

Investing to Solve Your Most Common MRO Challenges

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The Grainger Edge[®] helping build a highly-engaged team

RECOGNITION & CULTURE

Our Purpose

We Keep The World Working[®]

Our Principles

-  Start with the Customer
-  Win as One Team
-  Embrace Curiosity
-  Invest in our Success
-  Act with Intent
-  Compete with Urgency
-  Do the Right Thing



Investing in foundational competencies to advance best-in-class MRO offering

...delivered through our best-in-class offer

MRO customers have two basic needs...

✓ **Provide a flawless experience**

- *Have what I need*
- *Make it easy to find*
- *Get it to me fast, accurately*
- *Make it easy for me to receive, pay and return*

✓ **Deliver tangible value**

- *Understand my business*
- *Simplify my purchasing process*
- *Provide tangible cost savings*
- *Help me reduce my inventory*

Relevant, value-add capabilities

No hassle, procure-to-pay process

Next day, complete delivery

Broad, stocked assortment

Fast, reliable product search



CORE FOUNDATIONAL COMPETENCIES

Advantaged Data & Technology	Purpose-built Supply Chain	Highly-engaged Team Members
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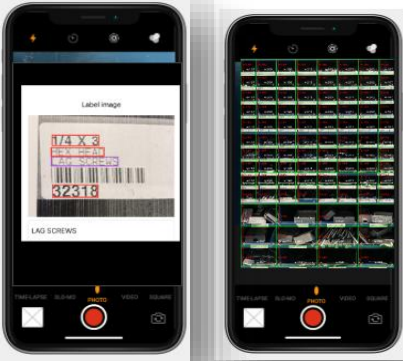


Long run-way to drive significant value across the business

KeepStock Install Tool

COMPUTER VISION

Streamlining KeepStock install process and reducing setup time

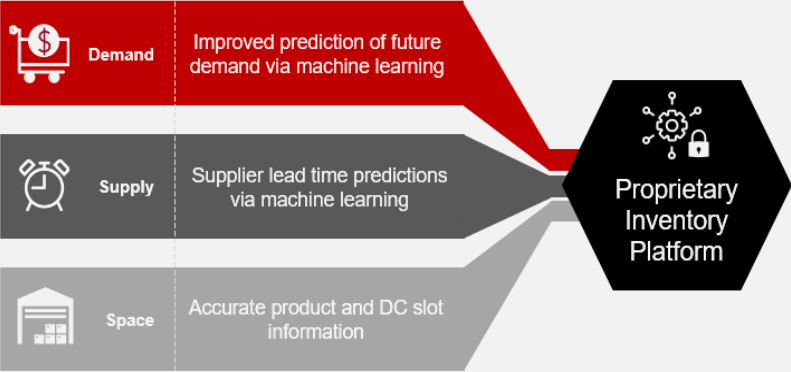


PROGRESS Implemented

Inventory Optimization Model

MACHINE LEARNING

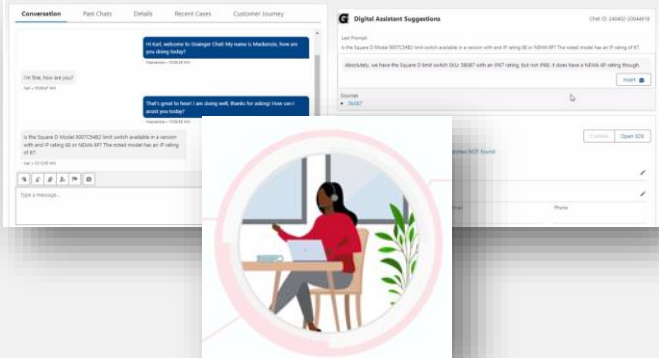
Optimizing SKU breadth and depth by market



Call Center Assistant

GENERATIVE AI

Scaling customer service agents with fast and accurate insights



Piloting



Investing in our world-class supply chain

Purpose-built B2B supply chain capabilities

Stocking strategy

Access to the right products and stocked in the right location

Network Footprint

The right buildings in the right location



Service-oriented team

Supported by strong partnerships

Proven operating model

Curated rules that drive scalable processes; leveraging automation where possible

2024 INVESTMENTS

Northwest DC



- ✓ **Building Size:** ~540k sq. ft. with option to expand
- ✓ **Stocking:** ~140k SKUs
- ✓ **Go-live:** 2026
- ✓ **Increase next-day available SKUs by >100%**

Houston DC



- ✓ **Building Size:** ~1.2M sq. ft.
- ✓ **Stocking:** ~230k SKUs
- ✓ **Go-live:** 2027
- ✓ **Increase next-day available SKUs by >50%**

Bulk Warehouses

✓ *Minooka, IL*

✓ *Pineville, NC*

