FASTENAL®

2025 ESG REPORT

Empowering **people**, preserving **our world**, and serving as a **trusted partner.**

What's Inside

This report is interactive. You can scroll from page to page or use the navigation tools at the top.

Unless noted, goals and other data in this report reflect our global operations.

Welcome!

Thank you for taking time to read Fastenal's 2025 Environmental, Social, and Governance (ESG) Report. This is our fourth report, and it covers our initiatives and activities during 2024.

The report is an opportunity to highlight the foundational work our team has done to enhance our systems and prepare for an evolving regulatory landscape. We've completed three materiality assessments since 2022, including a double materiality assessment in 2024. This allowed us to prioritize the most relevant ESG issues for our business and stakeholders in preparation for the European Union's Corporate Sustainability Reporting Directive (CSRD). In 2024, we also invested in two leading carbon reporting and compliance solutions to manage our carbon inventory and illuminate opportunities for innovation and continuous improvement.

On a less technical note, the report lets us shine a spotlight on the achievements of our "Blue Team." For example, thanks to the hard work and creativity of people across the organization, we were able to improve our EcoVadis score and earn a second consecutive silver medal. EcoVadis raised the bar for its medal designations in 2024, so our current silver medal means we are in the top 15% of all companies rated by EcoVadis. (If you take a deeper dive, we finished in the top 4% in our industry and the top 1% in the environmental evaluation area.) Many organizations rely on EcoVadis ratings to evaluate suppliers and make purchasing decisions, so this is a meaningful achievement that helps the Blue Team align our sustainability performance with the success of our business.

A central theme of our first four ESG reports, including this one, has been simply telling our story and preparing for what comes next. Our team has put in tremendous work to improve our systems, processes, and reporting. As a result, we believe we are well positioned to address the needs of our customers, to navigate the current regulatory environment, and to adapt for whatever lies ahead.

In the bigger picture, we're excited to build upon our strong foundation – the systemic improvements mentioned above but also, on a deeper level, some fundamental aspects of our culture. This includes a core belief in people, a customer-centric and community-based service model, a value proposition centered on helping our customers reduce consumption, and a commitment to challenge each other and improve every day. These aren't checkboxes to comply with regulations – it's who we are as an organization.

As mentioned in our past several ESG report letters, the Blue Team at Fastenal is working hard to be a force for positive change – in our operations, in our communities, for our customers, and across global supply chains. Once again, we are proud to share our story.

Go BLUE!

Dan Florness, CEO

SILVER | Top 15%
ecovadis
Sustainability Rating
DEC 2024

SUSTAINALYTICS
a Morningstar company
RATED

CDP
Supporter 2024

Corporate ESG Performance
RATED BY **ISS ESG**
Prime

Who We Are

Organizations partner with Fastenal* to reduce cost, waste, risk, and constraints in the supply chain for a vast range of industrial and construction products. Our service model is predicated on proximity – engaging locally with our customers to understand their challenges, provide tailored solutions, and adapt to their changing needs.

This customer-centric approach has led us to build out an extensive global presence along with best-in-class capabilities and services, including:

- Robust global sourcing and quality operations
- A geographically balanced and closely managed supplier base
- A network of distribution centers, vehicles, and in-market servicing locations
- Tens of thousands of inventory management solutions embedded within customer sites
- And at the heart of it all, a great local team to support and serve our customers across the planet

In short, we are able to impact and improve the supply chain because, to a large extent, we *own* it – from the source, to the last mile, to the point of use. This presents an exciting challenge for our 'Blue Team' – to pioneer innovations in products, logistics, services, and technology; to help customers operate more efficiently, sustainably, and cost-effectively; and to make a positive impact that extends well beyond our own operations.

Where Industry Meets Innovation

Sustainability is an intrinsic feature of our strategic supply model. When organizations partner with Fastenal to avoid over-consumption, obsolete inventory, redundant purchases, expedited ordering, and overlapping deliveries from multiple vendors, they're reducing waste in their business *and* the environment.

Our technology solutions create a new level of visibility and understanding – what products are stocked within the customer's facility, exactly where they're located, and how they're being consumed and used in the business. This floor-level insight illuminates opportunities for the customer to reduce excess inventory, consumption, and spend in their operations. It also allows us to be more strategic and efficient in how we manage the supply chain.

Go to Investor Relations

*Fastenal, together with our subsidiaries, are herein referred to as "Fastenal" or by terms such as "we," "our," or "us."

ESG Strategy and Vision

Our ESG Vision

As a catalyst for innovation and positive change, we strive to provide exceptional value to our customers by empowering people, preserving our world, and serving as a trusted supply chain partner.

Empowering People

We foster a safe and welcoming workplace for all, prioritize employee development, and empower our "Blue Team" to achieve positive outcomes for themselves, our customers, and the community.

- Employee safety/wellbeing
- Talent

Preserving Our World

Strategic Objectives

We work to reduce consumption and environmental impacts throughout our operations and provide solutions to help our customers do the same.

Relevant Topics

- Energy efficiency
- GHG emissions
- Sustainable products/materials
- Waste management

Serving as a Trusted Partner

As a vital part of our customers' operations, we are committed to providing a supply chain that is efficient, resilient, and responsible.

- Business ethics
- Product quality and safety
- Supply chain resilience
- Responsible supply chain

Our strategic supply model starts with a simple premise:
great people, close to the customer, with a passion for learning and growth.

23,702 Employees.
71% directly serve our customers

915,000+ Fastenal School of Business trainings completed

1,597 Traditional branches

Our local team operates in **3,628** in-market operating units across **25** countries. **59%** of our **$1.6B** in inventory is staged locally or within customer sites for same-day access.

2,031 Onsite operations

Service through our traditional branches and Onsite operations is enhanced by a variety of technology solutions.
60.4% of our total revenue flows through this "Digital Footprint." [1]

eBusiness

Improves the efficiency of procurement/purchasing processes. Represented **29.6%** of total sales in 2024 vs. **8.4%** in 2019. [3]

FASTStock[SM]

Using mobile technology to illuminate inventory and simplify replenishment.

FASTBin[SM]

126,957 weighted FASTBin/FASTVend installations (MEUs[2])

Point-of-use devices with embedded technology providing a 24/7 sightline to the customer's current inventory state.

FASTVend[SM]

Providing secure access and usage tracking close to the point of use in a customer's facility.

These Fastenal Managed Inventory (FMI®) programs represented **42.5% of total sales in 2024**.

95% of total revenue comes from customers utilizing more than one of our sales channels and tools, with **75%** of total revenue coming from customers utilizing four or more.[4]

This core model is supported by a range of **high-touch services** and **high-tech solutions** to help customers solve problems and gain efficiencies.

High-Touch Services

520+ supply chain professionals[5] including **130+** on the ground in Asia.

Roughly 90% of the product tonnage moved between our DCs and in-market locations is transported via Fastenal-owned trucks.

573M products made, modified, or maintained by our manufacturing and industrial services teams.

570+ subject matter specialists (e.g., Lean Solutions, safety, engineering, metalworking).

High-Tech Solutions

FMI Technology – a suite of devices to monitor, track, and control inventory.

FAST360° – a personalized platform for the customer to manage and analyze their Fastenal program.

FASTCrib[SM] – proprietary software that allows customers to extend our inventory management services to a broader scope of products.

eCommerce – providing efficient tools for the customer to procure products and services.

[1] *Our Digital Footprint is a combination of our sales through FMI (FASTStock, FASTBin, and FASTVend) plus that portion of our eBusiness sales that do not represent billings of FMI services.*

[2] *Machine Equivalent Units (MEUs).*

[3] *Our eBusiness includes eProcurement activities, which are integrated transactions, including electronic data interchange (EDI), and eCommerce (transactional website sales).*

[4] *Sales channels and tools include branch, Onsite, FMI, national accounts, and web.*

[5] *Includes individuals specializing in the following: sourcing, quoting, purchasing, supplier development and operations, compliance, and logistics.*

Governance

Even in a decentralized organization like Fastenal, employees look to leadership to define goals, set standards, provide resources, and prioritize areas of focus. This section will focus on the personnel, procedures, and guidelines we've put in place to promote ESG success and guide ethical actions across the organization.

Board of Directors

Fastenal's board of directors is composed of individuals with various backgrounds and experiences. Nine of the eleven directors, including the chair of the board, are independent, which helps broaden our organizational perspective and deepen our understanding of ESG issues. This group is responsible for the oversight of enterprise risk, including ESG matters, and receives guidance on these topics from the committees of the board.

The full board has assigned the nominating and corporate governance committee the primary duty to oversee corporate governance matters subject to board oversight and sets high standards for the company's employees, officers, and directors. Among its priorities are corporate responsibility, human capital management, and sustainability. The topic of ESG, including climate-related issues, is on the meeting agenda a minimum of twice per year.

The full board has oversight responsibility on matters of enterprise risk, including ESG matters, and receives guidance from three standing committees composed exclusively of independent members.

Nominating and Corporate Governance Committee	Assists the board in maintaining appropriate candidates to serve as directors of the organization. As part of its oversight of the company's ESG initiatives, this group receives updates from the ESG team and proposes relevant topics to be included in the board meeting agenda.
Audit Committee	Assists the board by overseeing the accounting and financial reporting process of the company and audits of the financial statements of the company. The committee also has oversight of the independent auditor's qualifications, independence, and performance; the performance of the company's internal audit functions; management's process to monitor, control, and report on significant corporate risk exposures (including those related to ESG); and the company's compliance with legal and regulatory requirements.
Compensation Committee	Assists with the structure and approval of executive compensation plans. Responsibilities include assessing the impact of the company's compensation programs on risk and recommending policies deemed necessary or advisable in order to mitigate risks related to compensation and human capital management.

These committees, and the board as a whole, help maintain Fastenal's strong commitment to ethical and responsible business practices, fostering an environment in which we act with integrity and respect for each other, our customers and suppliers, our communities, and the environment. Learn more about our board of directors in the 2025 proxy statement on our investor resources site.

ESG Management

Nominating and Corporate Governance Committee

This committee serves as a liaison between the full board of directors and the ESG team, providing oversight to help integrate ESG initiatives into our overall growth strategy. It consists of five directors, each of whom qualifies as an independent director.

Community of Practice

This group is made up of leaders and subject matter experts from various areas of the business that are essential to achieving our goals. They are responsible for continuous improvement to core aspects of our ESG program, including roadmap execution, reporting and disclosure, and continued development of our customer-facing solutions. By facilitating structured and consistent communication, this community allows ESG champions across the organization to work collectively. The goal is to learn from one another, share successes, and broaden our knowledge base as we work toward Fastenal's ESG vision.

Materiality Assessment, ESG Vision and Strategy

In 2022, we engaged with third-party consultants to help refine our ESG priorities, vision, and strategy by completing a materiality assessment*. Through this process, we leveraged stakeholder insights, industry benchmarking, and external frameworks to identify and then prioritize the key ESG issues impacting our company and stakeholders. This foundational understanding allowed our Community of Practice to identify short-term, medium-term, and long-term goals – a roadmap to work toward strategic objectives over several years.

In 2024, we collaborated with third-party consultants to conduct a double materiality assessment (DMA). The DMA takes materiality a step further by evaluating if an identified topic has impact materiality (meaning it relates to the company's own operations) and/or financial materiality (meaning the risks and opportunities could reasonably be expected to affect the company's financial performance). This process not only helps us strengthen our approach to ESG risks and opportunities but is also intended to help us prepare for and remain responsive to the evolving regulatory landscape such as the EU Corporate Sustainability Reporting Directive (CSRD). As ESG regulations continue to expand, they increasingly shape our goals and strategic objectives, reinforcing our commitment to proactive and sustainable business practices. As required by the CSRD, we will conduct regular reviews of the materiality assessment to ensure relevancy and accuracy.

*In conducting this prioritization exercise as part of our effort to clarify our ESG priorities, vision and strategy, we have made use of GRI and SASB guidance for "materiality" assessments. This guidance for seeking stakeholder impact and determining priorities refers to "material" topics to reflect the issues of importance to us and our stakeholders. Used in this context, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities law or as used in the context of financial statements and reporting.

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Board of Directors | ESG Management | Responsible Sourcing | Cybersecurity & Data Privacy | Ethics & Compliance

Responsible Sourcing

As a strategic supply chain partner to our customers, we believe Fastenal has a responsibility to stay in sync with an ever-changing landscape of global regulations, supply chain risks, and industry demands. To that end, we maintain multiple teams of compliance specialists around the world who strive to ensure the products we supply meet or exceed applicable standards, regulations, and expectations across global supply chains. Our processes are regularly updated in response to new and changing regulations, business needs, and customer expectations; however, we maintain a consistent focus on the following areas to mitigate risk for our organization, our customers, and other stakeholders.

Supplier Compliance

Through our supplier terms and code of conduct, we require our suppliers to comply with all applicable regulations. We conduct risk analyses of suppliers who want to do business with us, which as a baseline includes obtaining supporting documentation regarding quality, capacity, and labor practices. We are committed to building relationships with well qualified suppliers that meet our standards for quality, ethics, sustainability, reliability, and supply chain security. Conformance to our supplier code of conduct is required to become, and maintain good standing as, a supplier to Fastenal of any supplied material or service. This expectation is reinforced in each Fastenal purchase order, which references our supplier code of conduct and purchase order terms and conditions. We evaluate suppliers' compliance with these standards in determining whether to grant or continue preferred status. Suppliers that do not comply with this code of conduct may be disqualified from preferred status or have their business relationship with Fastenal terminated. To learn more about our supplier terms and code of conduct, visit Fastenal's Legal Information page.

Supply Chain Governance

To establish visibility and control early in the supply chain, Fastenal operates dedicated in-house teams in each of the major regions we source from. This includes entities such as FASTCO (Fastenal Asia Sourcing and Trading Company) as well as similar organizational structures in Europe and the Americas. These resources are designed to help us quickly and proactively engage at all levels of the supply chain. Within these structures, Fastenal has more than 200 locally based personnel, including factory auditors, engineers, procurement professionals, quality specialists, and logistics specialists, positioning us to closely monitor risks and opportunities and maintain a high level of control over product quality. We operate five international A2LA-accredited quality labs (in addition to the four A2LA-accredited labs we operate in the United States), allowing us to conduct comprehensive mechanical and chemical fastener analysis. Product testing is conducted to internationally recognized standards as well as customer specifications.

Product Transparency

In addition to the controls and processes described above, Fastenal's compliance team works to provide visibility to the product attributes we believe are most important to our customers. This includes using the adjacent icons on our eCommerce platform, other marketing channels, and point of sale system to help customers make informed purchasing decisions.

RP — Restricted Product	(M)SDS — Safety Data Sheets (SDS)	PROP 65 — CA Proposition 65
REACH — REACH	RoHS Compliant — RoHS	3TG — Conflict Minerals

Learn more about the customer support and documentation we provide regarding material declarations, conflict minerals, REACH, and RoHS.

Forced Labor Policy

Fastenal maintains a strong stance against the use of forced labor, including child labor, within any tier of our supply chain and actively collaborates with our suppliers to monitor, educate, and address any potential compliance concerns. Forced labor prevention expectations are written into our supplier code of conduct. In addition, our teams execute supplier documentation reviews, on-site audits, internal and external trainings, risk assessments, and material origin reviews.

Supply Chain Security Policy

As both an importer and exporter, Fastenal has been a member of the United States Customs and Border Protection Agency's Customs Trade Partnership Against Terrorism (CTPAT) program since 2009. This supply chain security partnership program is designed to secure and facilitate the movement of legitimate international trade while improving security throughout the supply chain, from the point of cargo origin to the final import destination. The program provides a foundation for Fastenal's risk-based approach to supply chain security, and its core requirements are applied to all Fastenal international cargo handling locations to help ensure consistent controls. It guides our employee training curriculums, internal facility audits, vendor security campaigns, warehouse security measures, and freight tracking procedures, in addition to Fastenal's internal expectation regarding forced labor controls.

Quality Control

TUV Rheinland of North America has certified that our current quality management system conforms to the ISO 9001:2015 standard. This certification covers 68 locations, including all distribution centers, industrial services centers, internal manufacturing locations, FASTCO, and select in-market servicing locations. Additionally, Fastenal operates nine product testing labs as part of our supply chain quality control process. The labs, which conform to the ISO 17025:2017 standard set by the American Association for Laboratory Accreditation (A2LA), provide mechanical and chemical analysis to meet internationally recognized standards as well as customer specifications. These internal mechanical testing resources and our access to external accredited labs give us the ability to test products across our scope of supply.

Selection and Monitoring of Corporate Suppliers

This involves multiple stages and teams. First, our supplier intelligence group does background research on the potential corporate supplier. If they meet basic requirements, our field auditors conduct a pre-audit to collect additional data and samples for lab testing, and our purchasing team verifies whether the pricing is competitive. If the supplier passes the pre-audit, we then perform a full audit of their quality process. (Based on an internal risk analysis, certain suppliers are also subject to a full audit of their social compliance.) If approved, the supplier can be issued a vendor number and activated in our system. All corporate suppliers are evaluated monthly with quality performance scorecards.

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Product Alerts and Recalls

Our quality management system includes well defined processes for product alerts and recalls. These can be initiated either internally by Fastenal (based on product testing in our A2LA-accredited labs) or externally by our supply chain partners. Recalls and alerts are classified into four levels:

- **Level A** is an alert only, prompting us to remove the product from our distribution centers.
- **Level B** is also an alert only, but in this case the product is removed from both our distribution centers and our in-market servicing locations (branches and Onsites).

- **Level C** is an internally-initiated recall whereupon we remove the product from all Fastenal locations and notify customers of the product failure.
- **Level D** is a vendor-initiated recall. The supplier recalls a specific product, and we communicate the recall requirements to our end-user customers globally.

In a recall or alert situation, Fastenal is able to lock down the product on a corporate level so that it cannot be sold through our point of sale system.

Conflict Minerals Policy

Fastenal's conflict minerals policy provides a framework for compliance with Section 1502 of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd Frank Act"). This section pertains to 3TG minerals (tin, tantalum, tungsten, and gold, which are derivatives of cassiterite, columbite-tantalite, and wolframite) regardless of where they are sourced, processed, or sold. As a United States issuer of securities governed by the Securities and Exchange Commission, Fastenal and its subsidiaries use this policy to guide the implementation and maintenance of our conflict minerals program.

Fastenal expects manufacturers of Fastenal-branded products, custom-engineered products, or other products over which we exert influence through product development or design to have policies and due diligence measures in place that will assure knowledge and notification of products and components that contain conflict minerals. We have partnered with a third-party organization to assist in the collection and validation of information from our suppliers and to help us improve the overall quality of our reporting.

More broadly, we expect suppliers to conduct their business in alignment with Fastenal's supply chain responsibility expectations. In support of this policy, Fastenal will:

- Exercise due diligence with suppliers consistent with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (and encourage our suppliers to do the same with their upstream suppliers).
- Provide due diligence information to customers confirming the applicability and/or compliance of products supplied by Fastenal.
- Continue our involvement with relevant industry groups, such as the Twin Cities Conflict Mineral Task Force, to stay on top of developments, changes, and future requirements.

View Fastenal's most recent Conflict Mineral Report.

Cybersecurity & Data Privacy

Fastenal has received certification to the ISO 27001:2022 information security management system. This certification was achieved through a formal audit process conducted by A-LIGN, an independent and accredited certification body in the United States.

ISO 27001 is an international standard to manage information security published by the International Organization for Standardization (ISO), the world's largest developer of voluntary international standards, and the International Electrotechnical Commission (IEC). Achieving certification to ISO 27001 demonstrates that Fastenal has met rigorous international standards for ensuring the confidentiality, integrity, and availability of data. It reflects our commitment to ensure that security of data and information has been addressed and that proper controls have been implemented in all areas of the organization.

Our information technology (IT) security department is tasked with monitoring cybersecurity and operational risks related to information security and system disruption. The team employs measures designed to protect against, detect, and respond to cybersecurity threats and has implemented processes and procedures aligned with our information security management system to support and promote resilient programs. This includes:

Enterprise security framework and cybersecurity standards	Cybersecurity awareness and training plans	Security assessments and monitoring	Restricted physical access to critical areas, servers, and network equipment	Incident response, crisis management, business continuity, and disaster recovery plans

Fastenal's board of directors and audit committee are actively engaged in the oversight of our information security program. The audit committee receives quarterly reports on information security from our senior vice president of information technology infrastructure and security. Additionally, our executive leadership team is briefed on information security at least once a quarter by members of our IT security, compliance, governance, and audit teams. Any identified risks are included in Fastenal's overall risk management program, and internal and external auditors validate IT controls on a regular basis.

Fastenal conducts organization-wide cybersecurity training and compliance exercises in connection with our information security program. This training consists of educational material and compliance testing administered annually to all Fastenal employees, which is tracked and recorded throughout the year. Results and progress are shared with executive leadership and the audit committee each quarter.

In our continued commitment to maintaining a strong internal control environment, Fastenal underwent a System and Organization Controls (SOC) 2 examination from an independent auditor (risk3sixty Compliance, LLC) and received a SOC 2 Type 2 attestation report. The SOC 2 Type 2 report covers the suitability of the design and operating effectiveness of controls over a period of time. The scope of the report covers Fastenal's service commitments and system requirements based on the Trust Services Criteria relevant to security and availability (AICPA, Trust Services Criteria).

Ethics & Compliance

Business Conduct

At Fastenal, we are committed to operational excellence, ethical and responsible conduct, fair and respectful treatment of all individuals, and practices that promote safety, health, and environmental protection. Although we have not joined the UN Global Compact, we endeavor to incorporate the Ten Principles of the UN Global Compact in our operations, including our supplier code of conduct. We conduct risk analyses of suppliers who want to do business with us, which includes obtaining supporting documentation regarding quality, capacity, and labor practices. We are committed to building relationships with well qualified suppliers that meet our standards for quality, ethics, and reliability.

Conformance to our supplier code of conduct is required to become, and maintain good standing as, a supplier to Fastenal of any supplied material or service. We evaluate suppliers' compliance with these standards in determining whether to grant or continue preferred status. Suppliers that do not comply with our code of conduct may be disqualified from preferred status or have their business relationship with Fastenal terminated. To learn about our supplier terms and code of conduct, visit Fastenal's Legal Information page.
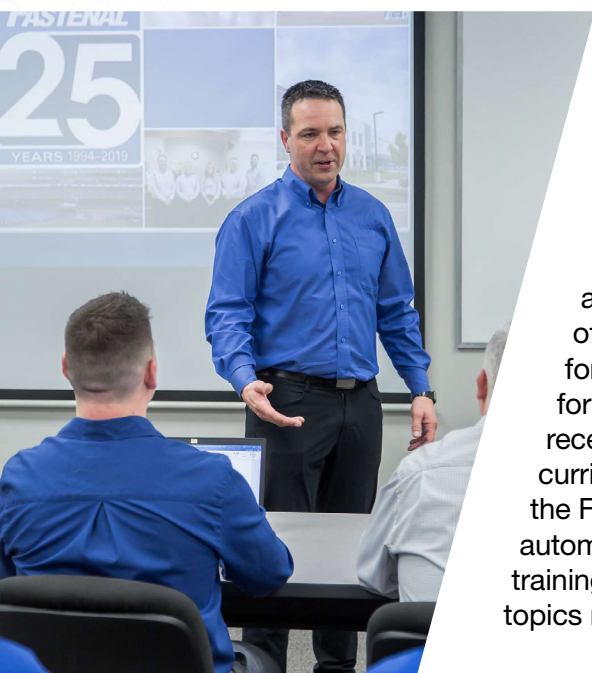
Policies and Trainings

New employee orientation involves a review and acceptance of our policies and procedures guide and our standards of conduct, which include applicable policies and expectations regarding human rights, business ethics, anti-bribery, anti-corruption, cybersecurity, workplace harassment, and employee health and safety. The standards of conduct and applicable policies are reinforced for all employees through annual training with a formal attestation of the standards. Hiring managers receive additional training through a manager-focused curriculum developed by our internal training department, the Fastenal School of Business. Managers are automatically enrolled in this curriculum, which includes trainings on coaching, business ethics, recruiting, and other topics related to fair and effective leadership.

Compliance Trainings

As part of our people-centered culture, Fastenal invests in comprehensive, career-long employee training and development through the Fastenal School of Business, including training focused on the environment, ethics, and labor and human rights. Below is a summary of employee participation in trainings related to these topics over the past four years.

Environment

Year	Completions	Sum of Total Hours
2024	38,378	30,203 Hours
2023	39,499	30,095 Hours
2022	50,954	36,916 Hours
2021	28,410	24,659 Hours

Ethics

Year	Completions	Sum of Total Hours
2024	174,994	55,435 Hours
2023	182,883	64,518 Hours
2022	138,393	45,718 Hours
2021	125,444	47,252 Hours

Labor & Human Rights

Year	Completions	Sum of Total Hours
2024	163,509	82,682 Hours
2023	118,132	58,854 Hours
2022	114,464	57,991 Hours
2021	106,246	50,725 Hours

Empowering People

"The greatest resource in the world is **the human individual**, with each individual having **enormous potential** to do wonderful things."

Bob Kierlin, Fastenal Founder

The quote above speaks to Fastenal's foundational belief in people – a fitting lead-in to the social aspects of our ESG program. Because we value people (as unique human beings, not just human capital), we prioritize safety, we foster a culture of fairness and respect, and we strive to improve our communities. Because we believe in human potential (versus fixed talents), we invest in career-long learning resources for every employee. We empower employees to make local decisions and to think big for our customers. And we remain strongly committed to promotion from within, creating pathways for employees to branch out, build rewarding careers, and become leaders in our organization.

Our people-centered strategy can be summarized with some simple thoughts:

Find **great people**

Invite them to join

Challenge them to teach, learn, and be willing to change

Remind everyone that no single group of people has a monopoly on **talent, ambition, or ability**

Give them a **reason to stay**

Promote from **within**

Human Rights

Fastenal is committed to complying with all applicable labor and employment laws and regulations in every country and jurisdiction in which we operate. This includes but is not limited to: antiharassment and discrimination in all aspects of employment; employees' freedom of association and the right to collectively bargain; prohibitions on child labor, forced labor, or any form of human trafficking; and fair wage and hours requirements. Fastenal also expects its suppliers and vendors to comply with all applicable laws and regulations.

A Snapshot of Our Global "Blue Team"

As of December 31, 2024, we had 23,702 employees worldwide.

18,701 of those employees were located within the United States, 3,304 employees were located in Canada and Mexico, and 1,697 were located in 23 other countries around the world.

Non-Discrimination

It is Fastenal's policy to provide equal employment opportunity for all employees and applicants for employment in accordance with all applicable federal, provincial, state, and local executive orders, regulations, and laws. We will not engage in any form of prohibited employment discrimination. This includes discrimination on the basis of race, color, creed, gender, religion, national origin or citizenship status, disability, age, genetic information, marital status, status regarding public assistance, sexual orientation, gender identity, familial status, veteran status, or any other protected classifications.

View our EEO/Policy Statement.

Health & Wellness

Fastenal provides health benefits to all full-time employees, including resources focused on work-life balance, substance abuse, mental health, and wellness. In recent years, we have made family-friendly improvements to our U.S. employee benefits program, including a hybrid work option for certain roles, a paid family and medical leave benefit, and increased flexibility for paid time off.

Employment

Recruitment

Our cultural values – Ambition, Integrity, Innovation, and Teamwork – are woven into the fabric of our human resources processes and protocols, starting with our employment process. These values serve as guideposts for leaders throughout the organization as they administer and adhere to the system and processes. The ultimate goal is straightforward:

Make the candidate pool as **expansive as possible** and hire the candidate who is **the best match for the position** based on their **skills and abilities**.

In light of our cultural priority to promote from within, we know we are welcoming a potential future leader with every new hire. And in the spirit of decentralized decision-making, all hiring managers complete their own interviews and make local hiring decisions.

Our Cultural Values

Ambition

By thinking big and working hard, we create value for our customers, growth for our organization, and opportunities for ourselves and others on the Blue Team.

Integrity

Our decentralized culture, including a commitment to local decision-making, wouldn't be possible without personal integrity at every level of the organization.

Innovation

This isn't limited to technical or leadership roles. In general, we believe the best ideas come from the people closest to the customer, problem, or process.

Teamwork

We succeed by surrounding ourselves with talent, supporting those around us, and challenging each other to become better every day.

Hiring

The cornerstone of the hiring process is our Applicant Tracking System, which was designed internally by our human resources (HR) team. This system facilitates data collection and storage while also streamlining a multi-step process. The HR team reviews and approves the job openings for posting via our intranet site, our external websites, and the many post-secondary schools we work with across the country.

After job openings are posted, the HR team completes initial application screening and phone interviews for interested candidates. The qualified candidate pool is then sent to the hiring manager for first and second interviews, during which candidates are asked standardized questions based on the requirements of the position. The candidate's responses are noted by the hiring manager, and all interview questions and responses are sent to the HR team when interviews have been completed. All records are reviewed by the team, and dispositions for the candidate pool are entered and finalized. It's a thorough process – this team reviews the results of each pool and is responsible for managing all record-keeping.

In keeping with our decentralized culture, we believe the person best suited to make a hiring decision is the leader who is trying to fill the opening. While the process described above may appear rigid, it is designed to ensure consistency and fairness while still allowing hiring decisions to be made locally. This process is followed with all new hires as well as any internal transfers and promotions.

Promoting From Within

We have always believed that promoting from within is the best way to reward our employees' hard work, excellent performance, and modeling of our values. We are committed to developing leaders who embrace our values, have a deep understanding of the business and a proven record of success, and in turn merit the respect of the team. This commitment is reflected in the experience required to advance to a leadership role. Advancement within the organization is based on hard work and execution of performance expectations. The promotion pathway is challenging, but it offers a powerful incentive for those with the determination and motivation to be successful, to develop and mentor co-workers, and to model our cultural values.

Years of Service

25 Years	30 Years	35 Years	40 Years
799 Employees	294 Employees	89 Employees	21 Employees

Go to Careers

Training & Development

Fastenal School of Business

Fastenal continues to invest in employee training and development through our corporate university, the Fastenal School of Business (FSB). FSB's professional staff focuses on course research, design, instruction, and employee advising to continually develop, maintain, and deliver Fastenal-specific training. Course offerings are available to all employees in areas such as sales, leadership, products, distribution, human resources, and safety. We also encourage employees to participate in additional training for specialized or technical areas outside of what FSB offers. In 2024, employees completed more than 915,000 FSB trainings (in addition to outside trainings). This involved, on average, 23.7 hours of training per full-time employee and 26.5 hours of training per part-time employee during the year.

In 2024, employees completed more than 915,000 FSB trainings.

Creating Pathways for Success

To meet the needs of employees across the planet, FSB provides training through various delivery methods and strives to accommodate all styles of learning. That said, there is a globally consistent goal: continually enhance the knowledge and skills of our workforce, thus improving customer satisfaction and empowering employees to move forward in their careers.

Our training culture reflects Fastenal's core belief in people and longstanding commitment to provide opportunities for promotion from within. By making role-specific training plans available to everyone in the organization, FSB provides clear pathways for employees to succeed in their current roles and prepare for future roles.

Developing Great Leaders

Managers (i.e., those positionally responsible for leading others) are automatically enrolled in our Leadership Training Plan, which encompasses specialized trainings on coaching, business ethics, recruiting, and other topics related to fair and effective leadership. It includes our flagship *LDR450: Leadership Enhancement Program* (covering topics like dilemma management, leader influence, and emotional intelligence) as well as our long-standing leadership course titled *LDR210: Coaching*.

Two additional leadership courses were introduced in late 2023. One is *LDR410: Leading Talent Planning and Development*, which focuses on talent planning, assessing future potential, succession planning, collaborating on individual development plans, and having development conversations to build a strong future. The other course, *LDR209: Mentoring Practices for Shared Growth and Success*, focuses on mentoring skills, relationships, and consolidating learning from mentoring.

Measuring Training Effectiveness

As we strive to consistently develop and deliver effective, efficient, and engaging training, it's important that we methodically assess our performance to determine if we're meeting that goal and uncover opportunities for improvement. For each training, we use several methods to gauge employee knowledge and skill progression. These methods include (but are not limited to) knowledge checks, simulations, role plays, quizzes, tests, and business plans. Many of our classroom trainings are followed by on-the-job assignments, which allow employees to apply learned skills in their daily business and submit responses to their instructor for feedback and assessment. We also collect responses from employees via course evaluations, providing students with an opportunity to share their perspectives on the effectiveness of the course, the provided materials, and their instructors. All of these measures help us continuously assess, update, and improve courses to keep the training relevant and valuable to our employees.

Empowering People / Human Rights / Employment / Training and Development / Workplace Health and Safety / Community Engagement

Workplace Health & Safety

Our employees continue to distinguish Fastenal as a leader in workplace health and safety. We continually encourage safety participation through new employee trainings and ongoing coaching, audits, inspections, risk assessments, safety committee meetings, and first-responder programs. In 2024, we completed nearly 247,368 health and safety activities, an increase of 16% compared to 2023. In addition to engaging 23,000-plus employees across the organization, our Environmental Health and Safety (EHS) & Sustainability team continually strives to reduce risk by improving facility conditions and operational processes. The high-level goal is to reduce our total recordable incident rate (TRIR) by 5% annually.

Branch & Onsite Programs

Our network of more than 3,600 in-market operating units continues to be a key focus of our safety programs. Employee onboarding, a 90-day new hire program, leadership development, and facility condition assessments all play a role in instituting safe standards and practices. Through our onsite employee safety program, we strive to meet customer expectations and vetting requirements. This can include working with third-party verifiers to develop site-specific risk assessments and safety plans to minimize safety risks related to our employees.

Operations & Manufacturing Programs

Employee engagement is the key to Fastenal's safety culture. Programs such as job safety observations, hazard identification reporting, toolbox talks, and trainings all share a common goal: mobilize our local teams to improve the safety of our facilities and processes.

Case in point: Our hazard identification program incentivizes employees to report potential hazards to management *before* they lead to injury-related incidents. In 2024, employees in our North American distribution centers and manufacturing facilities participated in 6,028 more hazard identification activities compared to 2023, reflecting their commitment to workplace safety. It's a great example of how ideas and feedback from employees are playing a vital role in driving continuous improvement to our EHS programs.

Fleet & Transportation Programs

With nearly 10,200 vehicles in operation, Fastenal continues to make fleet safety a priority. Employees participate in a variety of internal activities such as defensive driving, safe work practices, regular vehicle inspections, and load securement trainings – just a few of the many programs that help us reduce risk and improve safety for employees (and others) on the road. In 2024, employees completed a total of 42,427 transportation safety trainings, defensive driver trainings, and job safety observations – a 93.7% increase versus 2023.

View Our 2025 EHS Report

Health and Safety Impact

Our focus on employee engagement has produced excellent results. A widely accepted measure of organizational health and safety is the **Experience Modification Rate (EMR)**. An organization's EMR is determined by the National Council on Compensation Insurance (NCCI) based on a comparison of its past and expected losses incurred through workplace injuries versus other organizations in its industry. The NCCI factors in variables such as the number of employees and the mix of job classifications to group organizations with similar characteristics into industries. Industry averages are benchmarked at an EMR of 1.00. A reduction from this rate reflects an organization's ability to implement superior safety procedures and protocols, resulting in a safer environment with reduced personal and financial risk.

In 2024, Fastenal had an

EMR of .46

54% better

than the average performance rate for our industry group.
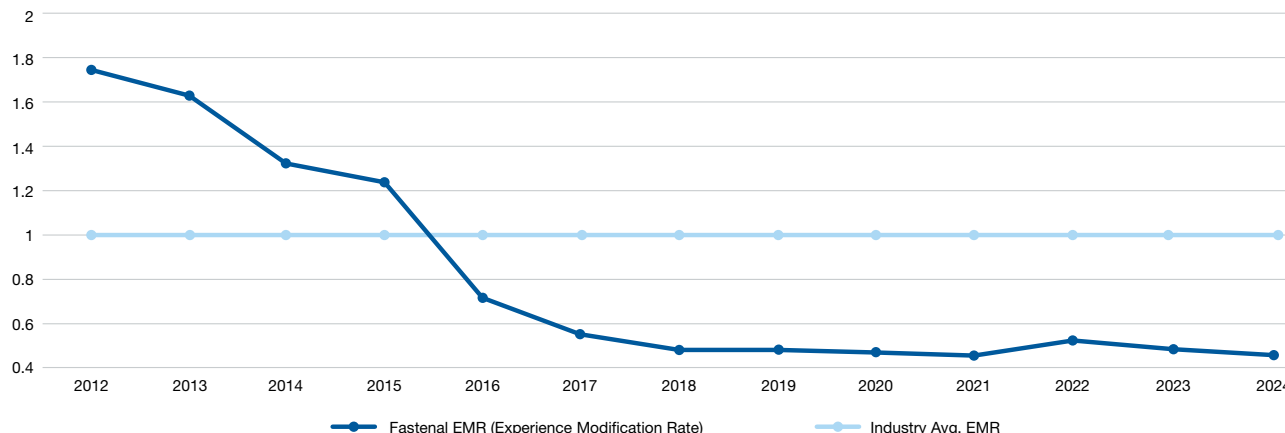
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fastenal EMR (Experience Modification Rate)	.46	0.49	0.52	0.45	0.47	0.48	0.48	0.55	0.72	1.24	1.32	1.63	1.75
Industry Average EMR	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Delta (Fastenal vs. Industry)	-54%	-51%	-48%	-55%	-53%	-52%	-52%	-45%	-28%	24%	32%	63%	75%

Awards and Programs

BLUE TEAM GIVES BACK

Community Engagement

Our company founders always believed in giving generously while staying out of the spotlight. They also believed in decentralized decision-making, which included empowering local employees to take the lead in company-sponsored community efforts. Today, this spirit shines through in local markets across the planet where our employees contribute to their communities through volunteering and donations.

To provide resources and structure for these efforts, we're working to build a sustainable community strategy focused on the following areas.

Pillars of Community Engagement

Community Development

Wellness

Customer Causes

Workforce Development

Disaster Response & Recovery

Youth Development

Veterans & First Responders

Blue Team green drive (India)

Toys for Tots drive (Washington)

BK5K race (Pennsylvania)

Recovery & improvement efforts at a public school (Mexico)

Squishmallow drive (California)

In 2024, Fastenal gave monetary donations of

$2.5 MILLION

to various organizations supporting our community engagement pillars.

Through our local branches and distribution centers, we also made in-kind donations of

$555,000

to various organizations and disaster relief efforts.

Donating care packages to Irma Lourdes Tzanetatos hospital (Panama)

Donating to Cinco Ranch High School Robotics (Texas)

Franklin County Health Department donation (Indiana)

Bay Area Rescue Mission (California)

Food bank drive (Canada)

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Empowering People / Human Rights / Employment / Training and Development / Workplace Health and Safety / Community Engagement

BLUE TEAM
BLOOD DRIVE

In late 2022, we launched our Blue Team Blood drive in partnership with the American Red Cross and other blood supply organizations throughout North America and also in India (home to many of our IT employees). With this program, we're committed to hosting in-person blood drives for employees at large Fastenal facilities one to four times per year. We also created a virtual blood drive program, which allows employees, friends, and customers to participate at local community sites around the world.

Bangalore, India

Edwardsville, Kansas

Miami, Florida

More than 1,230 units of blood were donated to help patients and save lives in 2024.

Modesto, California

Salt Lake City, Utah

Winona, Minnesota

In 2024, we hosted 45 in-person blood drive events at large Fastenal facilities and, in some cases, community buildings. Through these events and the virtual blood drive program, more than 1,230 units of blood were donated to help patients and save lives. As part of the program, we offer paid time for employees to donate (if they are able) and to assist in organizing and administering the blood drive events. In 2024, employees used this paid-time option to contribute more than 1,750 volunteer hours.

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Workforce Development

To support communities and engage with potential future employees, our local teams partner with a variety of educational institutions, from high schools to technical colleges and universities. Local employees lend their expertise to bring educational value to these partnerships, whether it's teaching courses through programs like Junior Achievement or leading seminars in college business departments. With Fastenal's financial backing, they also contribute resources for scholarships, classroom equipment, and learning activities. **In 2024, we supported more than 70 programs/organizations by providing nearly $820,000 in monetary donations** in addition to in-kind donations such as storage fixtures and tools for technical education classes.

Helping to Close the Industrial Skills Gap

As an organization with deep roots in manufacturing and engineering, we are particularly focused on helping to address the deficit of skilled industrial labor in the United States. We believe a renaissance in the trade professions is needed to power future innovation, productivity, and prosperity. We also believe technical training offers a relatively affordable and attainable pathway for students and families in all walks of life to advance economically. By taking steps to close the industrial skills gap, we're striving to create immediate opportunities while contributing to long-term economic security.

Wells Academy: A Pathway for Industrial Employment

In 2024, we continued our ongoing support of Wells Academy, a 501(c)(3) non-profit apprentice job training program for economically disadvantaged community members in Northern Minnesota who need basic education and trade skills to gain employment. Since 2016, Fastenal has awarded $384,000 in scholarship funds for Wells Academy, and we continue to provide scholarship funding to help make industrial employment a reality for people seeking a start (or a *new* start) in life.

Wells Academy was founded by Andy Wells, CEO and founder of Wells Technology, a high-precision fastener manufacturer in Bemidji, Minnesota.

Awards and Recognition

◄ FY24 Digital Lifesaver Award - 2nd Largest Virtual Blood Drive (American Red Cross)

◄ 2024 Business Advocate (Winona Education Association)

◄ BK5K Founders Award (Winona Community Foundation)

Celebrating 20 Years of Partnership

In late October 2024, Fastenal was presented with an award representing Wells Technology's gratitude for their 20-year strategic partnership with Fastenal.

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Connecting Students With Industry

In recent years, our Fastenal Manufacturing division has partnered with several high schools and technical colleges to provide equipment (including lathes and robotic arms), scholarships, tuition and book reimbursement, training, sponsorships, and employment opportunities. What do these programs look like in action? Click here to watch a video about our employer partnership with Minnesota State College Southeast (MSCS).

In 2024, Fastenal completed our second year of sponsoring the College Opportunity Program. This program allows Winona, Minnesota area high school graduates to attend MSCS without any out-of-pocket tuition costs. Students must first apply for admission to MSCS and also complete the Free Application for Federal Student Aid (FAFSA). The program funds tuition expenses not covered by state or federal grants and also provides additional funds for books and other supplies. Making post-secondary education affordable for all students removes the most common barrier to attending college. It reflects our belief in people, our focus on education, and our commitment to create opportunities for others.

Hubs of Opportunity

The regional operation managers at our distribution centers (also known as "hubs") continue to build workforce development partnerships with technical colleges in their communities. A great example is our distribution center in Atlanta, Georgia, which has developed a longstanding relationship with West Georgia Technical College. Fastenal proudly employs several graduates of the program, including employees who have grown into leadership positions within our organization.

Making Learning Part of the Job

Workforce development also includes investing in our current workforce. Fastenal leadership encourages employees to set aside time during working hours to participate in training through the Fastenal School of Business and other learning programs relevant to their current roles or career aspirations. The training goal is clearly communicated to everyone on the Blue Team: 30 hours per year for full-time employees and 15 hours per year for part-time employees.

Proud to Earn Four Consecutive NEPA Best Places to Work Awards

For the fourth year in a row, our distribution center in Jessup, Pennsylvania received a NEPA Best Places to Work award. Presented by the Times Leader Media Group, the award celebrates Northeast Pennsylvania businesses that excel in employee satisfaction, workplace culture, and overall organizational excellence. This award is especially meaningful because companies are nominated and voted for by local employees and readers – it reflects the direct experiences of those who know Fastenal best.

"We have always strived to provide a safe, team-oriented environment, creating a culture that's among the very best in Northeast PA," said Marcelo DeSousa, our regional operations manager. *"Receiving this award four consecutive times is a validation of the environment we foster. I am extremely proud of everyone on the team for supporting each other and providing excellent service to our customers."*

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Disaster Response and Recovery

When disasters strike, Fastenal employees are able to work together across locations and departments to help our customers, employees, and communities. Our Blue Team Responds program facilitates cross-departmental collaboration to expedite emergency needs, and our in-house trucking fleet allows us to move supplies into disaster zones without having to rely on third-party carriers. A key advantage: having local "feet on the street" supported by layers of regional and nationwide resources. This allows us to proactively plan with strategic customers and government agencies, to react quickly in disaster situations, and to physically distribute urgently needed products in the community.

ANSWERING THE CALL IN 2024

In 2024, we stepped up to help with the recovery from tornadoes in the Midwestern United States; flooding in Rio Grande do Sul, Brazil and Valencia, Spain; and the widespread devastation from Hurricanes Helene and Milton. From delivering critical supplies to supporting affected communities, the Blue Team's relentless efforts exemplify our commitment to making a difference.

"For those who don't know, our district's area was the epicenter of Helene flooding. So proud of my team and so thankful for my community. We have been working around the clock facilitating for the community and our partners. We delivered 60 generators and many other supplies in the last few days."

Luke Johnson
District manager in western North Carolina

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BK5K Road Race

Through our BK5K Road Race program, Fastenal employees organize 5K walk/run events (and free 1K kids races) in multiple communities. All proceeds, including contributions from event sponsors, are provided to 501(c)(3) non-profit youth organizations through a grant process.

Since its initial run in 2000, the BK5K has funded
595 grants totaling over $3.4 million.

These proceeds support wide-ranging community requests, from equipment and supplies for sports and educational programs to life needs such as hygiene kits and weekend food boxes for school kids.

In 2024, BK5K events were held in 13 cities, including non-U.S. races in Canada, India, Taiwan, and China. In total, $391,419 was distributed to fund 74 grants. Behind the scenes, Fastenal employees volunteered an estimated 1,400 hours of their time for event planning, fundraising, grant reviews, and race-day coordination to help make the BK5K successful and impactful in their communities.

BK5K SUPPORTING AREA YOUTH

Blue Team Giving Fund: Making a Difference Together

Launched in late 2023, our Blue Team Giving Fund offers a simple way for employees and community members to contribute to programs and causes supported by Fastenal. This fund is tax-deductible, allowing donors to receive tax benefits while supporting causes they care about.

In 2024, the fund played a vital role in several important efforts. For example, it augmented our relief support for communities affected by Hurricane Helene. Our headquarters established a collection site for employees to donate essential items. To expand employee participation, we promoted the option of making monetary donations through the Blue Team Giving Fund.

The fund has also added a new dimension to our annual Angel Giving Tree Campaign, which invites employees to donate Christmas presents to underprivileged and foster care youth during the holiday season. In 2024, employees were able to participate (by donating funds) even if they didn't have time to shop for a present. With this new option, we saw increased participation, allowing us to provide more gifts to children.

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Blue Team Sports

Blue Team Sports is a program dedicated to fueling champions and inspiring health through our support for sports and active lifestyles. Our mission is to empower athletes and communities by promoting wellness, fitness, and healthy living. We believe in the transformative power of sports to elevate lives, foster teamwork, and build a healthier future where everyone can achieve their full potential, both on and off the field.

Since the program's introduction in 2012, **nearly 6,300 teams and 77,000 employees** (and family members) across North America have received Blue Team Sports apparel.

In 2024 alone, we outfitted 633 local teams, providing apparel for 7,304 people to participate in more than 50 different sports, including baseball, basketball, biking, bowling, cheer, cricket, curling, football, golf, gymnastics, hockey, kickball, lacrosse, powerlifting, rowing, rugby, running, skiing, soccer (football), softball, swimming, tennis, ultimate frisbee, disc golf, volleyball, wrestling … and, yes, pickleball.

Preserving Our World

Our Strategic Focus

As we progress in our journey to understand and improve our carbon impact, we continue to expand the information we gather and report to CDP (formally known as the Carbon Disclosure Project) in accordance with the Greenhouse Gas (GHG) Protocol. Our current reporting covers the entirety of our scope 1 and 2 emissions from all global business operations. We have completed a scope 3 materiality assessment, helping us lay the foundation for future reporting requirements. This helped us gain a more complete understanding of our carbon inventory and supports exploration of science-based targets.

To support our greenhouse gas emissions inventory, we invested in the Watershed carbon reporting and compliance solution in 2024. Watershed is an end-to-end platform with audited methodologies to standardize and transform business data into more rigorous sustainability data. It enables us to better understand our environmental impact through data visualization and access to over 60,000 emissions factors for fuel, electricity, materials, and business activities.

Key Systems and Programs

We have received third-party certification to the ISO 14001 environmental management standard. ISO 14001 provides a framework to design and implement an effective environmental management system.

We are an ENERGY STAR Partner, demonstrating a commitment to measure, track, and improve our energy performance. We use the ENERGY STAR Portfolio Manager to benchmark our energy use in individual buildings.

We're also a certified EPA SmartWay Partner. This program provides us with tools and best practices to measure, benchmark, and improve our freight transportation efficiency.

Raising the Bar for Efficient Operations

Fastenal's value proposition centers on helping organizations become more resource efficient across the supply chain. It starts by driving efficiencies within the span we directly control – the vehicles, large facilities, and in-market locations we use to serve customers across the country and around the world. The following section provides statements pertaining to our scope 1 emissions related to fuel combustion in our furnaces, boilers, and vehicles; scope 2 purchased electricity emissions; and waste diversion related to our own key facilities.

2024 Highlights – Ratings and Awards

SILVER | Top 15%
ecovadis
Sustainability Rating
DEC 2024

We earned another silver medal from EcoVadis
In 2024, we improved our sustainability score to earn a second consecutive silver medal from EcoVadis, an organization on which many of our customers rely. The silver award means Fastenal is in the top 15% of all companies rated by EcoVadis (150,000+), reflecting the performance of our sustainability management system across the four evaluation areas: Environment, Labor & Human Rights, Sustainable Procurement, and Ethics. In addition to placing in the top 15% overall, Fastenal is in the top 4% in our industry and the top 1% in the environmental pillar.

SUSTAINALYTICS
a Morningstar company
RATED

We improved our Morningstar Sustainalytics score
In 2023, we received an ESG risk rating of 25, placing us in the Medium Risk category based on Morningstar's research. We're proud to report that our score for 2024 improved to 18.8, which puts us in the Low Risk category. Morningstar's ESG Risk Ratings are considered an absolute risk assessment (i.e., not a relative comparison of industry or category peers). The ratings are comparable across all of the sectors, industries, and subindustries within Sustainalytics' global universe of 16,000-plus companies.

CDP
Supporter 2024

We raised our CDP climate score
We improved to a score of B- in 2024 after receiving a C score for each of the previous three years. According to CDP, a score of B or B- is given to companies that are taking proactive measures for environmental management.

SEAL
AWARD WINNER
2025

We won a SEAL Environmental Initiative Award
Presented in January 2025, this award honored 30 companies for their specific environmental and sustainability-related initiatives. We were selected for our program with Trex Company, Inc. to create a circular economy for plastic waste in our distribution centers and in-market locations (see pg. 41).

Corporate ESG Performance
RATED BY
ISS ESG▷ | **Prime**

We were awarded Prime Status by ISS
Prime status is granted to companies with an ESG performance above the sector-specific Prime Threshold, meaning they fulfill ambitious absolute performance requirements. Fastenal's Prime Status reflects our demonstrated ability to manage material ESG risks, mitigate negative and generate positive social and environmental impacts, and capitalize on opportunities offered by transformation towards more sustainable development.

GHG Management

In 2024, we established two key relationships to enhance our ability to track and calculate our greenhouse gas inventory. One is Arcadia, a global utility data and energy solutions platform. This resource includes AI-powered analytics, industry expertise, and an expansive partner network to assist with enterprise energy management. As mentioned in the introduction to this section, we also invested in the Watershed enterprise climate platform.

The table below presents a year-over-year comparison of our scope 1 and scope 2 emissions. It highlights our continued efforts to reduce fuel consumption across our fleet and energy use in our facilities. As we refine our processes and improve data quality, we are better equipped to monitor consumption with greater accuracy and efficiency, giving us clearer insight into the results of investments and behavioral changes made throughout the year.

Scope	2024 (Metric ton CO2e)	2023 (Metric ton CO2e)
Scope 1*	128,284	130,852
Scope 2**	36,304	39,077
Total	**164,588**	**169,929**

Scope 1

Business Division	2024 Scope 1 Emissions (Metric ton CO2e)	2023 Scope 1 Emissions (Metric ton CO2e)
Transportation	110,039	113,034
Manufacturing	2,556	3,187
Distribution Centers	1,758	1,925
Branch Locations	13,817	12,706
Support	114	-
Scope 1 Total	**128,284**	**130,852**

Scope 2

Business Division	2024 Scope 2 Emissions (Metric ton CO2e) Market-based	2023 Scope 2 Emissions (Metric ton CO2e) Market-based
Transportation	-	-
Manufacturing	7,397	7,077
Distribution Centers	8,255	11,976
Branch Locations	19,721	19,014
Support	931	1,010
Scope 2 Total	**36,304**	**39,077**

*Scope 1 emissions are the result of direct fuel consumption by sources we control or own, such as vehicles or boilers.
**Scope 2 emissions are the result of purchased grid electricity. The data applies to all global business activities.

Transportation

Driving Toward a Greener Future

A key (and differentiating) feature of Fastenal's service model is our in-house transportation network, which allows us to control the movement of materials across much of the supply chain.

Our North American fleet includes more than **750 commercial motor vehicles (CMVs)** as well as nearly **8,300 pickup trucks** used by our local teams to provide final mile delivery service.

As we continue to grow, we are thoughtful about our environmental impact. Since mid-2019, Fastenal has participated in the United States Environmental Protection Agency's SmartWay program. This voluntary program is part of our commitment to manage emissions and improve fuel efficiency in our freight transportation. It also helps us make a positive impact in a variety of ways:

› Using geographic information systems (GIS) to map efficient truck routes

› Analyzing departure and arrival schedules to minimize delays caused by traffic in metro areas

› Optimizing load configuration to minimize non-utilized capacity

› Back-hauling freight from suppliers and also customers (through our third-party logistics service) to minimize one-way or "deadhead" loads

› Using telematics to monitor driving activities and identify opportunities to improve fuel efficiency

Innovative and Sustainable Strategies

Our strategies include investing in a modern and efficient fleet. In 2024, we upgraded roughly 2,600 vehicles to capture the newest safety and fuel-efficiency technology. This includes 1,240 vehicles equipped with telematics. Telematic technology provides our local managers with visibility to each vehicles' fuel consumption and related data such as idling time, speed, and acceleration – a helpful coaching tool to foster safe and efficient vehicle operation.

Operating our own CMV fleet allows us to optimize routes, loads, and efficiency in our daily service to local branches and customers. For example, roughly two-thirds of our North American branches receive their product deliveries via our CMV fleet during the night (low traffic hours associated with better overall fuel efficiency).

Testing and Implementing New Technologies

Our drive for efficiency includes an ongoing commitment to test and, when feasible, adopt alternative fuel vehicles. Since 2020, we've maintained a collaboration program with Penske and Daimler Trucks to support EV fleet solutions by providing real-world testing and feedback. In several cases, we've been able to implement cost-effective EV vehicles in our operations. The most recent example: In December 2024, we deployed an EV straight truck as part of our regular CMV fleet.

We continue to invest in high-impact opportunity areas. In 2024, we piloted aerodynamic truck wings on a number of vehicles, which may provide additional efficiencies for our largest trucks. Based on this test, we anticipate expanding the technology to more trucks in the future.

Facilities & Operations

Energy Use and Consumption

From technology investments to behavioral changes, we're taking a holistic approach to reduce energy consumption throughout our brick-and-mortar footprint. Here are some recent and in-progress highlights:

Through Puget Sound's Energy Sustainability Leadership Partners program, our Lacey, Washington distribution center used 100% wind energy in 2024. In addition, three other distribution centers (Indianapolis, Indiana; Salt Lake City, Utah; and Denton, Texas) utilize 100% renewable energy from local energy providers.

We continue to operate in BREEAM-certified facilities in Dordrecht, Netherlands and Brno, Czech Republic, and we currently operate in two large buildings equipped with solar panels – one is leased (Dordrecht) and one is owned (Winona).

In 2025, we expect to join the EPA's Green Power Partnership to purchase and use solar and wind energy within our distribution centers and manufacturing locations.

Six of our buildings achieved ENERGY STAR certification in 2024.

We're completing a new distribution center in Salt Lake City, Utah designed with energy-efficient features like variable speed compressors and conveyors that "sleep" when there's no activity.
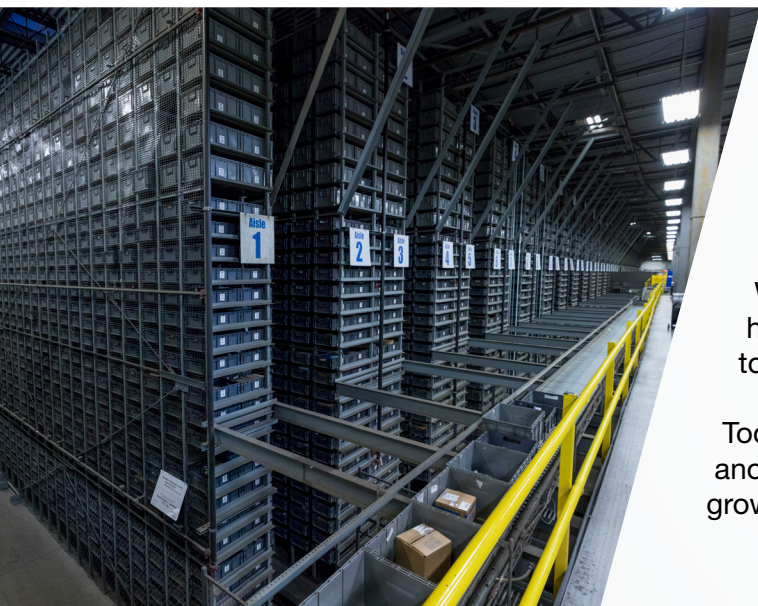
Warehouse Automation: Maximizing 'Sales Per Square Foot'

Over the past decade-plus, one of our key metrics has been increasing product sales per square foot in our distribution centers. High-density automated storage and retrieval systems (ASRS) equipped with conveyors and robotic cranes have positively impacted this ratio by increasing throughput while optimizing space. For example, the ASRS installation in our Winona, Minnesota distribution center required a 42,000 square-foot facility expansion. If we had opted for traditional shelving instead of ASRS technology, the expansion would have had to be nearly four times larger to provide the same warehousing capacity.

Today, 12 of our North American distribution centers are equipped with ASRS systems, and another installation is planned for 2025. These investments are allowing us to support our growing business with a more compact warehousing footprint.
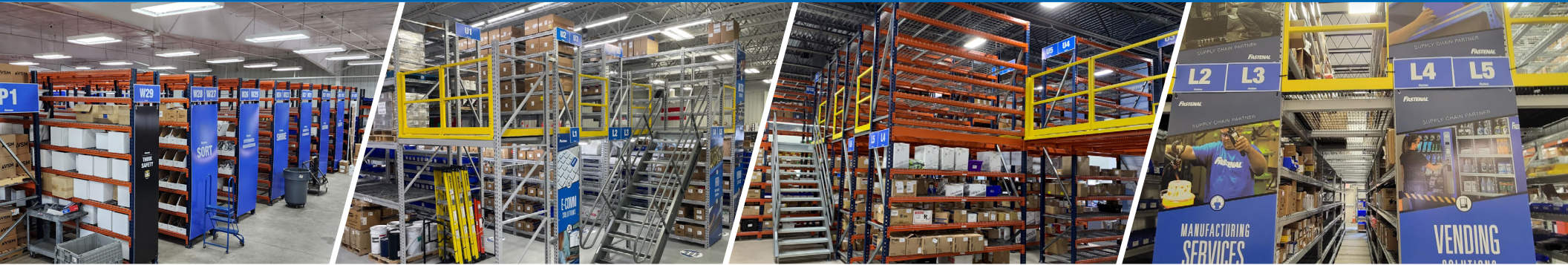
Evolving Our Branch Infrastructure

In recent years, we've restructured our United States branch model to be more customer-focused and space-efficient. This includes removing standardized (non-market-specific) inventory, reducing or removing walk-in shopping space, and using that square footage to install high-density vertical shelving to support customer inventory needs. In select locations, we're also implementing "pick modules" to create a second floor of warehousing space, supporting thousands of additional products within the existing building. As a result of these strategies, we've gained significant capacity across our branch network – room to grow the business and improve customer service without expanding our brick-and-mortar footprint and associated energy consumption.

Space Optimization Projects

In 2024, we completed space optimization projects at 78 branch locations, which included installing 19 pick modules. As part of our brick-and-mortar evolution, we have also optimized our branch footprint in many markets across the country, in some cases by bringing multiple in-market teams together to operate out of a single building – another driver of energy efficiency in our branch network.

Completed Resets / Installs					
	2024	2023	2022	2021	2020
Pick Modules Installed	19	20	21	8	0
Total # of Install Projects	78	64	59	66	152

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Our Strategic Focus / Transportation / Facilities & Operations / Reducing, Reusing and Recycling

ENERGY STAR Program

Initiated in early 2021, our partnership with ENERGY STAR provides us with tools to benchmark our electricity and natural gas usage in all of our United States and Canada locations. In 2024, we completed 1,908 ENERGY STAR assessments for Fastenal locations larger than 5,000 square feet.

In 2024, six of our buildings achieved ENERGY STAR certification. This includes our distribution centers in Lacey, Washington and Salt Lake City, Utah, as well as our branches in Madison, Alabama; Eau Claire, Wisconsin; Rochester, Minnesota; and Winona, Minnesota. These six facilities averaged a score of 94 out of 100 and cumulatively reduced over 850 metric tons* of greenhouse gas emissions last year (equivalent to the electricity required to power 116 homes).

In 2023, we began an ENERGY STAR Treasure Hunt program with all of our North American distribution centers and manufacturing facilities. The purpose was to assess where (and how much) energy is being used in each facility and to pursue energy savings opportunities through behavioral, operational, and maintenance actions.

In 2024, we made improvements in more than 15% of our U.S. and Canada traditional branches based on ENERGY STAR recommendations. These improvements included programmable thermostats, energy-efficient thresholds on exterior doors, LED lighting, and energy management programs for HVAC optimization. In 2024, our EHS & sustainability team worked with our branch teams to complete a total of 2,688 assessments, audits, and projects.

Sharing Space, Saving Energy

Over the past decade, our local footprint has been transformed by the rapid adoption of our Onsite service model. With this approach, we typically use available space within the customer's facility to provide dedicated staff and inventory for their operation. The environmental benefit is direct: By sharing space rather than operating out of a separate in-market location, we consume minimal additional energy and produce fewer additional emissions. We believe the model also allows us to play a more active and impactful role in helping the customer avoid supply chain waste – for example, by reducing emergency deliveries, excess inventory, and wasteful consumption.

As illustrated below, while our total number of in-market operating units has increased gradually in recent years, the ratio of Onsite operations to branch locations has increased dramatically. This structural shift, coupled with our branch space optimization efforts, is making our local footprint increasingly space- and energy-efficient. We believe our traditional branch count will stabilize moving forward; however, we plan to continue to focus on adding Onsite programs as a primary growth strategy.

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Onsites	2,031	1,822	1,623	1,416	1,265	1,114	894	605	401	264	214
Branches	1,597	1,597	1,683	1,793	2,003	2,114	2,227	2,383	2,503	2,622	2,637
Total	3,628	3,419	3,306	3,209	3,268	3,228	3,121	2,988	2,904	2,886	2,851

Environmental Projects

Our decentralized business allows all levels within Fastenal to have a hand in environmental investments. The 29 environmental projects we tracked in 2024 were driven by improvement needs that impact bottom-line expenses.

Environmental Projects 2024				
Status	Project Count	Estimated CO2e Reduction (MTCO2e)	Estimated Annual Savings	Investment Required
Implemented	29	3,280*	$250,350	$833,872

*See California AB 1305 Disclosure

Our ESG Journey | Governance | Empowering People | Preserving Our World | Serving as a Trusted Partner | Appendix | **FASTENAL** / 2025 ESG Report 40

Our Strategic Focus / Transportation / Facilities & Operations / Reducing, Reusing and Recycling

Reducing, Reusing, and Recycling

Sustainable Procurement & Material Consumption

In 2023, we created a waste management program aimed at reducing our waste-to-landfill impact while generating direct cost savings. By profiling and tracking waste streams, we are able to identify opportunities to improve our carbon footprint through waste reduction activities. This program has helped us improve our landfill diversion rate from 60.7% (our 2021 baseline) to 80% in 2024.

Creating a Less Packaging-Intensive Distribution System

As part of the automated systems used in the majority of our distribution centers (see pg. 37), we use roughly 1.3 million reusable mini load containers to robotically store and retrieve products for order picking. In addition, our distribution centers use nearly 140,000 reusable plastic totes and composite bulk bins to deliver orders to our surrounding in-market servicing locations. (These containers are regularly collected and returned to the distribution centers via our daily truck routes.) By making reusable containers central to our distribution system, we're reducing our consumption of cardboard, wood, plastic, and other shipping/packaging materials.

This is part of a larger trend in our business. Products supplied through Fastenal Managed Inventory (FMI) programs, which represent a large and fast-growing share of our total sales, generally require less packaging than products provided through a traditional retail or direct-ship model. As our distribution system becomes increasingly "FMI-centric," we're working internally and with our manufacturing partners to reduce unnecessary packaging.

Waste & Recycling

As an organization, we diverted roughly 17.7 million pounds of material in 2024, and our diversion rate increased to 80% (compared to 78% in 2023). The top performers are our manufacturing facilities in Wallingford, Connecticut and Winona, Minnesota, which in 2024 had waste diversion rates of 98% and 92%, respectively. (This was achieved in part by recycling oily wastewater and selling scrap metal that would otherwise end up in a landfill.) We are working toward zero waste certifications for these two facilities and expect the Wallingford facility to be certified in 2025.

Distribution Center and Manufacturing Waste Diversion	2024 (lbs)	Tonnes	2023 (lbs)	Tonnes	2022 (lbs)	Tonnes
Recycled and Reused Wood Pallets	3,280,963	1,640	3,931,032	1,966	3,834,010	1,917
Recycled and Reused Cardboard	3,147,914	1,574	1,798,314	899	1,582,550	791
Recycled Metals	7,525,046	3,763	5,400,463	2,700	5,151,601	2,576
Recycled Composite Pallets	124,854	62	134,808	67	102,262	51
Recycled Plastic Wrap	570,534	285	98,989	49	83,274	42
Hazardous and Universal Waste	5,617	3	9,150	5	9,062	5
Non-Hazardous Waste	22,109,909	11,055	21,134,163	10,567	19,239,748	9,620

Turning Pallet Wrap Into Patio Decks

Plastic wrap (aka polyethylene film) presents a vexing waste stream challenge for a distribution company like Fastenal. Large volumes of it are needed to secure palletized shipments to and from our distribution centers. But there's no way to reuse it once the pallets are unwrapped, and local recyclers often don't have programs to divert this material from landfills.

In 2023, we found a creative solution to turn this waste stream into a value stream by launching a large-scale recycling partnership with Trex Company, Inc. Trex produces composite outdoor decking made from 95% recycled and reclaimed materials – our plastic waste becomes their raw material. To support this circular economy, Fastenal invested over $300,000 to equip our distribution centers with machinery to bale and prep plastic for shipment to the nearest Trex warehouses.

Since the program's inception in August 2023, we've diverted more than

1 million lbs. of grade A plastic
from landfills (as of April 2025).

Moving forward, we're taking steps to expand participation by leveraging our transportation network to backhaul plastic from our in-market operating units and potentially offer a take-back service for customers.

Environmental Risks & Opportunities

Our North American distribution centers and manufacturing facilities have received third-party certification to the ISO 14001 standard. ISO 14001 specifies requirements for an environmental management system an organization can use to enhance its environmental performance through more efficient use of resources and reduction of waste and energy.

To help us continue to perform at a high level and meet ISO 14001 requirements, we've partnered with two third-party firms, U.S. Compliance and Antea Group, which provide a variety of consulting and auditing services. We use risk assessments from these partners to identify areas of opportunity and consistently improve sustainability within our business operations. These assessments help us sustain environmental regulatory compliance in areas like air quality, the Clean Water Act, and the EPA's Resource Conservation and Recovery Act – all helping Fastenal mitigate environmental risk.

Water Consumption & Natural Resources

Although we believe our water consumption and risk exposure are low, we're taking steps to properly manage this critical resource. We comply with the United States Clean Water Act and relevant regulations in other countries where they apply to our operations – for example, in our management of storm water run-off, water permitting, and industrial wastewater. In addition, we continually work to reduce wasteful consumption of clean water.

Distribution Center and Manufacturing Water Management	2024	2023	2022
Total Water Withdrawn	7,670,265	8,686,383	7,893,886
Total Water Consumed	7,670,265	8,686,383	7,893,886
Water Withdrawal by Ground and Surface Waters	100%	100%	100%
Water Use Intensity Gallons / Square Feet	1.39	1.57	1.44

For new location builds, we follow FEMA guidelines and work to align with World Wildlife Fund standards to minimize our impact on areas with high water stress levels. The table below indicates the percentages of our North American distribution and manufacturing locations situated in high, medium, and low water stress areas based on a water stress risk assessment tool provided by the World Wildlife Fund (WWF Water Risk Filter).

Water Stress Levels	Distribution and Manufacturing Locations
High	10%
Medium	35%
Low	55%

We follow the World Wildlife Fund's technical guidance to better understand our biodiversity footprint. This includes using their Key Biodiversity Areas (KBA) Program, which supports the identification, mapping, monitoring, and conservation of KBAs to help safeguard the most critical sites for nature on our planet.

According to our 2024 KBA assessment, over 90% of our in-market selling locations are in very low risk areas, and 100% of our distribution centers and manufacturing locations are in medium to very low risk areas.

Key Biodiversity Areas	In-Market Selling Locations	Distribution and Manufacturing Locations
Very High Risk	0.3%	0.0%
Medium Risk	8.6%	18.0%
Very Low Risk	91.1%	82.0%
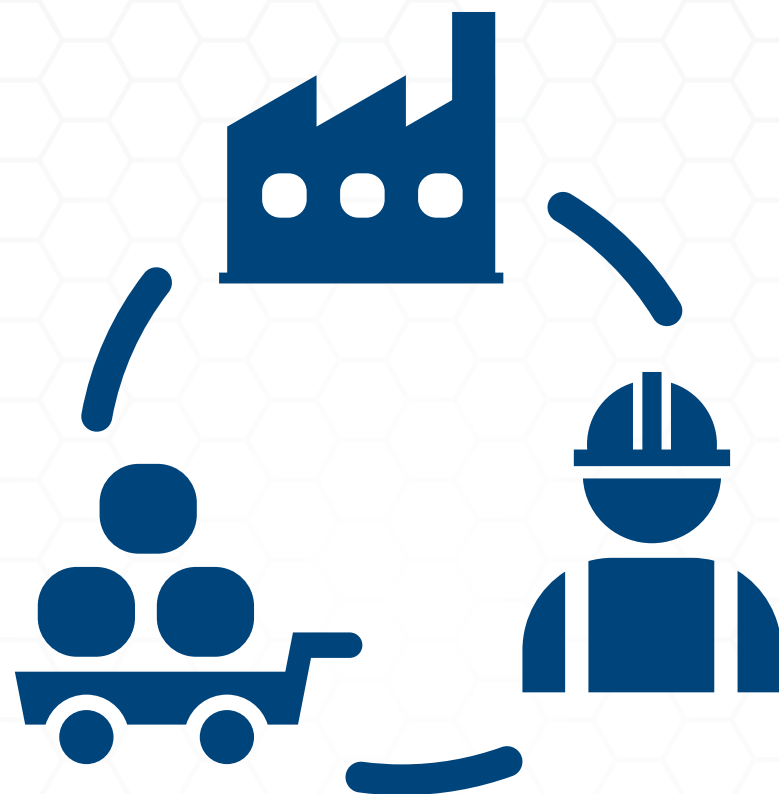
Serving as a Trusted Partner

A Partner for Positive Change

Many of our customers have well-defined ESG initiatives and goals. Others may not have formal ESG programs, but they nonetheless place a high priority on things like employee safety, regulatory compliance, operational efficiency, and ensuring a responsible and resilient supply chain. No matter where a customer falls on this continuum, we strive to understand their challenges and help them achieve what's important to their organization.

As a strategic supply chain partner to facilities, campuses, and work sites around the world, our impact on ESG issues extends well beyond our own operations. This is the focus of the following section – the comprehensive services and solutions we provide to help our customers operate more safely, sustainably, and responsibly.

Safety Specialist Program

Fastenal's safety specialists work with our customers' environmental health and safety (EHS) teams to help them in the following areas:

Employee safety: Investing in training, engineered systems, and facility improvements like spill containment and clear pathways.

Data security: As the digital world expands, guarding sensitive information matters as much as protecting physical spaces.

Operational efficiency: Streamlining inventory, reducing waste, and aligning goals with procurement to free up resources for safety investments.

The journey often begins with an assessment of the customer site to identify potential workplace hazards and present mitigation solutions. With a solid understanding of the work environment, our specialists can also recommend the correct PPE for specific applications and risks. Through a broader lens, they help customers optimize their PPE spend through product substitutions and rationalization projects, freeing up resources for other safety investments.

As part of the risk reduction process, safety specialists work with other teams in our business to secure the customer's supply chain for PPE. This includes tailoring FMI Technology solutions for their safety product needs and dedicating inventory to those customers that commit to Fastenal as their safety distributor of choice.

FMI Technology offers an additional set of benefits in the context of a PPE program. Our vending devices make compliant PPE visible and accessible 24/7, offer automated controls to prevent employees from using non-compliant PPE for their specific roles, and provide visibility to how safety products are used in the workplace (a tool to monitor program compliance and detect workplace hazards). As a direct resource for EHS professionals around the world, our safety specialists have helped make PPE the most common type of product supported by FMI Technology. In turn, they've helped make PPE supply chains more efficient, transparent, and secure on a global scale.

eCommerce Tools

Our eCommerce platform offers tools to help customers dial in on products that meet their application and compliance needs. This includes a range of filters that allow users to narrow their search results based on very specific criteria (for example, products with certain green certifications, supported by specific recycling/sustainability programs, or sourced from a specific category of suppliers).

To help customers identify compliant solutions when researching and shopping, we display the following logos in conjunction with relevant products throughout our eCommerce platform:

- Green products
- Supplier certifications
- Products that can be vended to control consumption
- Products supported by our recycling programs or other sustainability programs
- Products compliant with green building/ project certifications (e.g., LEED)

Impacting 5 Aspects of Sustainability

- Sustainable Procurement
- Consumption Reduction
- Product Life Extension
- Facility Operations
- Recycling & Recovery
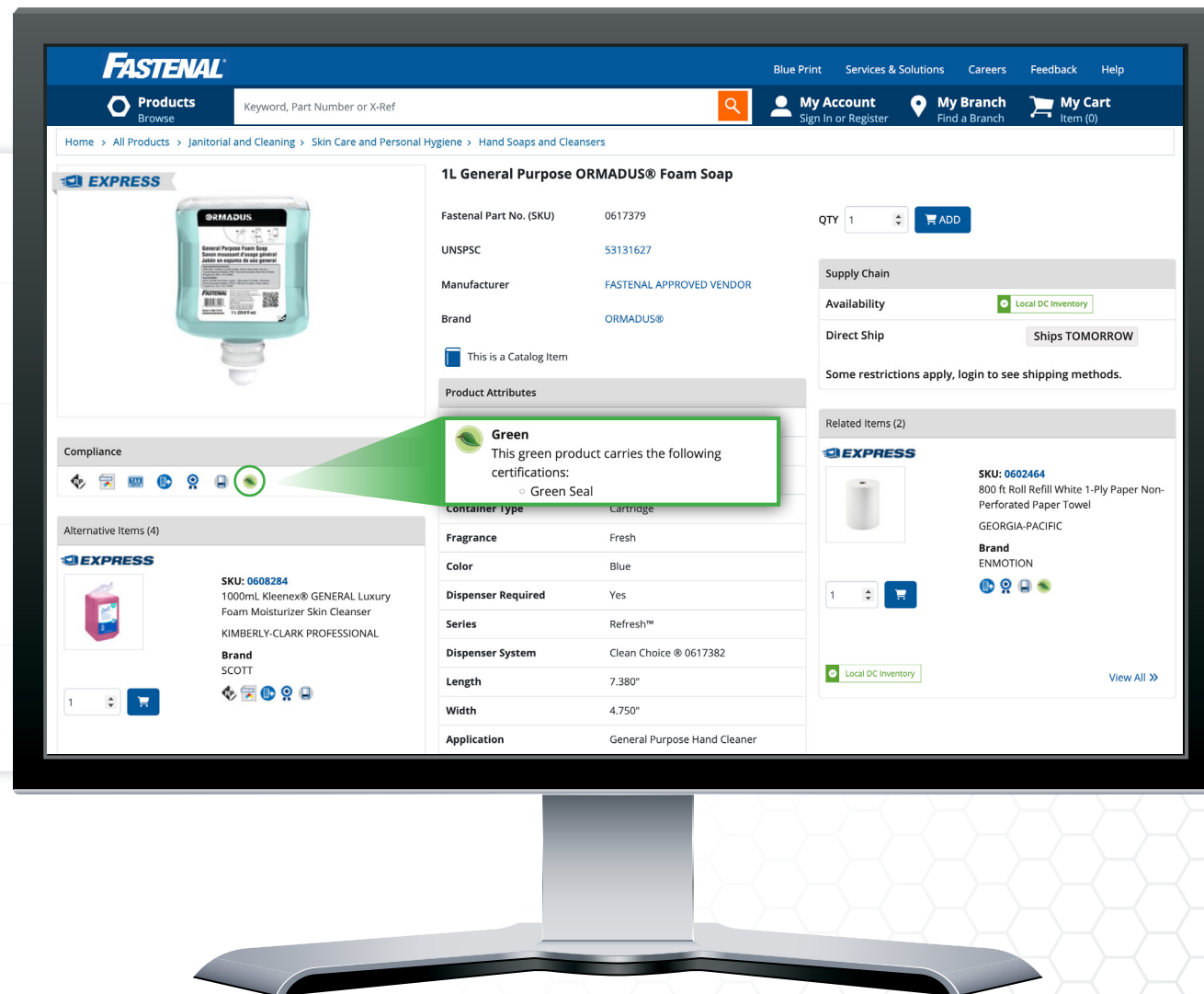
A Total Lifecycle Approach

The next section focuses on the services and solutions we offer to help our customers improve their environmental impact in five broad areas: facility operations, sustainable procurement, consumption reduction, product life extension, and recycling & recovery.

Some of these offerings, such as our point-of-use technology and industrial services, can be considered "core" to our strategic service model – the environmental benefits are a byproduct of reducing waste (and cost) in the supply chain.

Other offerings are specifically geared to drive environmental results and are offered in conjunction with third-party experts. Examples include the plant management services detailed on the following page and the recycling & recovery services covered on pg. 57.

A Partner for Positive Change | Safety Specialist Program | eCommerce Tools | Impacting 5 Aspects of Sustainability | Plant Management Services | Green Products Program | Category Management | Total Cost of Ownership Analysis | FMI Technology | Tool Repair Service | Tool & Cutter Grinding | Recycling & Recovery Services | A Final Word on Resiliency

Plant Management Services

We've partnered with third-party service providers to assist our customers with initiatives requiring expertise in areas like energy efficiency projects, environmental compliance, and waste management solutions.

Energy Efficiency Projects

Through our third-party programs, we offer consulting and implementation services for energy efficiency projects such as LED lighting conversions and HVAC air filtration upgrades. It typically starts with a facilities-wide evaluation to recommend systems-based and operational improvements, including detailed assessments of energy savings and return on investment.

Environmental Compliance Services (Powered by US Compliance)

US Compliance has been a valuable internal resource in our own efforts to understand and improve regulatory compliance in our operation. Today, we facilitate programs to bring their expertise and specialized services to our customers. From plan writing to industrial hygiene testing, US Compliance services are delivered by knowledgeable professionals as part of a subscription model. The scope of services includes:

- Air quality
- Facility assessment visits
- Risk management planning
- Superfund Amendments and Reauthorization Act
- Waste management
- Water quality

Waste Management Programs

We also offer specialized solutions for managing high-volume and/or complex waste streams such as oily rags, metals, plastics, hazardous waste, used oils, chemicals, packaging, and construction materials. These solutions are designed to help our customers reduce landfill use and ensure safe and compliant handling of wastes.

- Bulk universal waste program
- Industrial cleaning services
- Hazardous waste management
- Waste vendor advocacy
- Waste management software
- Embedded personnel

Green Products Program

To meet a broad range of our customers' application needs, Fastenal offers approximately 57,000 green products, including certified green products as well as environmentally preferable products (see definition below) within our standard eCommerce catalog. We have identified that these products (1) reduce negative effects on human health and the environment compared to competing products and/or (2) promote sustainability through resource conservation, end-of-life waste management, and life-cycle analysis. In addition to managing our green product program, Fastenal's compliance specialists assist customers with goal creation, sourcing, and custom reporting in support of their sustainable procurement initiatives.

Fastenal offers approximately 57,000 green products

Certified Green Products

Guided by international standards, our global compliance teams work with third-party agencies around the world to vet products and confirm the accuracy of green benefit claims. These team members are located in the United States, Canada, Mexico, Brazil, the United Kingdom, Continental Europe (in several countries), and China, providing local expertise and advocacy across global supply chains. To ensure the integrity of our green product program, we have aligned with several third-party certifiers, including the following entities.

- Energy Star
- Green Seal
- Recycled Claim Standard (RCS)
- Global Recycled Standard (GRS)
- EPA Safer Choice

- ECOLOGO
- Carpet & Rug Institute
- GREENGUARD Environmental Institute
- Sustainable Forestry Initiative
- USDA Biopreferred

- EPA Watersense
- SCS Certified
- UL Environment

Environmentally Preferable Products (Applies to Non-European Locations Only)

Environmentally preferable products have a lesser or reduced effect on the environment when compared with competing products or services that serve the same purpose. We offer this designation because third-party certifications do not exist globally for all green products and categories. Products may be considered environmentally preferable for various reasons. For example, they may help reduce energy consumption, they may have low or no VOCs (volatile organic compounds), or they may come from suppliers with commitments to sustainability in their manufacturing processes. This can include reduced packaging and/or recycled content.

For more information about our Green Products Program please visit our Green Resources page.

Category Management

Assisting customers with category management – i.e., optimizing procurement efficiency within a certain product category – is central to our value proposition as a strategic supplier. This exercise involves analyzing the products used throughout the customer's operations, often on a global scale, and looking for opportunities to streamline the supply chain by:

Standardizing part numbers

Rationalizing overlapping SKUs (items with the same fit, form, and function but sourced from different manufacturers)

Suggesting alternatives that provide greater lifetime value, which often means longer-lasting items with a reduced environmental impact

From there, we can dig deeper for additional environmental benefits. Is there a green product alternative that meets the application need? Can it be supplied through a Fastenal vending program to optimize packaging, transportation, and consumption? Can it also be included in a recycling program?

A prime area of opportunity is the safety/PPE product category, which is well supported by our green product program, our FMI Technology program, and our recycling and recovery programs. The driving force is our safety specialist team – highly-trained, broadly experienced EHS experts who point our customers to the best product solutions to balance their needs for safety, sustainability, compliance, and cost. We also offer high-level product and application expertise to support the metalworking and fastener categories.

Total Cost of Ownership Analysis

In order to make data-driven recommendations for process improvements, our Lean Solutions team routinely conducts Total Cost of Ownership Analysis (TCOA) exercises at customer facilities to analyze how they purchase, move, stock, and access products. Historically, these studies reveal an opportunity to reduce customers' TCO for the products in scope by an average of 21.6%* by using our recommended solutions.

Those are dollar savings, not emissions reductions, but we believe they're often associated with environmental benefits. For example, our inventory management services present an opportunity for customers to reduce their inventory carrying cost (a reflection of how much inventory is stocked in their facilities) by an average of 38%*, which means less product sitting on shelves and potentially becoming obsolete. Consolidating the number of vendors (by 62%* on average) can contribute to fewer and larger shipments, which can help manage the use of fuel and packaging material. Perhaps the most direct impact is driven by our FMI Technology solutions, which provide controls and reporting tools to manage consumption and upstream transportation. (Learn more on the following page.)

In 2024, we completed
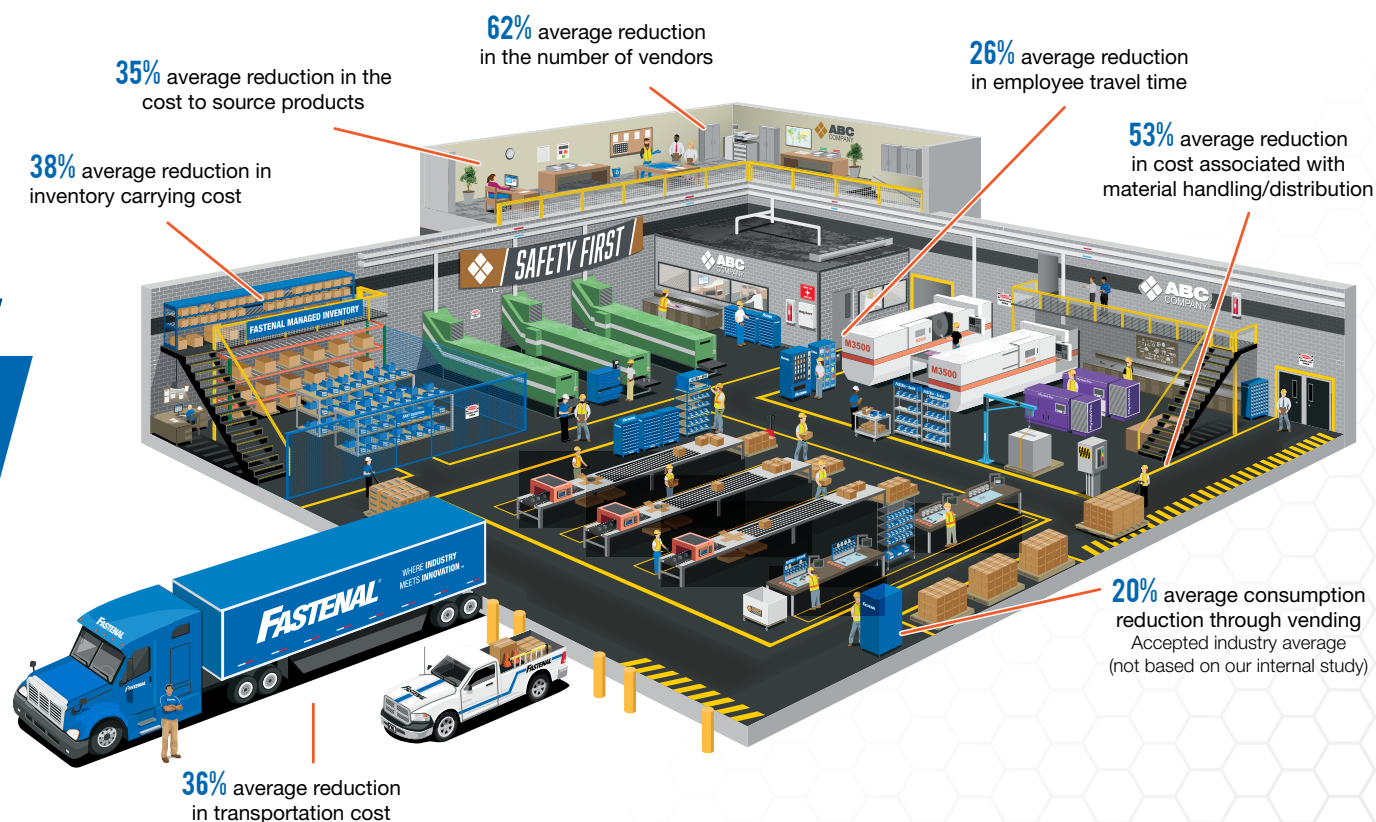
1,156 customer site evaluations

including formal TCOAs, to identify opportunities for efficiencies in our customers' supply chains and operations.

*These average savings opportunities were calculated in a recent study of 792 vetted TCO Analysis exercises. They are based on an assumption of the customers' full adoption of our suggested services and solutions.

21%
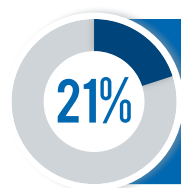
Average TCO Savings Opportunity*

This is the high-level finding of a study of **792 vetted TCO Analysis exercises.** Below is a look at some of the drivers behind this headline number.

62% average reduction in the number of vendors

35% average reduction in the cost to source products

26% average reduction in employee travel time

53% average reduction in cost associated with material handling/distribution

38% average reduction in inventory carrying cost

20% average consumption reduction through vending
Accepted industry average (not based on our internal study)

36% average reduction in transportation cost

FMI Technology

Industrial supplies are traditionally a "blind spot" for manufacturers and other businesses. Limited visibility to basic information – what products are stocked in the facilities, where they're located, how they're being used – leads to various forms of waste, from over-buying and obsolete inventory to stock outages and inefficient rush deliveries.

Through the development of our FMI (Fastenal Managed Inventory) Technology program over the past 15 years, Fastenal has emerged as the global leader in technologies that take industrial supplies out of the shadows and into a transparent, planned environment. This includes the mass deployment of embedded devices that allow organizations to digitally monitor, control, and track wide-ranging products, typically driving a significant and sustained reduction in consumption.

The devices drive upstream benefits as well. With digital visibility to stocking levels and usage patterns within customer facilities, our teams are able to remotely monitor their inventory, make proactive adjustments in the supply chain, and become more efficient in our operations. At year-end 2024, we had nearly 127,000 FMI Technology devices (machine equivalent units, or MEUs) in place at customer sites around the world – each a solution to reduce waste, cost, and risk in the supply chain.

At 2024 year-end we had nearly

127,000
FMI Technology Devices
in place at customer sites around the world.

A Systematic Approach to Reducing Consumption

Remote Inventory Monitoring

The devices are equipped with sensing technologies to digitally report the current inventory level in each stocking location. This eliminates the need for Fastenal employees to drive to customer sites in order to visually check their inventory status. Further upstream, it allows our distribution teams to be more proactive and strategic in how we stage and transport the product.

Access Controls

Several of our devices allow managers to set item-specific controls so employees only have access to products relevant to their jobs (not to all products in the device). Managers can also set frequency limits so that, for example, an employee can only dispense a certain number of batteries per month without supervisor approval – another tool to control consumption.

Inventory Visibility

Our FAST360 and Product Locator inventory search tools allow customers to see if needed items are available in their facilities and, in turn, avoid unnecessary purchases and transportation. Our eCommerce platform takes it a step further, proactively informing buyers if they're attempting to purchase items they already have on hand.

Usage Traceability

Each dispensed item can be traced to a person, place, time, and even a specific job number or GL code. This reporting fosters a culture of accountability and illuminates opportunities to reduce future consumption (for example, by switching to a longer-lasting glove, or by providing additional training to an employee who is over-using a certain tool).

24/7 Access

The assurance of "perpetual access" removes the incentive for employees to hoard and over-order supplies. It may seem counterintuitive, but continuous access promotes less overall consumption.

Asset Management

Our automated lockers allow managers to track tools, scanners, and other returnable assets to the most recent user, helping to prevent material waste resulting from loss or theft. The devices are also used to streamline our tool repair and cutting tool reconditioning programs, which help extend product life.

Case Study: Everglades Boats

Building an Everglades boat requires a no-compromise mindset. It also requires closely aligned supply chain partners like Fastenal. Just ask Jeff Clark, engineering manager for Everglades.

"Fiberglass lamination is a very labor intensive and time-sensitive process," said Clark. "In order for our team members to be able to stick to the schedule and achieve our goals, they have to have all their tools, materials, and PPE readily available without any hiccups. These new Fastenal solutions have eliminated a lot of that, and it's really improved our throughput and our efficiency."

The new solutions include 50 industrial vending devices placed throughout Everglades' two campuses in Edgewater, Florida. The devices serve two basic purposes. First, they allow workers to quickly self-serve PPE, abrasives, and other products rather than having to walk and ask supervisors to unlock cabinets (their previous process). Second, they give management visibility into how shop supplies are used across the production process – data that's helping them improve cost management and productivity.

"We can generate a transaction report saying exactly what each individual is removing from the machines," said Kevin Keyes, director of operations at Everglades' east campus. "From there, we can do a better analysis of exactly what it's costing us to build our boats."

"Right now, we've got really good traceability," added Rob Blumline, director of operations at the west campus. "We know where things are going, we know who's taking them, and we also know if we *don't* need something – if an item is never being used, so it's not needed in that area. Now we can fill that area with just the things that they need so they're not hunting through things. It's efficient for the people on the floor to find what they need when they need it."

Fastenal employs three full-time team members to replenish the machines, manage the supply chain, and stay in sync with Everglades' changing needs. This shifts the burden of inventory management to a trusted partner, removing delays and distractions on the production floor.

"The employees can concentrate fully on the quality of their work and the quality of building boats rather than chasing shop supplies," added Kevin Keyes. "It takes that wasted time out of the equation, so now all we're doing is building boats."

> "The employees can concentrate fully on the **quality of their work** and the **quality of building boats** rather than chasing shop supplies. **It takes that wasted time out of the equation**, so now all we're doing is building boats."

Watch the video

Tool Repair Service

Fastenal's eight North American tool repair service centers provide authorized warranty repairs for 35 major tool brands and are able to work on more than 750 brands of tools in all. This resource, combined with our local service and transportation network, allows customers to meet their tool repair needs through a single efficient source, and to do so through a process that largely overlaps our existing service activities and truck routes.

Rather than having to transport products to multiple service providers, the customer places any broken tools into a reusable Fastenal tote or FMI Technology compartment. Their local Fastenal representative collects the tools during a regular service visit and ships them to our nearest service center via a regular Fastenal truck route. Our factory trained technicians perform all repairs deemed cost-effective, and tools found to be past their economical repair lifespan are broken down to be reclaimed or recycled. Up to 95% of a tool's materials can be diverted from the waste stream, and we offer reporting for customers to document their contribution to waste diversion through the program.

In 2024, we repaired more than

52,000 tools

for customers through this process, helping them extend product life and, in turn, reduce costs and material waste.

Tool & Cutter Grinding

The goal of this service is to help manufacturers reduce waste by optimizing the performance and service life of their metalworking tools. The process is similar to our tool repair program (see previous page), but in this case the customer's worn metalworking tools are transported to a Fastenal manufacturing facility, where our machinists sharpen them to like-new condition. This service reduces the amount of waste generated and is typically provided in conjunction with a recycling program, further contributing to the customer's sustainability goals.

Many tools can be reconditioned multiple times, and we often work with customers to find creative solutions that meet their specific needs (for example, reducing a cutting tool down to the next useful size so they don't have to program a machine for cutter compensation). Supplying the products through an FMI Technology device ensures the use of reconditioned tools before the use of new tools, promoting sustainable habits and conserving material.

In 2024, we extended the service life of more than

344,000

tools through the program.

Our manufacturing team also makes and modifies custom tooling for customer-specific applications – another way we're helping manufacturers become more efficient in their operations.
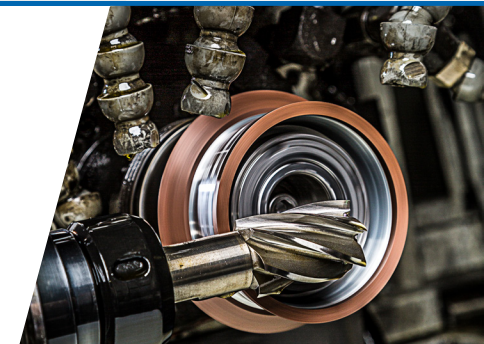
Recycling & Recovery Services

We've developed programs with key waste management partners to provide our customers with a broad range of recycling and recovery solutions. Our role is to work with customers on the local level to establish workflows, signage, and containers to collect and ship materials to these partners for end services, setting the stage for a turnkey process. We look forward to sharing success stories and data as we continue to introduce and facilitate these programs with our customers.

Wastebits
(dry cell batteries)

Through this partnership, Fastenal provides the customer with recycling kits designed to provide a convenient and environmentally responsible solution for dry cell battery disposal. These kits are designed to keep hazardous materials, such as potassium hydroxide, nickel, and cadmium, out of landfills. The program also facilitates the recovery and reuse of valuable metals like zinc, manganese, and steel, contributing to resource conservation.

Veolia
(lighting and electronic waste)

We have aligned with Veolia, the world's largest environmental services company, to offer end-of-life management and recycling programs for customers' lighting and electronic equipment. These recycling programs offer national service that can be customized to fit the customer's needs, providing cost-effective solutions for large or small quantities of lighting and electronic waste.

TerraCycle
(various materials)

We have also partnered with TerraCycle, whose purpose is to recycle what traditional recyclers do not. TerraCycle operates material recovery facilities in more than 20 countries. Logistics are simplified with various-sized boxes and prepaid shipping labels. This program is only offered by Fastenal in the United States.

Scope of Materials

Through our partnerships with key suppliers and recycling services, we offer recycling solutions for a broad range of materials, including (but not limited to) the following:

› Batteries
› Breakroom Supplies
› Carbide Metalworking Products
› Cardboard
› Electronics
› Flashlights
› Janitorial / Sanitization Supplies
› Lighting
› Medical/Dental
› Office Supplies
› Packaging & Shipping Materials
› Safety/PPE

PPE Recovery Program

Certain PPE items can be recycled through our third-party programs, but a much broader range of materials can be diverted from landfills through our PPE recovery program (executed in partnership with Wastebits). With this program, we help the customer establish a simple workflow to turn mixed PPE waste into engineered fuel at an approved waste-to-energy facility. The process reduces the amount of material entering landfills and recovers energy to generate electricity or directly heat buildings.

The United States Environmental Protection Agency reports that for every ton of municipal solid waste processed at approved waste-to-energy facilities, emissions of greenhouse gases can be reduced by as much as one ton.

Case Study: Recycling a Mountain of Metal

This is a story of shared success with our metalworking customers, GreenTech Global Recycling, and Greenfield Industries (a key Fastenal supplier that shares its parent company with GreenTech). Our role in the story is to help customers implement a workflow to recycle their used cutting tools via containers provided and collected by GreenTech. These customers receive payment for the valuable carbide or high-speed steel, which is processed into raw metal used by Greenfield Industries to manufacture new tools.

In 2023, our customers recycled 36,656 lbs. of material through the program, enough to make Fastenal **GreenTech's recycler of the year.**

In 2024, we raised the bar by helping our customers recycle

38,689 lbs. of metal.

The partnership is producing important wins, including a reduced need to extract raw materials from the earth, less material ending up in landfills, and an opportunity for our customers to improve their sustainability performance while monetizing waste. We're excited to see the next chapters in this shared success story.

A Final Word on Supply Chain Resiliency

Recent years have clarified an unfortunate truth: When a supply chain is broken, sustainability can quickly become an afterthought. The mindset shifts from strategic to transactional, planning gives way to panic buying, and long-term environmental concerns are overshadowed by immediate needs. In an increasingly volatile world, we believe there is no tension between business success and sustainability, and that both are predicated on supply chain resiliency.

With our strategic supply model, resiliency is a precondition for partnership. Before an organization can consolidate their supply needs with Fastenal and allow us to help them operate more efficiently, they need to trust that we'll maintain a reliable supply chain for mission-critical products. This is why our overriding priority, above all else, is to ensure continuity of supply for those customers who rely on Fastenal as a supply chain partner.

What does this commitment look like in practice? Here are some key structures and safeguards we invest in to help organizations weather global challenges and continue to pursue their long-term goals.

The "Links" in a Reliable, Responsible Supply Chain

Robust **global sourcing**, **compliance**, and **quality teams**, providing agility early in the supply chain.

8,000+ **containers shipped** annually (priority access in times of high demand).

127,000+ **FMI Technology devices** (MEUs) embedded within customer sites (24/7 inventory monitoring & usage data capture).

9 **in-house manufacturing** facilities to quickly produce custom solutions.

Layers of support to help customers future-proof their supply chains and assist with sourcing solutions.

520+ **dedicated supply chain professionals** (130+ on the ground in the Asia Pacific region).

Products sourced from suppliers in **30+ countries** (mitigating regional risks).

A **well-established process** to allocate high-demand products to strategic customers (vs. selling to the general market).

A captive fleet of **10,000+ vehicles** to reliably and efficiently transport products.

Same-day **buffer stock** at 3,600+ in-market operating units (supported by 18 **distribution centers**).

Appendix

Cautionary Note: Forward-Looking Statements/Disclaimers

Certain statements contained in this report of the organization, or in other written and oral statements made from time to time by the organization, do not relate strictly to historical or current facts. As such, they are considered 'forward-looking statements' that provide current expectations or forecasts of future events. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements can be identified by the use of terminology such as anticipate, believe, should, estimate, expect, intend, may, will, plan, goal, project, hope, trend, target, opportunity, and similar words or expressions, or by references to typical outcomes.

Any statement that is not a purely historical fact, including estimates, projections, trends, and the outcome of events that have not yet occurred, is a forward-looking statement. Our forward-looking statements generally relate to our expectations and beliefs regarding the business environment in which we operate, our projections of future performance, the pace at which we accomplish our goals, and opportunities for growth based on potential market opportunities, our perceived marketplace opportunities, our strategies, goals, mission and vision, and our expectations related to future capital expenditures, future tax rates, future inventory levels, liquidity, liabilities from tax positions, the performance of our fastener business in comparison to our non-fastener business, openings and closing of in-market locations and signings of Onsite programs and new machine equivalent units for Fastenal Managed Inventory (FMI) (including bin stock and industrial vending) and the competitive advantages they offer, our digital solutions and other product offerings (including new product lines), national accounts as a percentage of overall sales, the advantages of our integrated physical and virtual model, growth in safety products as a percentage of product sales, the amount of FMI revenue that we may be able to service through local inventory fulfillment terminals, the ability of our competitors to replicate our distribution capabilities, and statements regarding our climate and other ESG-related goals, projects, plans, aspirations, commitments and strategies.

You should understand that forward-looking statements involve a variety of risks and uncertainties, known and unknown, and may be affected by inaccurate assumptions. Consequently, no forward-looking statement can be guaranteed and actual results may vary materially. Factors that could cause our actual results to differ from those discussed in the forward looking statements include, but are not limited to, economic downturns, weakness in the manufacturing or commercial construction industries, competitive pressure on selling prices, changes in trade policies or tariffs, changes in our current mix of products, customers, or geographic locations, changes in our average branch size, changes in our purchasing patterns, changes in customer needs, changes in fuel or commodity prices, product and transportation inflation, inclement weather, changes in foreign currency exchange rates, difficulty in adapting our business model to different foreign business environments, failure to accurately predict the market potential of our business strategies, the introduction or expansion of new business strategies, increased competition (including with respect to our FMI or Onsite operations), weak acceptance or adoption of our FMI offering or Onsite business models, difficulty in maintaining installation quality as our industrial vending business expands, the leasing to customers of a significant number of additional FMI devices, the failure to meet our goals and expectations regarding branch openings, branch closings, or expansions of our FMI offering or Onsite operations or any changes in branch locations, changes in the implementation objectives of our business strategies, our ability to establish science-based targets and to achieve our goals to reduce emissions and energy consumption, difficulty in hiring, relocating, training, or retaining qualified personnel, difficulty in controlling operating expenses, difficulty in collecting receivables or accurately predicting future inventory needs, dramatic changes in sales trends, changes in supplier production lead times, changes in our cash position or our need to make capital expenditures, credit market volatility and increases in interest rates, changes in tax law or the impact of any such changes on future tax rates, changes in tariffs or the impact of any such changes on our financial results, changes in regulatory requirements, changes in the availability or price of commercial real estate, changes in the nature, price, or availability of distribution, supply chain, or other technology (including software licensed from third parties) and services related to that technology, difficulty in obtaining business from new safety product customers and acceptance by customers of any new product lines, cybersecurity incidents, potential liability and reputational damage that can arise if our products are defective, difficulties measure the contribution of price increases on sales growth, acts of war, and other risks and uncertainties detailed in our filings with the Securities and Exchange Commission, including our most recent annual and quarterly reports. Each forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any such statement to reflect events or circumstances arising after such date.

Our ESG reporting may also use certain terms, including those that the GRI Guidelines, SASB or other reporting formats refer to as "material" topics, to reflect the issues of greatest importance to us and our stakeholders. Used in this context, these terms are distinct from, and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities laws or as used in the context of financial statements and reporting.

About This Report

Fastenal's annual environmental, social, and governance (ESG) report provides an overview of our organization's ESG initiatives in line with the criteria required by several leading ESG reporting frameworks. These standards inform our disclosures and reflect our commitment to giving investors and other stakeholders an account of our approach, performance, and progress. The responses in the following indexes include links to further information where relevant.

Scope

This report, Fastenal's 2025 ESG Report, was published in July 2025 and reflects activities and initiatives in our fiscal year (FY) 2024 (January 1st, 2024–December 31st, 2024). It also covers references to trends over several years or references to subsequent events. In those cases, we have noted them as such. All data, unless otherwise stated, reflects fiscal year 2024. Unless noted, goals and other data in the report reflect our global operations. Throughout this report, the terms "Fastenal," "we" and "our," refer to Fastenal Company, a Minnesota corporation.

Disclosure & Assurance

This report has been written for a broad range of stakeholders, including but not limited to employees, customers, suppliers, investors, and nonprofits.

Fastenal's management is responsible for the preparation and integrity of the information in this report. The enterprise metrics and goals in this report are established through a rigorous review process involving internal subject matter experts, and we believe this report accurately and fairly represents our ESG activities, programs, and results for the fiscal year ending December 31, 2024. However, we also note that standards and processes for measuring certain data presented in this report are still evolving. In addition, historical, current, and forward-looking sustainability-related statements were not prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. As our systems and sources of information evolve and improve, we may retroactively restate certain data in future reports.

To improve ease of use and comparability, we index our reporting against frameworks from the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Task Force on Climate related Financial Disclosures (TCFD), and United Nations Sustainable Development Goals (UN SDGs).

Throughout the report, policies that do not have links are references to Fastenal's internal policies that are not publicly available. This report has not been externally assured or verified by an independent third party.

Contact Us

Your feedback is important to us as we continue to look for ways to improve our reporting and provide our readership with the information they need. Please submit feedback to esg@fastenal.com.

GRI Index

Fastenal has reported the information cited in this GRI content index for the period January 1, 2024 through December 31, 2024 with reference to GRI Standards. The report has been prepared with references to GRI 1: Foundation 2021.

Disclosure Number	GRI Standard	Disclosure Title	Fastenal Response
General Disclosures 2021			
Organizational Profile			
2-1	General Disclosures	Organizational details	10-K Item 1: Business 10-K Item 2: Properties
2-2	General Disclosures	Entities included in the organization's sustainability reporting	10-K Item 15: Exhibits and Financial Statement Schedules
2-3	General Disclosures	Reporting period, frequency, and contact point	About This Report
2-4	General Disclosures	Restatements of information	No restatements
2-6	General Disclosures	Activities, value chain, and other business relationships	10-K Item 1: Business 10-K Item 2: Properties Serving as a Trusted Partner
2-7	General Disclosures	Employees	10-K Item 1: Business 10-K Item 2: Properties Empowering People
2-9	General Disclosures	Governance structure and composition	Governance 10K Item 10: Directors, Executive Officers, and Corporate Corporate Governance Guidelines Nominating and Corporate Governance Committee Charter Compensation Committee Charter Audit Committee Charter Proxy: Corporate Governance and Director Compensation
2-10	General Disclosures	Nomination and selection of the highest governance body	Proxy: Board Leadership Structure and Committee Membership Corporate Governance Guidelines
2-11	General Disclosures	Chair of the highest governance body	10K Item 10: Directors, Executive Officers, and Corporate Governance
2-12	General Disclosures	Role of the highest governance body in overseeing the management of impacts	Proxy: Other Board and Corporate Governance Matters Governance 10K Item 1a: Risk Factors
2-13	General Disclosures	Delegation of responsibility for managing impacts	Proxy: Board Leadership Structure and Committee Membership Corporate Governance Guidelines
2-14	General Disclosures	Role of the highest governance body in sustainability reporting	Corporate Governance Guidelines About This Report

2-15	General Disclosures	Conflicts of interest	Proxy: Audit Committee and Related Person Transaction Approval Policy Corporate Governance Guidelines
2-16	General Disclosures	Communication of critical concerns	Corporate Governance Guidelines About This Report
2-17	General Disclosures	Collective knowledge of the highest governance body	10K Item 10: Directors, Executive Officers, and Corporate Governance Corporate Governance Guidelines
2-18	General Disclosures	Evaluation of the performance of the highest governance body	Compensation Committee Charter
2-22	General Disclosures	Statement on sustainable development strategy	A Letter From Our CEO
2-23	General Disclosures	Policy commitments	Empowering People Governance 10K Item 1: Business Supplier Code of Conduct
2-26	General Disclosures	Mechanisms for seeking advice and raising concerns	Proxy: Other Board and Corporate Governance Matters
2-29	General Disclosures	Approach to stakeholder engagement	About This Report

Material Topics 2021

3-2	Material Topics	List of material topics	Table of Contents

Economic Performance 2016

201-1	Economic Performance	Direct economic value generated and distributed	10K Item 1: Business

Energy 2016

302-1	Energy	Energy consumption within the organization	Preserving Our World
302-2	Energy	Energy consumption outside the organization	Preserving Our World
302-3	Energy	Energy intensity	Preserving Our World
302-4	Energy	Reduction of energy consumption	Preserving Our World
302-5	Energy	Reductions in energy requirements of products and services	Preserving Our World

Emissions 2016

305-1	Emissions	Direct (scope 1) GHG emissions	GHG Management
305-2	Emissions	Energy indirect (scope 2) GHG emissions	GHG Management
305-4	Emissions	GHG emissions intensity	GHG Management
305-5	Emissions	Reduction of GHG emissions	GHG Management

Waste 2020

306-1	Waste	Waste generation and significant waste-related impacts	2025 EHS Report
306-2	Waste	Management of significant waste-related impacts	2025 EHS Report
306-3	Waste	Waste generated	2025 EHS Report
306-4	Waste	Waste diverted from disposal	2025 EHS Report
306-5	Waste	Waste directed to disposal	2025 EHS Report

Supplier Environmental Assessment 2016

308-1	Supplier Environmental Assessment	New suppliers that were screened using environmental criteria	Supplier Code of Conduct

Occupational Health and Safety 2018

403-1	Occupational Health and Safety	Occupational health and safety management system	ISO 45001 Certificate
403-2	Occupational Health and Safety	Hazard identification, risk assessment, and incident investigation	Empowering People: Workplace Health and Safety
403-3	Occupational Health and Safety	Occupational health services	Empowering People: Workplace Health and Safety
403-4	Occupational Health and Safety	Worker participation, consultation, and communication on occupational health and safety	Empowering People: Workplace Health and Safety
403-5	Occupational Health and Safety	Worker training on occupational health and safety	Empowering People: Workplace Health and Safety
403-6	Occupational Health and Safety	Promotion of worker health	Empowering People: Workplace Health and Safety
403-7	Occupational Health and Safety	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Empowering People: Workplace Health and Safety
403-8	Occupational Health and Safety	Workers covered by an occupational health and safety management system	Empowering People: Workplace Health and Safety
403-9	Occupational Health and Safety	Work-related injuries	Empowering People: Workplace Health and Safety
403-10	Occupational Health and Safety	Work-related ill health	Empowering People: Workplace Health and Safety

Training and Education 2016

404-1	Training and Education	Average hours of training per year per employee	Empowering People: Training and Development
404-2	Training and Education	Programs for upgrading employee skills and transition assistance programs	Empowering People: Training and Development
404-3	Training and Education	Percentage of employees receiving regular performance and career development reviews	Empowering People: Training and Development

Child Labor 2016

408-1	Child Labor	Operations and suppliers at significant risk for incidents of child labor	Supplier Code of Conduct

Forced or Compulsory Labor 2016

409-1	Forced or Compulsory Labor	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supplier Code of Conduct

Local Communities 2016

413-1	Local Communities	Operations with local community engagement, impact assessments, and development programs	Empowering People: Community Engagement
413-2	Local Communities	Operations with significant actual and potential negative impacts on local communities	Empowering People: Community Engagement

SASB Index

The Sustainability Accounting Standards Board (SASB, now part of the IFRS Foundation) has developed standards for businesses to identify, manage, and report on sustainability topics to meet investor needs. This table references the Consumer Goods sector Multiline and Specialty Retailers & Distributors industry standards, with links to where the relevant information can be found in our ESG report or in other public documents.

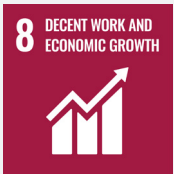| Topic	SASB Accounting Metric	Category	Code	Fastenal Disclosure
SASB Multiline and Specialty Retailers & Distributors Standard				
Energy Management in Retail & Distribution	Total energy consumed	Quantitative	CG-MR-130a.1	2,390,476 GJ
	Percentage grid electricity	Quantitative	CG-MR-130a.1	16%
	Percentage renewable energy	Quantitative	CG-MR-130a.1	1.8%
Data Security	Description of approach to identifying and addressing data security risks	Discussion and analysis	CG-MR-230a.1	Governance: Cybersecurity & Data Privacy
	Number of data breaches	Quantitative	CG-MR-230a.2	Fastenal has had no reported data breaches identified during the reporting period
	Percentage involving personally identifiable info	Quantitative	CG-MR-230a.2	Fastenal has had no reported data breaches identified during the reporting period
	Number of customers affected	Quantitative	CG-MR-230a.2	Fastenal has had no reported data breaches identified during the reporting period
Product Sourcing, Packaging, and Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	CG-MR-410a.1	$106,286,103.79
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and analysis	CG-MR-410a.3	Preserving Our World: Reducing, Reusing, and Recycling
Activity Metrics	Number of retail locations and distribution centers	Quantitative	CG-MR-000.A	1,597 traditional branches, 2,031 Onsite operations, 18 distribution centers Preserving Our World: Facilities and Operations
	Total area of retail locations and distribution centers	Quantitative	CG-MR-000.B	Approximately 5.1 million square feet of distribution capacity.

TCFD Index

The Task Force on Climate-related Financial Disclosures (TCFD), which disbanded in November 2023 (with monitoring being taken over by the IFRS Foundation), has developed voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to stakeholders. A summary of our response to the TCFD recommended disclosures is below, with references to where this information can be found in either this report or in other public documents.

Disclosure	Answer	Reference
Governance	Fastenal's board of directors is composed of individuals with varying backgrounds and experiences. This group is responsible for the oversight of enterprise risk, including ESG matters, and receives leadership and guidance on these topics from the committees of the board. Nine of our 11 directors are independent, including the chair of the board, which helps to broaden our perspective and deepen our understanding of ESG issues. Among the board's priorities are corporate responsibility, human capital management, and sustainability. The topic of ESG, including climate-related issues, is on the meeting agenda a minimum of twice per year. The Nominating and Corporate Governance Committee Chair serves as a liaison to the ESG team and is responsible for overseeing the Company's ESG initiatives, including any ESG policies, practices, and disclosures. Management involved in climate related risks and opportunities includes the Chief Financial Officer, Corporate EHS and Sustainability Director, Director of Supply Chain Compliance, and Vice President for Contract Development and Support and more as defined by the Community of Practice. The Community of Practice is responsible for continuous improvement to core aspects of our ESG program, including roadmap execution, reporting and disclosure, and continued development of our customer-facing solutions.	Governance: Board of Directors 2025 Proxy pg 8-15
Strategy	Risks and opportunities are detailed in our 2024 CDP Report and 2024 Annual Report. In 2024, we initiated a double materiality assessment (DMA). The DMA is a concept that provides criteria for determining what sustainability information a company is required to disclose as a part of the European Union's Corporate Sustainability Reporting Directive (CSRD) and the accompanying European Sustainability Reporting Standards (ESRS). Materiality of environmental, social, and governance topics is assessed based on the potential risks and opportunities that may have significant effects for the business and based on the outward impacts on society and the environment. Examples of risks we consider include current regulation, emerging regulation, technology, and physical risks such as weather events. Opportunities include products and services through continued development, expansion of green and sustainable products, and our continued commitment to safety standards and regulation.	Preserving Our World: Our Strategic Focus 2024 CDP pg 43-55 2024 Annual Report pg 31-38
Risk Management	Fastenal's risk management processes have been identified through the Enterprise Risk Management (ERM) function, which leverages our Company's ERM framework, policies, and definitions to measure and monitor risks entity-wide. We have defined both quantitative and qualitative factors and descriptions to be used when assessing risks. During our risk assessment process, we consider financial impact, shareholder value, reputational risk, legal/regulatory risk, customer impact, employee risk, and operational risks. We then apply additional factors to quantify our residual risk rating such as complexity, controls, speed or response, technology/systems/data, third-party risks, and assurance. Our current strategy and risk management plan does not include the use of scenario analysis, but we are in the process of enhancing our resiliency to climate and sustainability related risks and outcomes. This includes investing in climate adaptation strategies, incorporating these types of analysis into business planning, and developing a climate transition plan.	2024 CDP pg 22-30, 43-55 2024 Annual Report pg 31-38
Metrics & Targets	Fastenal currently measures a scope 2 intensity reduction target. We are working toward 45% intensity reduction in key facilities by 2030, with a base year of 2021.* Our intensity reduction target is not an absolute target. As we develop our carbon transition plan, we plan to include a variety of goals, and objectives including long term targets. GHG Intensity: 0.0000218 metric tons of CO_2e per $ of revenue Scope 1 Emissions: 128,284 tCO_2e Scope 2 (Market Based) Emissions: 36,304 tCO_2e	Preserving Our World: GHG Management 2024 CDP pg 57-138 California AB 1305 Disclosure

SDG Index

We recognize the importance of the United Nations 2030 Agenda for Sustainable Development. The UN Sustainable Development Goals (SDGs) call on governments, businesses, and civil society organizations to address the most urgent problems facing our world today. The goals urge all sectors of society to drive greater participation and leadership, and to invest more resources into solutions that reduce inequality and tackle the escalating climate emergency.

Fastenal supports the 17 United Nations SDGs. We believe we contribute the greatest impact in support of the nine SDGs listed below.

UN SDG	SDG Target	Fastenal Indicators
3 GOOD HEALTH AND WELL-BEING **Good Health and Well-Being** Ensure healthy lives and promote well-being for all at all ages	**Target 3.6:** By 2030, halve the number of global deaths and injuries from road traffic accidents **Target 3.9:** By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Governance: Responsible Sourcing Preserving Our World: Transportation Preserving Our World: Reducing, Reusing, and Recycling
7 AFFORDABLE AND CLEAN ENERGY **Affordable and Clean Energy** Ensure access to affordable, reliable, sustainable and modern energy for all	**Target 7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix **Target 7.3:** By 2030, double the global rate of improvement in energy efficiency	Preserving Our World: Transportation Preserving Our World: Facilities and Operations
8 DECENT WORK AND ECONOMIC GROWTH **Decent Work and Economic Growth** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	**Target 8.4:** Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead **Target 8.7:** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	Supplier Code of Conduct Empowering Our People: Human Rights Preserving Our World: Our Strategic Focus

UN SDG	SDG Target	Fastenal Indicators
Industry, Innovation, and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	**Target 9.1:** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all **Target 9.2:** Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries **Target 9.4:** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities **Target 9.5:** Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	Serving as a Trusted Partner: Our Sustainability Solutions Preserving Our World: Our Strategic Focus Preserving Our World: Facilities and Operations
Reduced Inequalities Reduce inequality within and among countries	**Target 10.2:** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status **Target 10.3:** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	Empowering People: Workplace Health & Safety
Sustainable Cities and Communities Make cities and human settlements inclusive, safe, resilient, and sustainable	**Target 11.3:** By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries **Target 11.6:** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Preserving Our World: Our Strategic Focus Preserving Our World: Facilities and Operations

UN SDG	SDG Target	Fastenal Indicators
12 RESPONSIBLE CONSUMPTION AND PRODUCTION **Responsible Consumption and Production** Ensure sustainable consumption and production patterns	**Target 12.5:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse **Target 12.6:** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Preserving Our World: Reducing, Reusing, & Recycling Serving as a Trusted Partner: Our Sustainability Solutions Serving as a Trusted Partner: Green Products Program
13 CLIMATE ACTION **Climate Action** Take urgent action to combat climate change and its impacts	**Target 13.1:** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Empowering People: Community Engagement
16 PEACE, JUSTICE AND STRONG INSTITUTIONS **Peace, Justice and Strong Institutions** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	**Target 16.2:** End abuse, exploitation, trafficking and all forms of violence against and torture of children **Target 16.3:** Promote the rule of law at the national and international levels and ensure equal access to justice for all **Target 16.5:** Substantially reduce corruption and bribery in all their forms	Governance: Responsible Sourcing Empowering People: Human Rights Supplier Code of Conduct

General Disclosures

Notable Achievements

In 2024, we saw several teams throughout our business achieve superior results. Recognition and inventive programs are a cornerstone of our culture, and we want to recognize nine award winners that are making an exceptionally positive impact to health and safety as well as environmental sustainability.

Workplace Health and Safety Recognition

Perfect Record Award

The following locations had zero recordable injuries for 2024

- Distribution Center: Edmonton, Alberta, Canada
- Transportation: Akron, Ohio
- Transportation: Atlanta, Georgia

Occupational Excellence Award

The following locations sustained a lost workday case rate that is 50% better than the industry average

- North Mexico Region Branches and Onsites
- Mid South Region Branches and Onsites

Environmental Sustainability Awards

Highest Waste Diversion Rate

The distribution and manufacturing location with the highest diversion rate

- Distribution Center: Modesto, California
- Manufacturing: Wallingford, Connecticut

Significant Waste Diversion Rate Improvement

The distribution center and manufacturing location with the most improved diversion rate

- Distribution Center: Denton, Texas
- Manufacturing: Indianapolis, Indiana

Key Performance Indicators

Key Performance Indicator	2024	2023	2022
Fastenal			
Total revenue ($ millions)	7,546.0	7,346.70	6,980.60
Total employees	23,702	23,201	22,386
Political contributions ($)* *Fastenal does not engage in lobbying activities nor does it make political contributions (money, goods or services) to political parties and candidates for political offices.	0	0	0
EHS			
Percentage of waste diverted from landfill (%)	80	78.2	70
Total non-hazardous waste (tons)	11,055	10,570	9,620
Total hazardous waste (tons)	3	5	5
Total recycled (tons)	8,713	8,299	6738
Water consumed in DCs and MFG (gallons)	7,670,265	8,686,383	7,893,886
Water use intensity per square foot (gallons/sq ft)	1.39	1.57	1.44
Percent of operational facilities that are certified to ISO 14001 (%)	100	100	100
In-market selling locations in very low biodiversity risk areas (%)	91	91	-
Environmental sustainability training completions company-wide	38,378	39,499	50,954
Operational facilities that conduct environmental & sustainability risk assessments (%)	100%	100%	100%
EPA regulatory violations	0	0	0
ENERGY STAR assessments	1,908	1,006	628
Energy and Emissions			
GHG intensity (tCO2e/USD)	0.00002181	0.00002313	0.00002469
Scope 1 (tCO2e)	128,284	130,852	132,879
Scope 2 location based (tCO2e)	38,438	37,618	38,763
Scope 2 market based (tCO2e)	36,304	39,077	40,074
Progress on GHG target (%)	46%	50%	40.20%
Consumption of fuel excluding feedstocks total (MWH)	560,992	529,478	545,779
Consumption of fuel from renewables (MWH)	0	0	0
Consumption of fuel from non renewables (MWH)	560,992	529,478	545,779
Consumption of electricity total (MWH)	103,030	99,506	130,507
Consumption of electricity renewables (MWH)	11,850	23,105	31,059
Consumption of electricity non renewables (MWH)	91,180	76,401	99,448
Total energy consumption (MWH)	664,022	628,984	676,286

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