

**W.W. Grainger, Inc.**  
**2026 Annual Meeting of Shareholders**  
**April 29, 2026**

**Remarks of D.G. Macpherson, Chairman and Chief Executive Officer**

As a reminder, some of our comments today may be forward-looking based on our current view of future events. Actual results may differ materially as a result of various risks and uncertainties, including those detailed in our SEC filings.

I would also like to remind everyone that on Thursday, May 7th, we plan to release our Q1 2026 results, so my company update today will reflect solely on our 2025 performance.

In 2025, despite a challenging macroeconomic environment, the Grainger team continued to execute our strategy with focus and discipline - delivering exceptional service and value to our customers.

We leveraged our technology capabilities and MRO know-how to strengthen our competitive advantage across both segments. We streamlined our portfolio, including exiting the U.K. market, and invested in supply chain capacity to extend our service leadership. At the same time, we remained committed to fostering a workplace where team members can build rewarding careers grounded in our Grainger Edge® principles.

A few highlights within the High-Touch model include:

- Within merchandising, we continued to refine our category review process and build a highly curated assortment. These efforts, along with expansion of our Grainger-branded private label offering, resulted in net assortment growth of over 85,000 SKUs, our largest increase in nearly a decade.
- Our marketing team remained focused on delivering strong returns while improving effectiveness. In 2025, we leveraged our advantaged data assets to increase personalization and optimize investment strategies.

- We continued to expand our sales force by adding 110 new sellers across two geographies as part of our sales coverage initiative. We also saw strong adoption and use of our seller insights platform, enhancing the effectiveness of our sales force.
- Our customer solutions teams made progress developing new tools within the KeepStock platform, providing customers with enhanced data and insights to improve experience and drive procurement savings.
- We made significant progress expanding our distribution network and service capabilities, including continued construction of our Houston-area distribution center and advancement of our Northwest facility, expected to fully open in mid-2026.

In the Endless Assortment model:

- MonotaRO continued to execute strongly, delivering solid performance including 25 percent growth with Enterprise customers. The business expanded its distribution capabilities, broke ground on a new Mito distribution center, and maintained strong retention rates while deepening their share of wallet with small and mid-sized B2B customers.
- The Zoro team regained growth momentum in 2025 by enhancing customer experience and focusing on higher-quality customer acquisition. Improvements in delivery speed and marketing capabilities supported a return to sales growth in the teens.

As a result of these efforts, we delivered total company sales of \$17.9 billion, up 4.5 percent on a reported basis, or 4.9 percent on a daily, organic constant currency basis.

Growth included continued share gains in our High-Touch Solutions U.S. business, which achieved approximately 250 basis points of volume outgrowth. The Endless Assortment segment delivered strong top-line performance, with daily organic constant currency sales increasing 15.6 percent.

Alongside the solid top-line, the team managed strong margins despite LIFO headwinds, with operating margin finishing at 15.0 percent.

We delivered adjusted EPS of \$39.48 per share, up 1.3 percent, and achieved a return on invested capital of 39.1 percent. Operating cash flow was \$2.0 billion, enabling us to return \$1.5 billion to shareholders through dividends and share repurchases.

Finally, I want to reinforce that our people remain the cornerstone of our success.

Our approximately 25,000 team members bring our purpose—We Keep the World Working®—to life every day. Their commitment to our principles ensures we operate with integrity while delivering meaningful impact for our customers.

In 2025, we were again recognized as a Great Place to Work® across the U.S., Canada, and Mexico. We were also honored as one of the World's Most Ethical Companies® and named once again to Fortune's World's Most Admired Companies™ list.

These recognitions reflect the strength of our culture and our ongoing commitment to making Grainger a place where every team member can build a meaningful and fulfilling career.