Page 32 ; CDP Report
305-2	Emissions	Energy indirect (Scope 2) GHG emissions	Sustainability & Stewardship, Page 32 ; CDP Report
305-3	Emissions	Other indirect (Scope 3) GHG emissions	Sustainability & Stewardship, Page 32 ; CDP Report
305-4	Emissions	GHG emissions intensity	Sustainability & Stewardship, Page 32 ; CDP Report
305-5	Emissions	Reduction of GHG emissions	Sustainability & Stewardship, Page 32 ; CDP Report

Effluents and Waste

306-2	Effluents and Waste	Waste by type and disposal method	Sustainability & Stewardship, Pages 34-35
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, 2020
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, 2020
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2021 Corporate Responsibility Index (continued)

Supplier Environmental Assessment

308-1	Supplier Environmental Assessment	New suppliers that were screened using environmental criteria	Supply Chain, Page 39 ; 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, 2020

Occupational Health and Safety

403-1	Occupational Health and Safety	Occupational health and safety management system	People & Purpose, Pages 18-21
403-2	Occupational Health and Safety	Hazard identification, risk assessment, and incident investigation	People & Purpose, Pages 18-21
403-3	Occupational Health and Safety	Occupational health services	People & Purpose, Pages 18-21
403-4	Occupational Health and Safety	Worker participation, consultation, and communication on occupational health and safety	People & Purpose, Pages 18-21
403-5	Occupational Health and Safety	Worker training on occupational health and safety	People & Purpose, Pages 18-21
403-6	Occupational Health and Safety	Promotion of worker health	People & Purpose, Pages 18-21, 26
403-9	Occupational Health and Safety	Work-related injuries	People & Purpose, Page 18 ; SASB Index No work-related fatalities in 2020

Training and Education

404-1	Training and Education	Average hours of training per year per employee	People & Purpose, Pages 25-26
404-2	Training and Education	Programs for upgrading employee skills and transition assistance programs	People & Purpose, Pages 25-26
404-3	Training and Education	Percentage of employees receiving regular performance and career development reviews	People & Purpose, Pages 25-26

Diversity and Equal Opportunity

405-1	Diversity and Equal Opportunity	Diversity of governance bodies and employees	Ethics & Governance, Page 13 People & Purpose, Pages 22-24 ; SASB Index 2020 Proxy Statement, Page 6
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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
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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
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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
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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
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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, 2020
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Human Rights Assessment

412-1	Human Rights Assessment	Operations that have been subject to human rights reviews or impact assessments	Supply Chain, Page 39
412-2	Human Rights Assessment	Employee training on human rights policies or procedures	Ethics & Governance, Page 15 Supply Chain, Page 39
412-3	Human Rights Assessment	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Supply Chain, Page 39

Local Communities

413-1	Local Communities	Operations with local community engagement, impact assessments, and development programs	Grainger at a Glance, Page 10 People & Purpose, Pages 27-29
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 39
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.
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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, 2020
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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, 2020
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¹This 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.