

## Labor Practices and Workplace Diversity Summary

To provide a better understanding of Fastenal’s labor practices and values, I have shared our hiring protocols in previous editions of this annual letter. Efficiencies and improvements are always being developed, but we have maintained the same foundational systems originally outlined in 2020, which can be viewed [here](#).

So much has changed in the world since that time. After a long period of remote interactions, our employment resources are finally able to return to face-to-face experiences, the preferred method for recruiting and interviewing prospective employees. Many people left the workforce during the pandemic, and some have not yet returned – only time will tell if those decisions are permanent. On a positive note, while we are not yet back to the levels of 2019, we continue to see overall increases in our job application numbers.

Fastenal’s core belief in people – that each individual possesses the potential to achieve great things – has helped us weather the labor market strains. This belief is what inspires us to invest in robust training and career development programs for employees. It’s also why we remain committed to promotion from within. Both are keys to unlocking the full creativity and talent of our ‘Blue Team.’

With a great team in place, Fastenal’s four cultural values – AMBITION, INTEGRITY, TEAMWORK, and INNOVATION – are shining through in powerful ways. In a challenging hiring environment, we’re able to rely on a talented pool of internal candidates (i.e., employees) who are ready for *their* personal opportunities. This may mean a transfer from sales to operations, a geographic move from their local area to another state, a move from part-time to full-time after completing post-secondary education, or a promotion within their current department. Many advancement opportunities are exclusively posted internally, providing numerous pathways for motivated employees to move forward in their careers (AMBITION).

We have strong recruiting contacts to draw from, but there are some areas where finding replacements has taken longer than is typical. In these instances, current employees have supported one another and our customers by working additional hours to cover workflows and meet deadlines (INTEGRITY and TEAMWORK). Meanwhile, ongoing supply chain constraints have presented opportunities for employees to help customers solve problems, in many cases by finding creative solutions for critical inventory needs (INNOVATION). These efforts have helped to deepen relationships and build strong partnerships – the latest examples of Fastenal’s longstanding motto, *Growth Through Customer Service*.

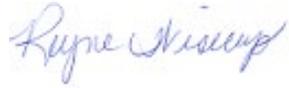
The below EEO-1 data was initially published in 2020 and now contains data through calendar year 2021. We believe it is most useful to look at trends over time rather than at a single year to determine the effectiveness of our policies and programs. We continually strive to improve the diversity of our organization and expect our data to reflect this commitment over time.

### U.S. Data (2012–2021)

<u>Year</u>	<u>Males</u>	<u>White</u>	<u>Minority</u>	<u>Females</u>	<u>White</u>	<u>Minority</u>
2012	82.3%	72.3%	9.9%	17.7%	15.5%	2.2%
2013	81.2%	70.4%	10.8%	18.7%	15.9%	2.8%
2014	80.1%	68.6%	11.5%	19.8%	16.4%	3.4%
2015	78.9%	66.3%	12.6%	21.0%	17.2%	3.8%
2016	78.0%	64.4%	13.5%	21.9%	17.6%	4.2%
2017	77.2%	63.1%	14.1%	22.7%	18.0%	4.6%
2018	76.1%	61.2%	14.8%	23.8%	18.6%	5.2%
2019	75.4%	60.3%	15.1%	24.5%	18.8%	5.7%
2020	75.5%	60.6%	14.8%	24.4%	18.7%	5.6%
2021	75.8%	60.6%	15.2%	24.2%	18.4%	5.8%

Thank you for taking time to review of our information. We will continue to hire great people, invest in their training and development, and help them realize their full potential – they are the future of our organization.

Sincerely,



Reyne Wisecup  
Senior Executive Vice President – Human Resources