Matching Charitable Gifts Program Guidelines

Through Grainger's Matching Charitable Gifts Program, the company furthers its goal of being a good corporate citizen while allowing team member and board member participation in directing company contributions.

How the Program Works
Each calendar year, Grainger will match up to $2,500 of an eligible participant's personal contributions that meet the program guidelines. The match ratio is $3 for every $1 contributed by the eligible participant. Each gift must be a minimum of $25. For example, an eligible participant's gift of $25 would be matched with a gift of $75 from Grainger.

Eligible Participants
Eligible participants must be active, regular full-time U.S. team members (upon start date), active regular part-time team members (who have completed one year of service), as well as active members of the Board of Directors.

Non-Eligible Participants
Consultants, contractors, temporary team members and interns are not eligible for participation in the program. Terminated team members, spouses and surviving spouses of team members are also not eligible.

Eligible Organizations
Not-for-profit organizations located in the United States or one of its possessions and recognized by the Internal Revenue Service as tax-exempt and designated a public charity under Section 501(c)(3) or accredited and degree-granting public and private schools are eligible. Eligible organizations must be located in the United States but may operate programs outside of the United States. Categories include arts and culture, civic and community, health and human services organizations, as well as education.

- Arts and Culture organizations open to and operated for the benefit of the general public.
- Civic and Community organizations and qualified sports and extracurricular programs.
- Health & Human Services organizations that provide public welfare services, such as hospitals, that are a 501(c)(3) or have a foundation. Separate legal entities of religious organizations with their own 501(c)(3) that provide public welfare services – available to the general public – such as soup kitchens, food pantries and homeless shelters.
- Education and accredited degree-granting public or private schools, including elementary schools (kindergarten-eighth grade), secondary schools, higher education institutions, technical institutions, and tax-exempt 501(c)(3) education organizations whose primary purpose is to support educational objectives.

Non-Eligible Organizations
- Organizations and interest groups that lobby or promote a political cause, party or candidate are not eligible.
- Organizations with a primary purpose to promote a particular religious belief or evangelistic effort and gifts to houses of worship, including theological seminaries, are not eligible.
- Organizations designated as 170(c)(1)(government), 501(c)(4)s (advocacy groups) and 501(c)(6)s (membership organizations) are not eligible. Gifts to public service or government organizations (for example, fire departments and hospitals) must be directed to a 501(c)(3) eligible affiliation (for example, charitable funds or foundations supporting the fire department or hospital). Some schools are 170(c)(1) but they must be accredited, degree-granting organizations to receive a company match.
- Organizations that discriminate based on race, creed, color, religion, sex, national origin, age, mental or physical disability, domestic partnership status, sexual orientation, gender identity, gender expression, veteran status, marital status or citizenship status are not eligible.

Eligible Contributions
- Gifts must be cash, check or credit card or marketable securities with a quoted market value.
- Gifts must be actually paid, not pledged and must be the donor’s own money.

Non-Eligible Contributions
- Donations collected from several individuals reported as one contribution. Funds pooled, fundraised or collected from other individuals; groups or organizations reported as an individual donation (for example, walks or runs) are not eligible.
- Donations made from donor-advised funds, public or private foundations or third-party non-profits are not eligible.
- Merchandise or other in-kind gifts donated are not eligible.
- Forms of personal or real estate property are not eligible.
- Insurance premiums, bequests or life income trust arrangements are not eligible.
- Political contributions are not eligible.
- Tuition payments, books, student fees, scholarships or other donations for which the participant or their family and/or friend receives a personal benefit are not eligible.
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Non-Eligible Contributions (cont’d)
- Donations from which the donor receives goods and services related to a charity such as tickets to an event, subscription fees or membership benefits must be calculated for the match amount based on the tax-deductibility of the gift as provided by the charitable organization.
- Donations cannot be made to receive any other type of goods or services.
- Donations made in conjunction with an auction (including silent auctions) are not eligible.
- Donations to third parties (even if directly benefitting a charitable organization) are not eligible. Gifts must be made directly to the charity.

General Program Guidelines
- There is a minimum of $25 per individual gift.
- Eligible donations may be matched up to $2,500 per donor, per calendar year. Eligible donations may be given in a single gift or multiple gifts, totaling up to $2,500. If you make several contributions, gifts will be matched in the order received up to the maximum donor limit for the calendar year.
- Gifts must be the donor’s own money and not collected or fundraised from others.
- Gifts must be paid to and received by the charitable organization before submitting a match request.
- For gifts made in installments, each installment must be actually paid and meet the minimum gift requirement and be submitted for a match individually.
- Dollar limits are based on the date of the donor’s gift, not the date the matching gift is processed.
- All matching gift requests must be submitted within six (6) months from the date of the gift.
- Participants may be asked to provide proof of contribution in the form of a cancelled check or a stock transfer certificate.
- Participants may not promise any charitable organization they will receive a future contribution from the company’s matching gifts program.

Terms and Conditions
- Grainger reserves the right to limit, discontinue or amend this program at any time. The company also reserves the right to determine whether a contribution qualifies for a matching gift.
- Intentional misuse of this program will result in permanent termination of a team member’s program eligibility and may lead to other disciplinary actions.
- Determination of an organization’s initial and continuing eligibility will be at the sole discretion of the company.
- Organizations and match requests are monitored to ensure alignment with Grainger’s Business Conduct Guidelines and Matching Charitable Gifts Program Guidelines.
- Grainger reserves the right to request and audit organizational practices, procedures and processes pertaining to this program from both the participant and the organization.

How to Apply?
The eligible participants should first make the contribution to the charitable organization, then request a match online via Grainger’s Serving Our Communities portal as follows. (*Paper forms are no longer being accepted.*)

<table>
<thead>
<tr>
<th>Grainger Team Members</th>
<th>Grainger Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://community.grainger.com">http://community.grainger.com</a></td>
<td><a href="http://directorcommunitygifts.grainger.com">http://directorcommunitygifts.grainger.com</a></td>
</tr>
<tr>
<td>Log onto the site with your Grainger network ID [RACIF] and computer password.</td>
<td>Click on “Let’s Get Started.” Enter your email address [Login Email] and assigned password.</td>
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</tbody>
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Note: When you change your password through GPASS, it automatically updates your password in the Serving Our Communities (Matching Gifts) portal.

Matching Charitable Gifts Processing Schedule

<table>
<thead>
<tr>
<th>Match Requests Submitted By</th>
<th>11/1-1/31</th>
<th>2/1-4/30</th>
<th>5/1-7/31</th>
<th>8/1-10/31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds Distributed By (approx.)</td>
<td>March</td>
<td>June</td>
<td>Sept</td>
<td>Dec</td>
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For questions or concerns:

Phone: 1-855-437-4768
Email: grainger@gooddonegreat.com

Guidelines as of March 01, 2016