



Attachment 07 OFFEROR RESPONSE WORKSHEET

Offeror must provide complete and succinct responses to each item below. **Insert your responses into this worksheet directly below each question or prompt.** While supplementary marketing materials are neither requested nor desired, Offeror should provide all information necessary to demonstrate Offeror's ability to meet the requirements of this RFP and the RFP's Scope of Work.

I. RESPONSE TO MANDATORY MINIMUM PROPOSAL REQUIREMENTS

To be considered for evaluation, Proposal must contain each of the following:

- Categories of Products and EPP (Attachment 02)
- Offeror Information, Acknowledgements, and Certifications (Attachment 06)
- Offeror Response Worksheet (Attachment 07)
- Percentage off List (Attachment 08)
- Market Basket (Attachment 8-1)
- Proposed Deviations to Sample Master Agreement (Attachment 09)
- Redlined Sample Master Agreement, if applicable (Attachment 04)
- Claim of Business Confidentiality (Attachment 10)

II. RESPONSE TO DESCRIPTION OF PRODUCTS AND SERVICES

- A. Attachment 2, Categories of Products and EPP. Offeror must complete the attachment.
- ~~B. Describe Offeror's plan for providing the Products and EPP (if applicable) identified in Attachment 02.~~
- ~~C. Provide evidence of Offeror's ability to provide the Products and EPP (if applicable) identified in Attachment 02.~~
- ~~D. Describe Offeror's ability to fulfill Contractor Responsibilities and Tasks identified in the Description of Products and EPP, Attachment 02.~~

III. RESPONSE TO TECHNICAL CRITERIA

- A. **Description of Products.** Offerors shall provide a full detailed description of their company and the products offered related to this solicitation. The Offeror shall provide a description of its ability to provide the products, supply chain distribution, stock items, outages notifications, environmental efforts within the company, geographic availability, etc.

Fastenal has an extensive product offering, wide-ranging partnerships with suppliers and manufacturers, subject matter experts in a variety of topics, an online ordering system, branch-based network, company distribution and logistics network, global sourcing, and a suite of supporting services and supply chain management solutions which can be deployed specifically to meet the needs of each NASPO ValuePoint Participating Entity.

As an incumbent NASPO ValuePoint contractor since 2011, Fastenal has excelled in administration, marketing, and compliance with the terms and conditions of the NASPO



ValuePoint Master Agreement. Fastenal currently holds 47 state-wide MRO contracts, 41 of which are with states that have signed a NASPO ValuePoint Participating Addendum – an increase of 10 additional statewide PAs added during the current contract period. Additionally, Fastenal has over 20 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of city, county, and state government agencies and utilize participating addendums.

Product Offering & Availability

With 30+ well-supported product categories, 1.7 million+ SKUs sold, 7,500+ corporately-approved suppliers, and in-house resources to source and develop our product offering, we are ready to help NASPO ValuePoint's Participating Entities fully leverage their MRO spend. Fastenal is bidding on every product category, including Category 15 as expanded upon in section G below.

Sourced Products

Sourced product are products which are not currently listed in Fastenal's contract catalog or on-line ordering system but are able to be supplied by Fastenal. Fastenal's sourcing model is a service that we offer to customers to source products. The local Fastenal branch manages the sourcing, procurement, delivery, and, if required, the inventory management of the sourced product as part of a Fastenal vendor managed inventory solution.

Fastenal's sourced products are a direct line extension of the product offering consisting of thousands of vendors with whom we have developed a publicly recognized business relationship around promoting and developing the brands representative of the vendor. Price quotes and freight for these sourced products are based on current market conditions and are negotiated locally on a per-order basis and approved by the Participating Entity.

Supply Chain Distribution

Distribution Network

While other national suppliers have consolidated their distribution systems to react and ship remotely (with a "built-in" 24-to-48-hour lead time), our decentralized infrastructure enables us to supply the vast majority of our customers' product needs either immediately or within the same day. The foundation is our North American network of 15 warehouses, 8,300+ delivery vehicles, 3,200+ in-market locations, and 113,000 Fastenal Managed Inventory (FMI) point-of-use solutions (automated vending and bin stock devices) – all working to anticipate local demand, stage products in close proximity to the customers who need them and shorten the supply chain to a matter of a few miles, or even at the point-of-use.

The backbone of our service is a company-owned transportation network that positions 15+ regional distribution centers at the nexus of carefully planned routes to our customers. The system is animated by customer demand, pulling product into the region, the local market, and ultimately the point of use based on usage patterns.

Planned product needs are stocked in our regional DCs and delivered via Fastenal truck to the Participating Entity's facility (or offsite Fastenal location) on a regular service schedule to



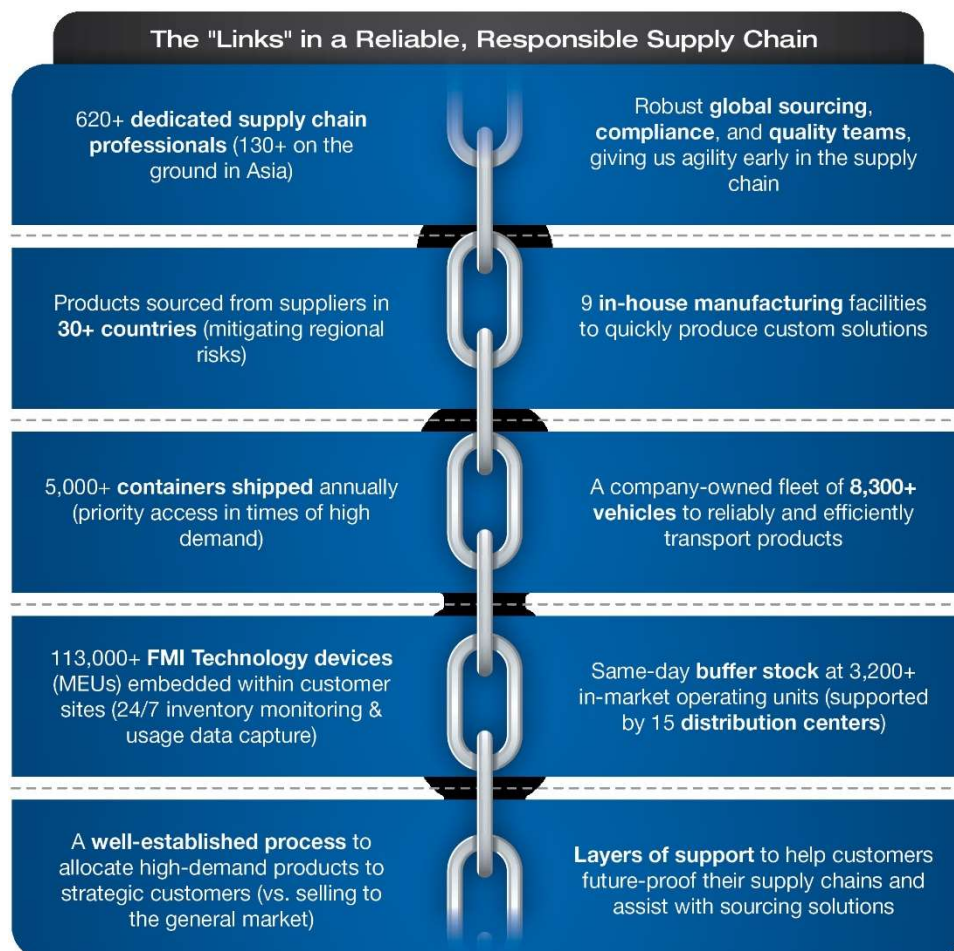
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maintain target inventory levels – a consistent, proactive flow that minimizes stock-outs and costly rush orders. Should a customer choose to utilize a third-party carrier for expedited delivery, shipping & handling fees may apply and would be pre-approved by the customer prior to order placement.

Supply Chain Resiliency

Recent years have revealed 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.





Responsible Sourcing

As a strategic supplier, 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 with the expertise to ensure the products we supply meet or exceed applicable standards and regulations 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 ourselves, 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 a risk analysis 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, 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. (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 and/or have their business relationship with Fastenal terminated.

Import Control Policy

To establish visibility and control early in the supply chain, we operate a global sourcing division known as FASTCO (Fastenal Asia Sourcing and Trading Company). This resource is made up of more than 200 Asia-based personnel, including factory auditors, engineers, procurement professionals, quality specialists, and logistics specialists, allowing us to closely monitor risks and opportunities and maintain a high level of control over product quality. It also includes five international A2LA-accredited quality labs (in addition to the four A2LA-accredited labs we operate in the United States), which provide 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 following icons on our eCommerce platform, other marketing channels, and point of sale system to help customers make informed purchasing decisions.





Forced Labor Policy

Fastenal maintains a strong stance against the use of forced labor within any tier of our supply chain and actively works 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 and improve 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. It guides our employee training curriculums, internal facility audits, vendor security campaigns, warehouse security measures, and freight tracking procedures; and it is the controlling policy document that outlines Fastenal's internal expectation regarding forced labor controls.

Quality Control

Our current quality management system is registered to ISO 9001:2015 and certified by TUV Rheinland of North America. This certification covers 73 locations, including all distribution centers, industrial services centers, internal manufacturing locations, FASTCO, and select in-market servicing locations. In addition to controlling our internal quality system, Fastenal operates nine product testing labs as part of our supply chain quality control process. The labs, which are accredited 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 intel 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, while 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.

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.

Stock Items & Outage Notifications

Our local footprint positions us to support NASPO ValuePoint's Participating Entities with a dedicated service team, tailored in-market inventory, last-mile delivery (via Fastenal trucks), and custom Fastenal-managed inventory programs. The impact is direct. When we locally stock their product needs, items are immediately available. When paired with our Fastenal Managed Inventory (FMI) Technology programs (as further elaborated on below), Fastenal will



ensure product is kept in stock both within the Participating Entity's facility, the servicing Fastenal branch, and the servicing regional distribution center.

The goal of our FMI Technology programs is to digitize the supply chain for MRO products, providing transparency and allowing for strategic planning. This includes:

- Mobile technology to illuminate product locations and details
- IOT ("the Internet of Things") solutions to digitally monitor fast-moving parts 24/7
- Devices to digitally track and manage tools and other assets
- Devices to control consumables and limit who has access to what
- Visibility to product stocked within the facility
- Analytics & insight to individual activities and larger trends

All of these features contribute to an environment in which the inventory the Participating Entity needs is stocked locally according to their usage patterns. Through our solutions, the Participating Entity's servicing Fastenal branch is automatically notified when product reaches an established minimum level so we can have the product replenished before it ever reaches the point of an outage.

While we make every effort to ensure outages do not occur, when a product is not in stock, not available from the supplier, or has been discontinued, our internal system will immediately notify our branches and based on the delivery expectations of the customer, Fastenal will offer a substitute product of equal or greater quality, subject to the approval of the Participating Entity. The end user will determine if the substitution is acceptable.

Fastenal Managed Inventory Technology (Vendor Managed Inventory)

By partnering with Fastenal, Participating Entities will benefit from a customized Fastenal Managed Inventory (FMI) program. This includes providing end-to-end logistics, in-market warehousing, and local service to ensure a proactive flow of planned product needs. It also includes investing in the partnership with FMI Technology solutions, helping each Entity achieve the right balance of visibility and control for every product within the scope of the partnership.

Our FMI Technology program centers on five core concepts:

- **SIMPLIFY:** Through our FASTStock program, the local Fastenal teams will execute a consistent service schedule to manually monitor and replenish the Participating Entity's inventory locations. This manual process is enhanced by technology, including mobility applications that enable our teams to capture and illuminate data around every part we manage on their behalf:





what it is, where it's located, and when we're servicing it. If the Entity prefers to handle inventory monitoring/ordering internally, we also offer a self-service scanning solution (FASTScan).

- **MONITOR:** FASTBin devices provide an additional level of visibility and risk mitigation by enabling the servicing Fastenal teams to monitor your bin stock inventory remotely and continuously – a good fit for faster-moving/higher-value MRO items. The benefits are twofold: a more proactive and seamless supply chain, along with more productive utilization of the local Fastenal service teams (i.e., additional labor energy to focus on strategic activities vs. repetitive tasks).
- **CONTROL:** FASTVend devices can be deployed to control MRO products of all shapes and sizes. The cloud software makes it easy to set customized controls (who can access what, and how much) and to trace items to individual users and cost centers (including GL codes and/or job numbers if desired). One key result is a sharp and sustained reduction in consumption, typically 20 to 30%. Similar to FASTBin, the local Fastenal teams remotely monitor the inventory in the devices and proactively plan their service to ensure continuous supply.
- **TRACK:** We also offer FASTVend solutions to automate the check-out and return process for assets like tools, scanners, and tablets. Site managers can track each asset to the most current user and receive an alert if it's overdue for return. Alerts and lockdowns can also be scheduled for routine recharging, calibration, or maintenance, ensuring that job-ready tools are continuously available near the point of work. Entities can leverage this technology to reduce tool loss and improve productivity.
- **ANALYZE:** The ultimate goal of an FMI Technology solution is to take industrial supplies out of the shadows and into a more efficient and controlled environment. Site managers will gain insight into product usage and allocation – how fast each item is turning, who's using it, and what it's being used for. Meanwhile, as the Entity's supply chain partner, we will analyze trends in the business and present opportunities to continuously evolve the program (devices, locations, product mix, and min-max levels) for maximum impact.

FASTVend Technology Overview

Through our FASTVend program, we offer a diverse lineup of devices to meet each Participating Entity's product and process needs. The common features are employee ID-based access (connecting products to individuals and cost centers), cloud-based software (a simple, secure way to manage settings and access reporting), and layers of support to provide a turnkey program – from design and implementation to ongoing replenishment and optimization.



COIL MACHINES (5K & 3K)

Our coil devices provide maximum control over fast-moving items. The user has access to one product at a time (one transaction = one item dispensed). This allows local managers to set product-specific access controls (so that certain items can only be vended by authorized job titles, or in limited amounts within a time period). A versatile solution for wide-ranging but generally smaller-sized items.



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MULTIPURPOSE LOCKERS (2, 3, 12, 18, 27, 30 & 36 DOOR)

These devices provide three basic functions: (1) vend large consumable items, (2) automate the check-out/return process for assets (tools, scanners, tablets, etc.), and (3) serve as an automated will-call station for spot-buy deliveries from Fastenal.



SENSOR LOCKERS (18, 24 & 27 DOOR)

Sensor lockers provide per-item traceability along with 'grab and go' access. The user makes a selection to unlock a cabinet, and weight sensors automatically detect and report the number of items taken. This technology is for dispensing only, not for asset management. A good fit for high-volume consumables that require greater traceability than our multipurpose locker units.



SENSOR CABINETS & DRAWER UNITS

Also provide 'grab and go' access to a variety of products while connecting each item to the user. The single-door model is a large cabinet for various-sized MRO items, including cans and boxes. The drawer-only model is equipped with bins for loose consumables, including cutting tools. And the combo door-drawer unit functions as a dual metalworking/MRO solution.

FASTBin Technology Overview

As part of our mission to ensure continuous supply to Participating Entity facilities, we're excited to offer technology that enables our local service teams to monitor fast-moving bin stock inventory remotely and continuously. Depending on the local needs, we can provide the following solutions to make our bin stock service more efficient and proactive.



FASTBinSM – RFID

This solution combines radio frequency identification (RFID) technology with a classic multi-bin system. Each bin has a unique RFID label on the back. When the front bin runs empty, the user places it on the top shelf, where an RFID controller senses the label, triggers a change in inventory state in our system, and puts our local service into motion.

FASTBinSM – IR

This modular system brings 24/7 monitoring to the point of use. Infrared (IR) sensors within each bin detect the current level based on the number of infrared beams blocked by product. We electronically monitor the changes in inventory state and plan our service accordingly.





FASTBinSM – SCALE

A weight-based system that provides real-time visibility to quantities and inventory values. Load cells beneath each bin sense and report real-time QOH for each bin. When inventory falls below the targeted replenishment trigger, the system automatically sends an alert to the servicing Fastenal location.

Onsite Program Overview

Our local branches position us within minutes of the Participating Entities. Our onsite model brings us even closer, in terms of proximity and partnership. While our branches have to balance general market needs, an onsite resource has a single focus: operating a world-class supply chain for the Participating facility.

With this model, we provide full-time Fastenal experts to handle daily crib operations. We also invest in consigned on-premises inventory, providing immediate access to planned needs while driving financial goals. Solutions, suppliers, services, specialists – everything we offer can be part of an onsite solution. Customization is the key word, and it begins with three basic questions: What do you use? What do you want to achieve? And how can we build a total solution around that?

Advantages of Fastenal's onsite program include:

- **EXPERTISE:** Fastenal's onsite teams will do more than fill orders and bins. They become experts in the Participating Entity's operations and the products needed to run them. They also serve as the point persons for other experts in our business, pulling in specialists, suppliers, and sales leadership to execute projects and drive improvement.
- **LABOR UTILIZATION:** The teams essentially serve as part of the Entity's staff, but without being on their payroll. Entities leverage our energy and expertise to free up labor resources and operate more efficiently.
- **BUDGETING:** When we move onsite, we sell down current inventory and phase in our own. Moving forward, the inventory remains on our books until it reaches the floor stocking locations – a dollar-for-dollar improvement in budgeting.
- **CONSOLIDATION:** The synergy and efficiency of the onsite model allows us to manage an even broader range of products used in the Participating Entity's operations, expanding opportunities to consolidate, simplify, and leverage.

Jody Dumas

*Executive Director of Facilities Planning and Construction
School Board of Sarasota County*

Responsibilities: maintenance and custodial operations
along with long-range planning and construction

“For us, it's a hands-off approach for parts and supplies. And that's really what I wanted to have in the district – to have Fastenal come in, be integrated with our entire operation, and be able to get parts where we need them, when we need them, and how we need them. I'm a pretty demanding customer, so I asked that of them, and they've done a great job of doing that for us.”



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- **INNOVATION:** We bring a deep history in supply chain management. Just as importantly, we bring the future. An onsite solution becomes a direct pipeline to the latest innovations in areas like automated supply, asset tracking, data analytics, and A.I.
- **EXPERIENCE:** With 1,800+ onsite programs worldwide, nobody offers more experience in implementing and operating successful programs. We're ready to leverage our local talent and infrastructure to quickly craft and activate custom solutions for NASPO ValuePoint Participating Entities.

Please see the attached Exhibit 2 - Example Onsite Participation Form_Fastenal Company.pdf for an example of the document to be executed by the Participating Entity for this program.

FASTPOD

For jobsite or disaster recovery solutions we recommend the use of our FASTPOD – an innovative, Products-on-Demand solution to keeping your site secure and supplied. The POD is fully customizable with inventory solutions and technology. Storage options include vending, bin stock, shelving, and bulk storage.



FASTCrib

FASTCrib is a complete inventory, asset, maintenance, and procurement solution. It is a cloud-based application that is accessible 24 hours a day from anywhere with internet access, providing full visibility into your supply chain. The 5 core modules are: Procurement; Inventory Management; Maintenance & Work Orders; Asset Management; and Reporting. Benefits offered through FASTCrib include:

- Create oversight and control over your inventory and assets - for the shop, the entire facility, or even multiple locations.
- Manage replenishment and procurement.
- Send requests for approval to supervisors and managers.
- Automate the full buying cycle.
- Manage and schedule maintenance events.
- Provide end-to-end control and visibility of the procurement life cycle.
- Restrict spot buy purchasing and other uncontrolled spending.



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Environmental Efforts

Our Environmental, Social, & Governance (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.

	Strategic Objectives	Relevant Topics
 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 • Diversity, equity, and inclusion
 Preserving Our World	We work to reduce consumption and environmental impacts throughout our operations and provide solutions to help our customers do the same.	• 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

In keeping with our pillar of 'Preserving Our World,' 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 operate to serve customers across the country and around the world.

Our Strategic Focus – Net Zero by 2050

In 2022, we announced our intention to work toward a plan to reach net zero emissions by 2050, including an expectation to establish science-based targets in the coming years. As we progress in our journey, 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. We have broadened our reporting to cover the entirety of our scope 1 and 2 emissions from all global business operations, and we recently completed a scope 3 materiality assessment, an important step to further broaden our carbon inventory and establish baselines for science-based targets.

Key Systems & Programs:

- We have received third-party certification to the ISO 14001 environmental management standard. ISO 14001 provides a framework for us 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 are proud to be a certified EPA SmartWay Partner. This program provides us with tools and best practices to measure, benchmark, and improve our freight transportation efficiency.

2023 Highlights



We received a **silver medal from EcoVadis**, signifying that the quality of our sustainability management system ranked in the top 25% of all 125,000+ companies in all industries rated by EcoVadis. We earned our first EcoVadis medal, a bronze, in December 2022. Prior to that, our sustainability programs and reporting did not merit a medal designation. This rapid improvement (from receiving no medal recognition to earning a silver medal within a two-year period) reflects a heightened and long-term commitment to invest in and continuously improve our core processes, systems, and reporting around sustainability.

We were selected by Newsweek as one of **America's Greenest Companies** (something only 300 companies in the United States can claim). The rankings reflect an analysis of organizations in the U.S. that have a minimum market capitalization of \$5 billion and adhere to the European Union sustainably standard guidelines. Evaluations are based on the companies' greenhouse gas emissions, water usage, water generation, waste generation, and sustainability data disclosure and commitments.

The Business Intelligence Group credited Fastenal for the **Sustainability Initiative of the Year** within our industry – for our program with Trex Company, Inc. to create a circular economy for plastic waste. In addition, one of our corporate sustainability managers was asked to join the Business Intelligence Group's judges panel to help advise the business community on tactics for sustainable operations.

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 800 commercial motor vehicles (CMVs) as well as 8,300 RAM pickup trucks used by our local teams to provide final-mile delivery service.

Extending the "Last Mile" to the "Last Yard"

In addition to picking up shipments from suppliers and transferring products across our distribution center network, our CMV fleet transports approximately 90% of the product tonnage moved from our regional distribution centers to our in-market operating units (a core aspect of our local service model).

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).



The RAM pickup fleet is used by our local branch personnel to execute final-mile delivery to the customer, and in many cases the destination is a point-of-use device within their facilities – a unique capability made possible by our investment in final-mile transportation and high-touch service

Fuel Efficiency Strategies

Because we sell and replace a large portion of our fleet annually, we are regularly reviewing the latest fuel efficiency and safety options. In 2023, we replaced roughly 1,820 vehicles to capture the newest technology. This included ordering 713 vehicles equipped with embedded telematics, which will provide local managers with visibility to the vehicles' fuel consumption and related data such as idling time, speed, and acceleration – a valuable tool to improve the efficiency of the units.

Since mid-2019, Fastenal has participated in the United States Environmental Protection Agency's SmartWay program, which helps partnering carriers learn best practices, demonstrate their efficiency achievements, and pursue continuous improvement. We're working to positively impact fuel efficiency in a variety of ways:

- Using geographic information systems (GIS) to map the most 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

Testing & Implementing New Technologies

Our drive for efficiency includes an ongoing commitment to test and, when feasible, adopt alternative fuel vehicles. In 2020 and 2021, through a fleet-electrification collaboration program with Penske Leasing and Daimler Trucks North America, we conducted a short-term pilot of a fully-electric Freightliner eCascadia semi-truck in the Los Angeles metro area. After running the truck on a regular route for one month, we provided real-world feedback to guide future improvements to the technology.

As part of the program, we also conducted a longer-term pilot with two fully-electric Freightliner eM2 straight trucks, which we ran on daily routes within the Los Angeles metro area in 2020 and 2021. It proved to be a good fit for certain use cases, and in late 2023 we signed a lease agreement for two of these vehicles, which we plan to start running in the Modesto, California area in fall 2024.

In fall 2021, we conducted a test of a demo Orange EV fully-electric yard tractor at our Indianapolis, Indiana distribution center. (Yard tractors are used to move trailers and containers within the cargo yard.) Based on the success of the test, we subsequently purchased a new Orange EV fully-electric yard tractor for the facility, and the vehicle went into operation in July 2023.



Facilities & Operations

In 2023, we continued our push for operational efficiency by completing 111 environmental projects in our facilities, including waste reduction, recycling, and energy reduction projects. This involved a total investment of \$372,400, a projected annual cost savings of \$844,700, and an estimated annual reduction of 3,040 metric tons of CO2.

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:

- 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 power technology: one leased (Dordrecht, Netherlands) and one owned (Winona, Minnesota).
- Through Puget Sound Energy's Sustainability Leadership Partners program, our Lacey, Washington distribution center used 100% wind energy in 2023.
- Our downtown office building in Winona, Minnesota and our distribution facilities in Lacey, Washington, Salt Lake City, Utah, and Madison, Mississippi achieved ENERGY STAR certification in 2023. We are working to have additional buildings certified in 2024.
- In 2024, we expect to participate in the EPA's Green Power Partnership to purchase and use solar and wind energy within our distribution centers and manufacturing locations.
- We recently broke ground on a new building in Salt Lake City, Utah that will serve as our distribution center for the region. This building has been designed with energy-efficient features and is slated to be completed in 2025.

Warehouse Automation: Maximizing "Sales Per Square Foot"

Over the past decade-plus, one of our key metrics has been increasing our 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, 11 of our 15 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 and, in turn, less energy consumption.

Evolving Our Branch Infrastructure

Over the last several years, we've been restructuring our United States branch model to be more customer-focused and space-efficient. This includes removing standardized (non-market-specific) inventory 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're gaining 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.

Onsite: Sharing Space, Saving Energy

Perhaps the biggest driver of change to our local footprint has been the rapid adoption of our Onsite 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're consuming minimal additional energy and producing fewer additional emissions. We believe the model also allows us to play a more active and impactful role in helping the customer reduce supply chain waste – for example, by reducing emergency deliveries, wasteful consumption, and excess inventory.

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 operations as a primary growth strategy.

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 2023, we completed more than 1,000 ENERGY STAR assessments for Fastenal locations larger than 5,000 square feet.

In late 2022, our distribution centers in Salt Lake City, Utah and Lacey, Washington became our first facilities to be certified as ENERGY STAR buildings. In 2023, those distribution centers were recertified, and they were joined by two newly-certified facilities – our distribution facility in Madison, Mississippi and our downtown office building in Winona, Minnesota.

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. Our goal: a 10–15% reduction in energy use at each location in the first year of the program.

In 2023, we made improvements in more than 15% of our U.S. and Canada traditional branches based on ENERGY STAR recommendations. These improvements include programmable thermostats, more efficient thresholds on exterior doors, LED lighting, and energy management programs for HVAC optimization. In 2023, our EHS and sustainability



team worked with our branch teams to complete a total of 3,770 assessments, audits, and projects.

Reducing, Reusing & 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. The objective of the program is to improve our waste diversion rate 10% annually compared to the baseline year of 2021.

Creating a Less Packaging-Intensive Distribution System

As part of our automated storage and retrieval systems, our distribution centers utilize an estimated 115,000 reusable composite bulk bins and totes to store inventory and make deliveries to our in-market servicing locations, reducing the use of cardboard, wood, plastic, and other shipping/ packaging materials.

It's part of a larger trend in our business. Products supplied through Fastenal Managed Inventory (FMI) programs, which today 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 recycled roughly 16.4 million pounds of material in 2023. Our waste diversion rate increased from 70% in 2022 to 78% in 2023. The top performers in both years were our manufacturing facilities in Wallingford,

Connecticut and Winona, Minnesota, which in 2023 had waste diversion rates of 98% and 94%, respectively. (This was achieved in part by recycling oily wastewater and selling scrap metal that would otherwise end up in a landfill.) In late 2023, we began the journey toward zero waste certification for these facilities and we have a goal to achieve this certification in 2024.

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 waste water. In addition, we constantly work to reduce wasteful consumption of clean water. With regard to new location builds, we follow guidelines set by the World Wildlife Fund and Federal Emergency Management Agency to minimize our impact on areas with high water stress levels.

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

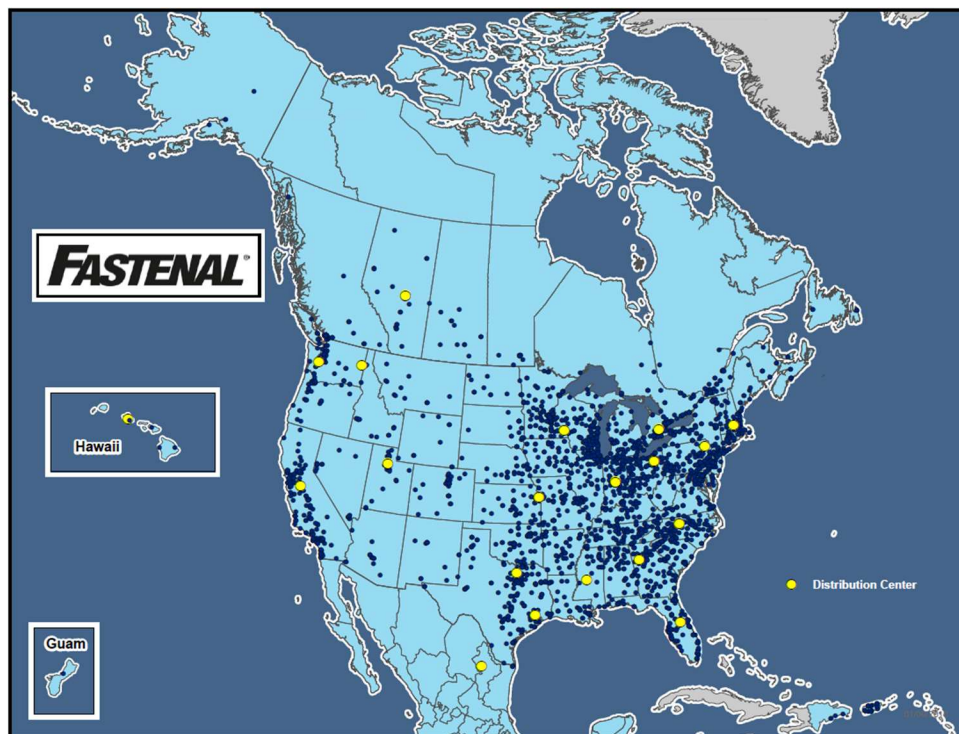


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environmental management system an organization can use to enhance its environmental performance through more efficient use of resources and reduction of waste and energy. To help us continue to perform at a high level and meet ISO 14001 requirements, we've partnered with two third-party firms, U.S. Compliance and EMI, 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 maintain a low level of risk for the environment.

Geographic Availability – Same Day Service

A key differentiator for Fastenal is our ability to cost-effectively operate local branches in not only major cities but also small towns and rural areas across North America, positioning dedicated service teams and customized inventory minutes away from the customers we serve. With our onsite service model, the distance can be shortened with Fastenal personnel and inventory situated within the walls of the Participating Entity's facility. As a result of these service models, we're able to offer same-day service in 3,200 local markets in the US and Canada.



For most major national industrial suppliers, next-day delivery isn't just the current best practice – it's the best they can possibly do. Having built their distribution systems to direct-ship orders from remote distribution centers, the product is simply too far away from most areas of the country to be transported any faster. For these transactional (eCommerce) suppliers, progressing from two-day service to next-day service was a matter of incremental improvement; taking the next step would require a totally different approach.

**Request for Proposals for
Facilities MRO and Industrial Supplies**



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At Fastenal, we understand that delivery speed is a function of distance – and that the shortest supply chain wins. So, while others have embraced a centralized direct-ship model (with a ‘built-in’ one-day lead time), we’ve never stopped working to de-centralize, providing faster, better service as we move ever closer to our customers.

Economic Impact by State/Territory

Our multiple distribution points not only provide service to NASPO ValuePoint Participating Entities, they also contribute to each of the local communities by paying local taxes, hiring local employees, experiencing the local business environment, and understanding the culture and MRO requirements unique to that area. Fastenal’s total economic impact in the United States in 2023 reached nearly \$6.5 billion (included in this figure are taxes, licenses, fees, rent, utilities, and payroll), while in Canada it exceeded \$450 million.

Please see the table on the following page for details of Fastenal’s presence and economic impact by state/territory:

State/Territory	*2023 Economic Impact*	**2023 Investment in Vending & Bin Stock Technology	***# of Locations	# of Employees
Alabama	\$44,176,266	\$422,700	74	220
Alaska	\$1,924,306	\$51,350	5	23
Arizona	\$49,080,796	\$670,500	17	88
Arkansas	\$26,632,510	\$319,950	60	195
California	\$376,655,835	\$3,697,550	228	1,044
Colorado	\$34,348,602	\$1,161,150	41	168
Connecticut	\$74,462,369	\$117,050	22	187
Delaware	\$7,417,923	\$60,500	6	36
Florida	\$123,157,423	\$2,615,400	131	565
Georgia	\$192,700,123	\$375,250	138	712
Guam	\$608,607	-	1	6
Hawaii	\$2,267,476	\$278,000	6	15
Idaho	\$7,314,767	\$104,900	19	69
Illinois	\$875,163,799	\$235,250	104	537
Indiana	\$231,505,864	\$1,281,950	126	1,298
Iowa	\$47,485,001	\$156,500	68	288
Kansas	\$78,532,398	\$583,350	66	644
Kentucky	\$109,607,632	\$280,000	76	239
Louisiana	\$17,524,253	\$279,650	41	150
Maine	\$7,125,700	\$65,250	14	46
Maryland	\$32,416,320	\$1,511,850	36	169
Massachusetts	\$80,450,902	\$260,750	41	145
Michigan	\$204,256,024	\$686,700	80	496
Minnesota	\$654,729,774	\$1,540,950	170	2,348
Mississippi	\$137,555,374	\$341,750	39	273
Missouri	\$101,475,218	\$1,749,050	89	317
TOTAL				

State/Territory	*2023 Economic Impact*	**2023 Investment in Vending & Bin Stock Technology	***# of Locations	# of Employees
Montana	\$4,875,690	\$223,250	12	45
Nebraska	\$15,762,236	\$357,350	26	133
Nevada	\$16,596,217	\$310,750	19	65
New Hampshire	\$17,509,101	\$82,750	18	59
New Jersey	\$162,133,015	\$326,900	32	119
New Mexico	\$3,352,029	\$8,000	13	40
New York	\$238,710,094	\$2,388,050	99	413
North Carolina	\$251,945,442	\$965,500	145	1,065
North Dakota	\$11,883,487	\$171,500	17	83
Ohio	\$335,732,376	\$2,954,000	167	993
Oklahoma	\$55,504,361	\$948,150	81	239
Oregon	\$20,268,943	\$838,750	44	115
Pennsylvania	\$318,912,201	\$682,400	149	883
Puerto Rico	\$6,000,172	-	19	47
Rhode Island	\$53,745,150	\$209,250	2	8
South Carolina	\$78,144,476	\$453,400	72	293
South Dakota	\$9,381,806	\$227,750	22	101
Tennessee	\$311,358,417	\$360,150	105	384
Texas	\$557,296,055	\$1,804,100	291	1,422
Utah	\$30,217,115	\$740,100	45	321
Vermont	\$4,457,911	\$52,250	8	34
Virginia	\$107,063,495	\$1,066,550	65	271
Washington	\$85,624,657	\$1,544,100	86	454
West Virginia	\$10,696,549	\$262,150	21	102
Wisconsin	\$227,837,246	\$1,054,000	139	812
Wyoming	\$3,438,909	\$76,250	12	45
	\$6,457,022,410	\$36,954,700		

**Request for Proposals for
Facilities MRO and Industrial Supplies**

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State/Territory	*2023 Economic Impact*	**2023 Investment in Vending & Bin Stock Technology	***# of Locations	# of Employees
Alberta	\$28,003,540	\$62,750	35	200
British Columbia	\$25,441,121	\$43,350	35	139
Manitoba	\$5,343,661	\$13,750	10	38
New Brunswick	\$3,800,447	\$57,250	8	34
Newfoundland	\$1,601,196	\$0	5	13
TOTAL				

State/Territory	*2023 Economic Impact*	**2023 Investment in Vending & Bin Stock Technology	***# of Locations	# of Employees
Nova Scotia	\$3,560,099	\$122,050	7	26
Ontario	\$277,429,606	\$1,876,300	172	969
Prince Edward Island	\$1,056,275	\$0	2	8
Quebec	\$99,580,459	\$77,750	47	355
Saskatchewan	\$7,402,364	\$56,250	12	50
	\$453,218,768	\$2,309,450		

*Economic Impact includes taxes, licenses, and fees; rent; utilities; and payroll.

**Value of vending machines and bin stock assets

***# of Locations includes branches, onsite programs, offices, distribution centers, manufacturing facilities, etc.

eCommerce

[Fastenal.com / Fastenal.ca](https://fastenal.com)

Fastenal.com is a state-of-the-art transactional website providing our users with visibility and access to:

- **Descriptions/Technical Information:** All products contain technical information in the form of product attributes, product descriptions, and detailed notes fields. This information can guide the user by the type of product or the specific application of the product. Many products contain CAD Drawings and "Product Standards" informational PDF sheets which contain technical data such as chemical, mechanical, and performance information. Where applicable, links to (M)SDS sheets are made available in the product detail page of the corresponding part. Additionally, the "Supply Chain" section shows availability at the local Fastenal branch. All products visible on fastenal.com can be sourced in various manners.



24oz (17.6oz Net Fill) Clear 3M™ Hi-Strength 90 Spray Adhesive Aerosol

Fastenal Part No. (SKU)
Manufacturer Part No.
UNSPSC
Manufacturer

Compliance

Product Attributes

Container Size	24oz
Container Type	Aerosol
Net Fill	17.60oz
Color	Clear
Physical Form	Gas
Type	Spray Adhesive
Temperature	>210°F
VOC	<55%
Curing Time	1 min
Working Time	1 - 10 min
Chemical Base	Synthetic Elastomer
Application	Metal, Plastic, Wood
Specific Gravity	0.7260
Product Weight	17.64
UOM	each

Notes

The aerosol can is a portable, convenient, maintenance free-delivery system, where variable width actuator delivers a controlled lace spray pattern. This ability to control the spray helps minimize waste while placing an optimal amount of adhesive right where needed.

Its aggressive tack provides high initial grab and gives you sufficient open time to position materials properly. The effective spray pattern provides higher coverage with less waste than competing spray adhesives and helps you create a uniform bond. The combination of fast tack, strong bond, and clean appearance make it ideal for edge band and wood panel bonding.

- Finger-touch, targeted control ensures minimal overspray, waste, and cleanup
- Extreme high-strength and fast-tack adhesive provides strong permanent bond
- Ideal adhesive for decorative laminates, particleboard, and many other materials, even polyethylene, polypropylene, and SBR rubber
- 1 minute dry time for fast, extremely strong permanent results and high productivity
- Safe formula is CARB compliant and eligible for LEED credits

3M™ Hi-Strength 90 Spray Adhesive is our fast-drying, transparent spray adhesive that bonds on concrete, wood, MDF, laminates, polyethylene and more. Its extremely strong bond gives you fast results to keep projects moving forward. This industrial grade formula is easy to dispense and apply directly to surfaces and materials and provides the added benefit of high heat and moisture resistance.



- Contract Price: NASPO ValuePoint Purchasing Entities can view contract pricing online when logged in with their branch account number. The pricing displayed allows the user to clearly identify their contracted pricing compared to wholesale.



AA Cell Size ORMADUS® Alkaline Battery

Fastenal Part No. (SKU) 0225010

UNSPSC 26111700

Manufacturer Fastenal Approved Vendor

Brand ORMADUS®

Wholesale: / package of 24

Your Price: / package of 24

Unit Price: / each

(Save % off wholesale)

QTY 1

- Order History: Purchasing Entities can view their history of orders placed online with Fastenal.com. Order history can be reordered and edited for future use and commonly ordered items can be saved into order templates for ease of re-ordering. In addition to Order History, users have the power of FAST 360° to review their spend and evaluate it by time period, category, and location. Users may search for items previously purchased and utilize the data to see where the product went and the price previously paid. (Please see section E. for additional information about FAST 360°).

FAST360° New Dashboard & Reports! Unmatched visibility & engineered insights all in one place.

Access to the tools needed for clear visibility of your Fastenal-managed inventory & spend!

The FAST360° dashboard has been enhanced to include a new set of tools, making it even easier to locate product and analyze activity. As you explore each new report, you'll find navigation tips and glossary of terms. To access, click the Information icon found next to the filters on the right side of each report.

Visit the [Help](#) page for more information.

My Reports

My Business

My Inventory

My Spend Detail

My Spend Summary

Open Invoice Status

Vending Overview

FMI Technology Savings

Cost Savings Summary

Cost Savings Projects Overview



- Product Availability:** All standard parts display product availability information and an estimated delivery range. When a NASPO ValuePoint Purchasing Entity is logged into their branch account, inventory from that branch is visible on the “My Branch” tab so they can easily shop the items that are available for same day pickup or delivery. In addition to the product view on fastenal.com, FAST 360° provides our customers with unmatched visibility to inventory and purchasing habits from an all-in-one dashboard, right on Fastenal.com. With FAST 360°, customers can search by part number, description, or category to see if that product currently resides within the NASPO ValuePoint member’s stocking locations. Using My Inventory allows the member to analyze inventory provided by Fastenal and stocked within their facility as a means to identify efficiencies and cost savings opportunities.

AA Cell Size ORMADUS® Alkaline Battery

Fastenal Part No. (SKU)	0225010
UNSPSC	26111700

Supply Chain

Availability In My Branch

In-Branch Pick-Up Free TODAY

Local Delivery TODAY

Direct Ship Ships TODAY

- Order Templates:** Order templates are easy to use and easy to create. Simply add items to your cart and save the cart for future use. Give an identity to the Custom Template by choosing a name and applying a description to the Template. Order Templates are user specific or can be shared among users under one Fastenal.com account.

Order Templates

An order template is a list of products you may save for ordering at any time. Think of it as a saved shopping cart. To create a new order template, fill your shopping cart with the desired items. From the shopping cart page, you may add those items to a new or existing template. All of your order templates appear on this page.

Results: 1 - 10 of 31

Template Name	Description	Last Modified	Action
1/2" Strap and Buckles	1/2" Strap and Buckles	2023-11-09	Add to Cart
Cleaning Solutions	Contains cleaning solutions and tools.	2023-11-10	Add to Cart
Miscellaneous		2023-11-10	Add to Cart
building 3	building 3 template 2	2023-11-14	Add to Cart



- **eQuotes:** eQuotes are electronic quotes sent to a user from their Fastenal Sales Representative. This is a method of converting customer product requests, vendor managed inventory requests, or vending machine transactions into customer orders without having to enter or re-type data. A notification is sent via email to the user and the eQuote is sent to the user's Fastenal.com account. Participating Entities simply approve the eQuote and their local servicing branch will fulfill.

eQuotes

Find Quote Number:

Branch Location:

All Locations

☒ Pending
 ☐ Rejected
 ☐ Approved

Search

Reject Quote	Quote Number ↑	Quote Date ↓	Account Number ↑	PO ↑	Release/Job ↑	Total ↑	Status ↑	Quote Actions
Reject	122725	2024-04-29	NCLUM1135	206626		(USD) \$	Pending Approval	Add to Cart
Reject	115783	2024-04-26	WA0040004	MRO B-LINE - PARK		(USD) \$	Pending Approval	Add to Cart
Reject	115799	2024-04-26	WA0040004	EW CAGE	MRO 4/30	(USD) \$	Pending Approval	Add to Cart
Reject	122681	2024-04-25	NCLUM1135	206536	DIRECT	(USD) \$	Pending Approval	Add to Cart

- **Order Status & Tracking:** NASPO ValuePoint Purchasing Entities can see the status of their orders at any time during the order process. The local branch can provide tracking information on branch-delivered parts and 3rd party tracking numbers are made available in status updates where applicable.

Order History

Start Date:

31-Mar-2024

End Date:

30-Apr-2024

Account Number

Cust. PO

Enter Cust. PO

Order Status

Reset

Order Date	Order #	Cust #	Cust PO	Cust Job	Total Price	Order Status	Order Placed By
29-Apr-2024	WFQ38SOJLL9Y9	CAGOV0144			\$	Accepted	customer@customer.com
8-Apr-2024	W78W2J5RHX12U	CAGOV0144	3000022051		\$	Completed	customer@customer.com
4-Apr-2024	WSCOAN0TA3CLQ	CAGOV0144	3000022051		\$	Completed	customer@customer.com

- **Catalog Restrictions:** Products or categories may be restricted from purchase. Restricted items will be displayed as restricted and the user is not allowed to purchase the items.



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⚠ These SKUs are not in your custom catalog. Contact your local Fastenal branch for sourcing and availability.
These SKUs must be removed before you can check out.

Qty	Image	Description
1 Remove		⚠ Invalid Custom Catalog Part Black Leather Executive High-Back Swivel Task Aspect® Chair w/ Arms SKU: 0502879 Manufacturer: Fastenal Approved Vendor Brand: Aspect® ■ Winona, MN Branch: Available in 1-2 days

- Workflow Management Controls: Spending limits can be set and managed for an unlimited number of users, approvers, or account administrators. Control spending by limiting users to a set budget over a flexible period of time and/or by limiting the size of individual orders. Any user can be set up to be an order requestor, an order approver, or an account administrator.

New User Account

Security Options:

- ☐ Grant administrator privileges.
- ☐ Grant purchase request approval privileges.
- ☐ Grant access to view open balances.
- ☐ Grant access to maintain cross references for Product Search. ?
- ☐ Grant access to view Usage Reports.
- ☐ Grant access to view FAST360 - My Business.
- ☐ Grant access to view FAST360 - My Inventory.
- ☐ Grant access to view FAST360 - My Spend Summary.
- ☐ Grant access to view FAST360 - My Spend Detail.

Purchasing Options:

- ☐ Allow unlimited order amounts.
- ☐ This user may only request orders.
- ☒ Limit orders by amount / time.

USD \$

☒ Per period of time

Days ▼

☐ Per Order

- User Profiles: Fastenal.com offers user profiles and user hierarchy. Each user profile can manage and store account information such as shipping and billing locations, along with encrypted and secured procurement card information on a PCI Compliant website. In addition to storing card information, users can also store their favorite items in an order template or their frequently shipped to locations in My Addresses.



NASPO ValuePoint eMarketPlace

At Fastenal, e-commerce brings us closer to the Entities we serve. In a marketplace where 24-to-48-hour fulfillment is the expectation for unplanned purchases, our branch network supports same-day or one-day service for tens of thousands of items (in thousands of markets). Our service within the Participating Entities' facilities allows us to digitize their inventory and spend in unique ways. And rather than being processed in a remote warehouse, e-commerce orders are handled by the local Fastenal customer service teams – people focused on the Participating Entity's satisfaction.

Fastenal supports more than 1,500 customized integrated e-commerce solutions, including solutions for current NASPO ValuePoint members. This includes electronic ordering and invoicing through EDI and cXML formats as well as integrated catalog functionality through punchout and hosted catalogs. Fastenal's in-house IT and EDI teams work in collaboration with our customers and 3rd party software providers to implement custom solutions to drive cost savings. We have a dedicated E-Commerce Solutions Team of more than 50 people focused on developing the best solution based on NASPO ValuePoint members' needs and system capabilities. We have more than 25 years of experience with e-commerce, interacting with tens of thousands of users annually and accounting for 23.6% of our \$7.3 billion in sales in 2023.

Fastenal previously participated in the NASPO ValuePoint eMarket Center. Once the new eMarketPlace is established, all orders placed through it will be fulfilled by our local branches. All Participating Entities will receive unmatched local service from their Fastenal representatives, along with an easy-to-use and feature-rich punchout catalog and electronic ordering platform.

Notable Features of Fastenal's eMarketPlace Punchout Catalog Solution:

- **eQuotes:** Whether for Fastenal Managed Inventory replenishments, lack of familiarity with what you need to order, or simply for convenience, eQuotes save Fastenal's customers substantial time by pre-populating orders for them directly in their punchout. With just five clicks, your order can be ready to go whether it's for 1, 100, or 1,000-plus lines.
- **Order Templates:** Allows you to save specific lists of items for quick and easy re-ordering.
- **Contract Pricing:** NASPO ValuePoint ordering entities can view their NASPO ValuePoint contract pricing through the punchout.
- **Product Availability:** We offer visibility and filtering of products by expected lead times, including real-time inventory levels for items in stock at your local branch.
- **Restrictions:** The punchout can be customized to restrict any product offering that is not authorized through the Master Agreement.
- **Product Detail:** Products contain photos as well as technical information in the form of product attributes, product descriptions, and detailed notes fields. This information can guide the user by the type of product or the specific application of the product. Many products contain CAD Drawings and "Product Standards" informational PDF sheets



which contain technical data such as chemical, mechanical, and performance information. Where applicable, links to (M)SDS sheets are made available.

Emergency Response

Fastenal understands that the impact of a disaster is felt locally, and the response is best mobilized on the local and regional level. We believe our capability to bring a positive and quick response to a disaster is second to none. We have inventory, personnel, and our transportation network positioned to respond to each local market's need. Fastenal's response is not next day, it is same day.

To better understand what Fastenal brings to support each Participating Entity's emergency management plan, it's important to truly understand what Fastenal offers. With locations throughout the U.S. and Canada, we truly are where you are. Our network of branches is supported by 15 distribution centers strategically located across the U.S. and Canada. See "Geographic Availability" on page 18.

One thing that differentiates Fastenal within the industrial supply marketplace is that we own our transportation routes. Our branches are serviced by our own fleet of 800+ commercial motor vehicles, so we don't have to rely on 3rd party carriers during times of need. With our fleet of 8,300 delivery vehicles, investment in locations, and more than \$1.5 billion in available inventory spread across the globe, Fastenal can respond more quickly to the local market than any other distributor.

Fastenal's distribution network is the largest and most sophisticated of its kind in the industrial supply industry and, when coupled with local Fastenal employees, provides the customer with a valuable resource during times of need. Unlike traditional online distributors that rely only on Internet ordering and a limited physical presence, Fastenal integrates our Internet ordering capabilities with local personnel, buildings, vehicles, and product for immediate deployment. This combination has enabled us to effectively respond to emergencies such as hurricanes (including Irma, Harvey, and Sandy), tornadoes, wildfires, winter storms, and the COVID-19 pandemic.

Also critical to Fastenal's emergency response capability is the stability and breadth of our supply chain. In events like a pandemic, we have a process in place to allocate high-demand inventory to strategic partners. During the COVID-19 pandemic this was particularly evident as the demand for items such as PPE, masks, gloves, hand sanitizer, and more began to outstrip the availability. Early in the pandemic Fastenal began partnering with key manufacturers to evaluate availability and create a plan to continue servicing our contract customers. As the situation progressed, we prioritized supply of these essential items to critical industries such as healthcare and government while working with our manufacturer partners and other customers to identify any substitution opportunities that could be leveraged to free up vital inventory. These efforts were supported by Fastenal's deep, well established supply chain which includes quality labs and compliance teams located around the world, allowing us to assess and bring products to market (whether a new product from an existing supplier, or product from



manufacturers outside of the existing supply chain) more quickly than the competition in a time of extreme need.

Additional Services

Specialist Teams

Participating Entity sites will be supported by our local sales/service teams. They will also have access to our nationwide teams of specialists, providing consultation and hands-on service ranging from site evaluations and trainings to category and project management.

Safety: To support our safety product offering, we've positioned 75+ trained Safety Consultants across North America and Europe. Their job is to identify hazards, document risk factors, garner worker feedback regarding PPE, and ultimately develop a business plan to reduce workplace incidents, increase regulatory compliance, and maximize productivity and profits. Working alongside our key safety suppliers, Fastenal's Safety Specialists have the ability to provide a variety of value-added services to our customers who choose to partner with Fastenal. The Safety team can provide consultative services to inspect current assets and provide trainings to Participating Entities, either directly from the Safety Specialist or through a third-party service provider.

Lean Six Sigma: Our Sensei, Black Belts and internally trained 'Blue Belts' are available to participate in Lean events and support your Lean initiatives. Services include Total Cost of Ownership Analysis – working with your personnel to map the movement of product through your current system and identify areas where costs can be reduced or eliminated. Based on the information gathered, a gap analysis is presented along with a business plan to achieve a specific cost savings goal. They also provide professional project management during program implementation, laying a foundation for sustainable success with minimal interruption. A dedicated project manager leads every step of the process – from gathering data and designing systems to physically implementing the Participating Entity's local programs.

Fastenal Managed Inventory Technology Personnel: This multidisciplinary team of more than 300 will customize, implement, maintain, and continuously optimize the Participating Entities'



PPE Recovery Program

In late 2023, we piloted a PPE recovery program in partnership with Wastebits as a complement to our PPE recycling programs. We help establish a simple workflow for customers to turn non-recyclable PPE waste into usable energy at an approved waste-to-energy facility. This process reduces the amount of material entering landfills and recovers energy to generate electricity or directly heat buildings. The EPA 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. The PPE recovery program has recently been launched and is now available across the US. Accepted PPE includes: nitrile, rubber, and cotton gloves; safety glasses; earplugs; beard covers and hair nets; disposable garments, vests, sleeves; boot covers; disposable masks; and plastic packaging of qualifying PPE.



Fastenal automated supply programs. This includes assisting with program design, implementation, operation (support, training, and maintenance), and optimization to ensure our program is making a positive impact for the Participating Entity.

Manufacturing and Industrial Services

A key aspect of our service is an in-house ability to make, modify, and maintain products geared specifically to our customers' operations. Whether it's a reverse-engineered replacement part to keep critical equipment running, or a custom lifting and rigging program tailored to local project needs, we craft solutions as unique as each organization we partner with. Additional services not listed here may be provided based on the needs of the Participating Entities.

- **Tool Repair:** Fastenal repairs electric (corded & cordless), pneumatic, powder-actuated, and hydraulic tools, including nailers, hand pumps, and pipe threaders. We offer convenient pick-up and delivery, a 90-day warranty on all tool repairs, and fast turnaround times for tools commonly stocked at Fastenal branches.
- **Hoist Repair & Certification:** We repair manual, electric, lever, and pneumatic chain hoists as well as cable pullers up to 20 tons, with convenient pick-up and delivery and a 90-day warranty on all hoist repairs. We can also re-certify hoists and pullers in compliance with OSHA regulations.
- **Lifting & Rigging Inspection:** Fastenal's Certified Inspection Team performs inspections and provides trainings set by the standards written in OSHA1910.179 & 184, ASME B30.2-10-11-17-21&26, CMMA Specification 70,74, & 78. Our teams of inspectors and trainers are certified through the Crane Institute of America and have gone through a rigorous training schedule on the principles and proper use of Lifting and Rigging equipment.
- **Calibration & Repair:** Fastenal's A2LA Accredited Lab offers the highest quality calibration and repair services for most precision measuring devices. Fastenal's A2LA Accredited Calibration Lab manages over 23,000 measuring devices internally across the globe for our manufacturing centers, testing labs, and numerous branch locations. Fastenal fully understands the importance of proper calibration and traceability and has the experience necessary to meet these demands.
- **Hose Fabrication:** Our factory authorized service centers can cut, assemble, crimp, test and label virtually any type, quantity or length of hose.
- **Weld-to-Length Bandsaw Blades:** With more than 40,000 different types, styles and lengths of bandsaw blades to choose from, Fastenal has the right blade for most applications – whether you're cutting aluminum, carbon steels or exotics; in single pieces, stacked or bundled.
- **Tool & Cutter Grinding:** Fastenal's Tool & Cutter Grinding division specializes in sharpening and reconditioning worn cutting tools. Utilizing the latest CNC and manual equipment from manufacturers like ANCA, UTMA and Hybco, our experienced machinists can sharpen cutting tools to like-new condition, for a fraction of the cost of buying new products. In addition to our re-sharpening and re-grinding services, we also manufacture specialized tooling, including step drills and made-to-print cutters.
- **Custom Logo Safety Gear:** Fastenal makes it easy and efficient to add a logo to a variety of work garments – a powerful way to reduce loss, instill pride, and shine a



spotlight on the great work your people do in the field. Fastenal can handle Participating Entities' custom logo needs and make products easily accessible to local employees.

- **Safety Services:** Safety services and assessments are available in areas such as fall protection; gas detection; ladders; hearing conservation; lifting & rigging; and respiratory protection.
- **Custom Manufacturing:** At Fastenal Manufacturing, we don't make the common fasteners found on the local Fastenal branch shelf — We Make the Unavailable Part AvailableSM. That includes everything from complex machined parts and high-volume production fasteners to large-diameter bolts and complete stud assemblies. Through our eight global manufacturing locations, we produce more than 70,000 jobs per year — each one a solution for a customer in need.

B. Company Information

1. **Company History.** Provide a brief history of your company, including the year of its founding and any material acquisitions or mergers in which it has been involved.

The Fastenal story began in November 1967 when the first Fastenal branch was opened in Winona, MN. Since our founding, Fastenal has grown almost entirely organically from that single branch in Winona to North America's largest fastener distributor and one of the world's most efficient distributors of industrial and construction supplies.

Organizations partner with Fastenal to simplify and secure the supply chain for a vast range of industrial products. By executing daily needs and optimizing supply chain performance, we help our business partners create more value, more efficiently. Our mission is to help the innovators of the world achieve supply chain excellence by engaging locally, scaling globally, and serving relentlessly.

Fastenal's commitment to invest in our customers – in terms of human capital, inventory, technology, value-added services, and end-to-end supply chain management – makes us more than just another place to buy supplies. We help them operate more efficiently, gain a competitive edge, and make industrial supplies part of their culture of excellence. Our approach is guided by our corporate values which are woven into the fabric of our company – serving as guideposts for employees throughout the organization.

- **Ambition:** A determined, energetic work ethic
- **Innovation:** The ability to repeatedly bring ideas, modifications, improvements to business and personal practices
- **Integrity:** Fair, respectful, and moral behavior in all situations
- **Teamwork:** Coordination of talented individuals whose focus is to achieve a common goal



2. **Company Size.** Identify the number of employees working for your company.

Fastenal Company has 20,600 employees and 3,200 in-market locations in North America (23,201 employees globally at our 3,400+ in-market locations). This local footprint positions us to support each Participating Entity with a dedicated customer service team, tailored in-market inventory, last-mile delivery (via Fastenal trucks), and custom Fastenal-managed inventory programs. The impact is direct. When we locally stock your product needs, that's inventory you don't have to carry. When we efficiently manage your MRO supply chain, that's time and energy you can focus on core activities.

Fastenal holds \$1.5 billion in inventory company-wide, sold 1.7 million+ SKUs in 2023, and has 7,500+ corporately approved suppliers, category experts – including a product development team of 60+, and in-house resources to source, develop, and ability manufacture products to meet the needs of specific customers.

Fastenal's growth is fueled by reinvested earnings, enabling us to aggressively invest in innovation, infrastructure, and resources that make a difference for NASPO ValuePoint members. With a proven business model and consistent market share gains vs. national competitors, we aren't going anywhere except closer to the NASPO ValuePoint Participating Entities.

3. **Ownership Structure.** Describe your company's ownership structure.

Fastenal Company is a publicly held corporation (NASDAQ Ticker Symbol: FAST).

4. **Litigation.** List all claims of non-performance or breach from customers in excess of \$5,000, including all pending litigation matters (including civil, criminal, or appellate) or criminal convictions in the past 5 years for the company and all principals. Attach an additional document if necessary.

Materion Corp. vs. Fastenal Company: Fastenal was served with a Summons and Complaint in February 2022 filed by a former customer named Materion Corporation in Ohio. The Complaint alleged a breach of contract, which Fastenal vehemently denied. Fastenal filed a counterclaim concerning past due invoices. The parties reached an amicable settlement in October 2022.

5. Any additional information about the Offeror's company that could pertain to this RFP, if applicable.

Supplier Diversity

The goal of Fastenal's supplier diversity program is to help our business partners increase purchases with small, local, and diverse businesses. We do this by creating close, long term supplier relationships that strengthen our supply chain and communities.

Our Supplier Diversity team will review qualified suppliers and assist to match your company's needs to the capabilities by providing the following:

- Potential early involvement in the design and establishment of goals
- Realistic and understandable expectations



- Accurate forecasting of our anticipated needs and timely distribution of pertinent information
- Detailed Tier II usage reports including the following certifications:
 - HUBZone
 - Minority-Owned Business
 - Woman-Owned Business
 - Veteran-Owned Business
 - Service Disabled-Veteran Owned Business
 - Small Business
 - Small Disadvantaged Business

Reseller Program

Fastenal's Supply Chain Diversity program establishes strategic alliances with small businesses serving as authorized channels of distribution for Fastenal's products and services. Fastenal's Reseller Consortium features strategic partners with a wide range of manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications.

The full line of Fastenal's fasteners and industrial supplies are available for purchase from our authorized resellers. Some resellers are stocking distributors; others are service providers with agreements for Fastenal to provide logistics and distribution services in support of their customers' requirements. All authorized resellers are the vendor of record, responsible for contract negotiations, pricing, invoicing, accounts receivable management, e-procurement solutions and customer service.

Quality Assurance

Quality is deeply rooted in our company DNA. We were founded by a mechanical engineer in 1967, were among the first in the industry to implement full product traceability (years before the Fastener Quality Act), have been ISO quality registered since 1994, and received our first A2LA lab accreditation in 1998. Today our tradition of quality continues with industry-leading systems that encompass the following concepts and resources:

- ISO 9001:2015 Certification by TUV Rheinland of North America
- Unmatched Product Expertise
- Global Personnel and Infrastructure
- State-of-the-Art Testing Labs
- Stringent Supplier Selection, Testing, and Monitoring
- Customer-Specific Quality Management Systems
- Material Test Reports
- Fastenal Product Standards

Total Cost of Ownership Reduction

For Participating Entities who are looking to make their supply process more efficient and agile, Fastenal's Lean team can help. Drawing on decades of experience with thousands of industrial, construction, and government clients, our Lean Solutions team specializes in



crafting and implementing systems to drive improvements in working capital, productivity, and total cost of ownership (TCO).

Our approach, based on Lean principles, begins with a site assessment or TCO Analysis consultation. We collaborate with the Entity's key supply chain stakeholders to understand the nuances of their operation, identify sources of waste in the current process, and craft a solution to achieve the desired future state. In addition to providing initial consultation and solution design, our experts will physically implement the program on site and periodically audit the site to drive continuous improvement. Benefits provided by this process include:

- **Total Cost of Ownership:** Taking a 360-degree approach to reduce expenditures through vendor consolidation, consumption controls, SKU rationalization, product substitutions, and reductions in inventory, labor, freight, and purchase orders.
- **Productivity:** Using strategies like just-in-time inventory, vendor-managed inventory (VMI), point-of-use delivery, parts kitting, and supply automation (e.g., vending or automated bins) to keep employees focused on value-adding activities.
- **Visibility:** Leveraging Fastenal's point-of-use solutions to provide relevant reporting, Entities can utilize the FAST 360° reporting dashboard to analyze purchasing/usage trends and visualize their Fastenal-managed inventory on hand (down to the specific vending or bin location).
- **Inventory:** Implementing systems to confidently reduce on-hand inventory while identifying and drawing down obsolete/redundant assets. Options include an onsite/integrated model, providing Fastenal-owned inventory and dedicated experts to shoulder the burden of inventory ownership and management.

C. Customer Service

1. How will the Offeror service a Participating Entity's account if awarded? Does each representative have access to the Participating Entity's account information to best help them?

Fastenal's Contract Management System drives compliance to the Fastenal branch point-of-sale (POS) system. A signed and executed Participating Addendum will be required that clearly identifies eligible members before any branch account is linked to the contract. The function of linking branch accounts to the Contract Management System is to establish the relationship between the member's account at the branch and the terms, conditions, and pricing of the contract (it also ensures that all accounts are tracked for sales reports that drive rebates, fees, growth incentives, and additional discount administration).

Account Information: Irrespective of the customer service channel used, all representatives servicing the Participating Entities have access to the Entity's account information via Fastenal's point-of-sale system.

Local Branches and Onsite Service: NASPO ValuePoint Participating Entities are serviced by a local Fastenal branch team that is dedicated to their satisfaction. With 71% of our employees directly serving our customers, Fastenal's level of support and accountability is unparalleled among industrial supply distributors. Fastenal customers rely on their direct relationship with local personnel who can solve problems, provide on-site/on-call service, and support their needs. This is



what sets Fastenal apart in the eyes of our customers – knowing that their dedicated salesperson will be stopping by to assist with:

- Product requisition
- Billing/lead time questions
- Answering sourcing questions
- Providing local insight into supply chain solutions
- Demonstrations, promotions, training, product applications, new item introductions
- Warranty and returns
- Sustainability and recycling programs

Government-Specific Branches: No matter where a Participating Entity is located – from a remote rural area to a major metropolis – they benefit from a local relationship backed by corporate support and a national distribution network. Taking government-focused support to the next level, Fastenal has established government-specific branch locations across the country. These branches are situated in major metro locations to provide centralized support to government agencies.

NASPO ValuePoint Customer Service Center: Fastenal's Customer Service Center includes dedicated NASPO ValuePoint customer service representatives. This team can be contacted at (833) 790-9932 and via email at nasposupport@fastenal.com.

eCommerce Support: eCommerce Sales Specialists are responsible for leveraging our eProcurement tools to drive productivity and efficiencies while illuminating Participating Entities' supply chain. They develop field and customer trainings in order to implement best digital practices within process and workflow.

Government Sales Department: NASPO ValuePoint Participating Entities will continue to be supported by Fastenal Government Sales Specialists whose focus are strictly State agencies and political subdivisions. This includes specialists in the areas of State and local government as well as education and healthcare.

These specialists work directly with agencies and Fastenal branches to:

- support contract best practice, compliance, and training (including customer and employee training)
- develop custom market baskets and additional discounts within agencies
- support FMI Technology implementation
- respond to disasters
- resolve issues perform quarterly business reviews (QBR) and ensure overall customer satisfaction

Emergency Support: Fastenal's distribution network is the largest and most sophisticated of its kind in the industrial supply industry and, when coupled with local Fastenal employees, provides the customer with a valuable resource during times of need. Unlike traditional online distributors that rely only on Internet ordering and a limited physical presence, Fastenal integrates our Internet ordering capabilities with local personnel, buildings, vehicles, and product for immediate deployment. This combination has enabled us to effectively respond to emergencies such as



hurricanes (including Ian, Irma, Harvey, and Sandy), tornadoes, wildfires, winter storms, and the COVID-19 pandemic.

2. Hours of operation if help is available via phone, a chat function online, etc. 8:00 am to 5:00 PM in EACH time zone would be preferred. Including an emergency contact with phone, email etc. of whom to contact after hours. Include in the response if the Offeror has a dedicated phone line or staffing for government sales.

Support is available from both the local branch and a dedicated NASPO ValuePoint support team from 7:30 a.m. to 5 p.m. in every time zone.

- Fastenal Branch: Addresses, phone numbers, and email addresses are available under My Branch on Fastenal.com
- NASPO ValuePoint Customer Service Team
 - Business Hours: (833) 790-9932, nasposupport@fastenal.com
 - After Hours/Emergency Support: (833) 790-9932, blueteamresponds@fastenal.com

3. Describe how Customer Service can assist a Purchasing Entity with finding sustainable and/or other products.

Customer Service Assistance with Finding Sustainable Products & Solutions

Within the point-of-sale (POS) system at the servicing branch, customer service representatives can assist Participating Entities in finding approximately 52,700 green products, including certified product as well as environmentally preferable products (EPP). Additionally, customer service representatives can support Purchasing Entities by training users on searching for environmentally preferred products on Fastenal.com, creating order templates, and/or designing FMI Technology planograms to include EPP/sustainable products. Please see Attachment 02 for screenshots and detail on how Participating Entities can search green and EPP products on Fastenal.com.

Additionally, the NASPO ValuePoint Customer Service Team is available at (833) 790-9932 and they can also identify sustainable products and assist in training as needed.

Sustainability Solutions

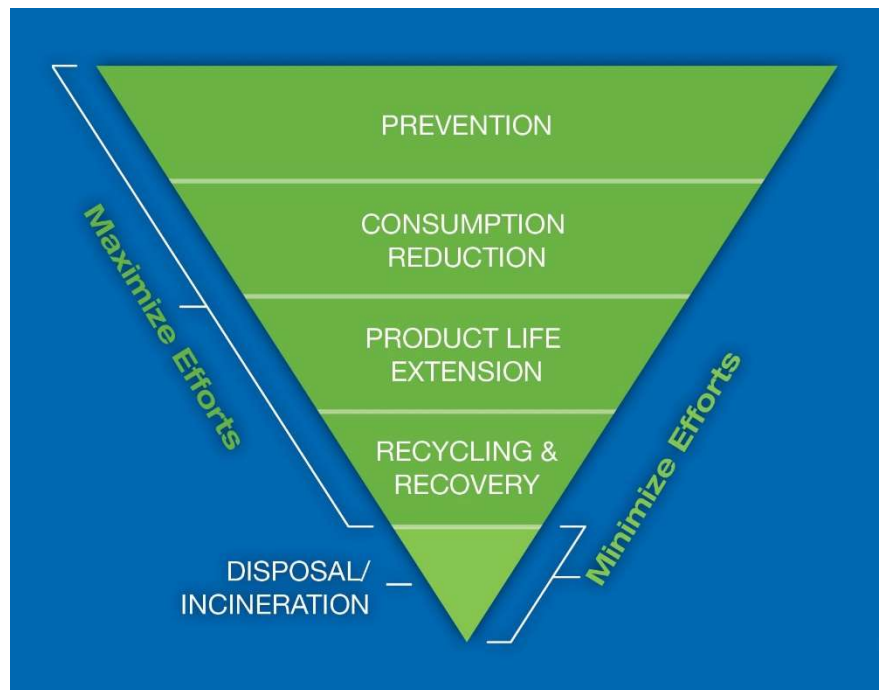
Fastenal partners with suppliers, manufacturers, and industry-leading service providers to offer turnkey sustainability solutions. These solutions are part of a continuous improvement plan to (1) develop and implement strategic initiatives, (2) drive innovation in environmental practices, and (3) work cross-functionally to achieve long-term sustainability improvements. Our supplier/third-party programs are complemented by many of the core services and solutions we offer to help customers become more resource-efficient across the value chain.



A Total Lifecycle Approach

Recycling is often the first topic that comes up in discussions about sustainability, but it's really the last step in a comprehensive program. Fastenal helps our customers understand the full picture – the upstream impacts (suppliers) and downstream impacts (waste generation) that can be attributed to products in environmental product declarations (EPDs).

Reflecting this cradle-to-grave perspective, our Sustainability Solutions span four broad areas: prevention, consumption reduction, product life extension, and recycling & recovery. It starts by consulting with the customer, understanding their unique needs and goals, and presenting a set of solutions to help them operate more efficiently and sustainably.



PREVENTION: Supporting sustainable procurement, energy efficiency projects, and process efficiencies in manufacturing and metalworking.

- **Green & Energy-Efficient Products Program:** As described above, Fastenal offers approximately 52,700 green products, including certified green products as well as environmentally preferable products 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.
- **Category Management:** Assisting customers with category management is central to our value proposition as both a strategic supplier and a sustainability solutions provider. It 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 (1) standardizing part numbers, (2) Rationalizing overlapping SKUs (items with the same fit, form, and function but sourced from different factories), and (3) switching to 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 reduce packaging and consumption? Can it also be included in a recycling program to create a circular economy?

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 third-party 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.

- ***Metalworking Program:*** Some of the products we supply are highly technical in nature, requiring specialized expertise for us to serve as a solutions provider for the customer. A prime example: metalworking products, particularly the high-precision cutting tools manufacturers use to fabricate metal components.
- ***Engineering Program:*** We also support manufacturers with a global team of engineers who specialize in the science surrounding fasteners and fastening applications. In addition to reviewing prints, assisting with technical questions, and conducting trainings, these professionals work with customers' engineering teams during the design stage to optimize how fasteners are incorporated into the product. They also provide expert consultation and custom testing for safety-critical applications.

CONSUMPTION REDUCTION: Streamlining supply chain steps, visualizing usage, controlling consumption.

- ***Total Cost of Ownership (TCO) Analysis:*** In order to make data-driven recommendations for process improvements, our Lean Solutions team routinely conducts TCO Analysis (TCOA) exercises at customer facilities to analyze how they purchase, move, stock, and access products. Historically, these studies reveal an opportunity to reduce the TCO for in-scope products by an average of 21%* by using our solutions.

Those are dollar savings, not emissions savings, but we believe there are also intrinsic green 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 39%. This represents direct resource reduction. It also frees up productive space in the customer's building, forestalling the need for expansion (and accompanying resource consumption). Consolidating the number of vendors (by 56%* on average) leads to fewer and larger shipments, which can reduce 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 help customers reduce consumption and upstream transportation.

- ***FMI Technology:*** Industrial supplies are traditionally a "blind spot" for entities who use them. Limited visibility to basic information – what product is stocked in the facilities, where it's located, how it's 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 devices that allow organizations to digitally monitor, track, and control wide-ranging products, typically driving a significant and sustained reduction in consumption.

The devices produce upstream benefits as well. With digital visibility to stocking levels and usage patterns within customer facilities, Fastenal teams are able to remotely monitor customers' inventory, make proactive adjustments in the supply chain, and become much more efficient in our operations.

PRODUCT LIFE EXTENSION: Maximizing product life through maintenance, repairs, and remanufacturing.

- **Tool Repair:** 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 in a (reusable) Fastenal tote or FMI Technology compartment. The customer's 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.

- **Tool & Cutter Grinding:** The goal of this service is to help manufacturers reduce waste by optimizing the performance and service life of their cutting tools. The customer's worn cutting 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 can be provided in conjunction with a recycling program, further contributing to the customer's sustainability goals.

RECYCLING & RECOVERY: Diverting waste from landfills to create usable products or energy

- **Recycling & Recovery Programs:** Fastenal partners with key suppliers and recycling services to help customers integrate waste stream solutions into their work processes. This includes (but is not limited to) recycling programs for the following materials:
 - Batteries
 - Breakroom Supplies
 - Carbide Metalworking Products
 - Cardboard
 - Electronics
 - Flashlights
 - Janitorial/Sanitization Supplies
 - Lighting
 - Medical/Dental
 - Office Supplies



- Packaging & Shipping Materials
- Safety/PPE

In addition to the recycling options described above, in late 2023, we piloted a PPE recovery program in partnership with Wastebits as a complement to our PPE recycling programs. We help establish a simple workflow for customers to turn non-recyclable PPE waste into usable energy at an approved waste-to-energy facility. This process reduces the amount of material entering landfills and recovers energy to generate electricity or directly heat buildings. The EPA 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.

The PPE recovery program has recently been launched and is now available across the US. Accepted PPE includes: nitrile, rubber, and cotton gloves; safety glasses; earplugs; beard covers and hair nets; disposable garments, vests, sleeves; boot covers; disposable masks; and plastic packaging of qualifying PPE.

Customer Service Support for Product Needs

A key differentiator for Fastenal is the fact that 71% of our employees are engaged in customer support through our extensive branch network. Participating Entities may contact customer service representatives at our branches during normal business hours. Additionally, customer service representatives make regular visits to customer locations to provide service and support as needed.

4. Describe the Offeror's quality assurance measures for both orders and any other customer service-related quality assurance measures.

Customer Service Quality Assurance & Customer Satisfaction

Participating Entities can rest assured that when they need support, whether regarding a routine order or in an emergency situation, Fastenal personnel are just minutes away and ready to assist. This includes multiple levels of support across departments, providing a breadth of resources and knowledge.

Local personnel will be assigned to service each site, handling day-to-day orders, inventory management, and more. These representatives will be front-line support for Participating Entities. Because orders are processed through the local branches rather than a fulfillment center hundreds of miles away, orders are reviewed by your account representatives, ensuring orders are correct prior to delivery.

Fastenal conducts regular customer satisfaction surveys across the business and holds focus groups at a variety of customer events. Additionally, we monitor and respond to all feedback provided through digital platforms (including social media and our website).

Supplier Quality Assurance

Supplier quality is monitored through the use of random product inspections, supplier scorecards, and quarterly meetings. Every supplier is monitored with a different level of scrutiny based on their past performance, how much we spend with them, and how critical the parts we're purchasing are. Each supplier will be reviewed a minimum of every three years. Based on performance, an on-site



audit or desk audit may be performed.

Additionally, supplier performance is governed by our supplier code of conduct and performance is reviewed by QC, Purchasing, and Product Managers during quarterly review meetings. Topics including non-conforming parts, Fastenal lab random supplier test results (top suppliers), product alerts and recalls, SCARs issued, supplier scorecards (quality, service, and OTD), upcoming audits due, removing vendors from approved status or reverting them back from A to B status, etc. are all discussed during these meetings.

Supply Chain Quality Assurance

Below are some of the distribution performance metrics that distinguish Fastenal in the marketplace:

- 80% of all customer transactions are for products stocked in the local branch or available at a regional distribution center, representing either same-day or 24-to-48-hour fulfillment.
- If a standard product is not already in stock at your local branch, we can usually get it there on our own trucks before the next business day begins. 80% of branch deliveries via Fastenal trucks from our distribution centers arrive before 8 a.m. on scheduled truck days.
- Fastenal's branches and distribution centers carry more than a billion dollars in inventory in order to provide fast delivery for local customers.

5. If there is an issue with an order placed or any other customer service issue, how are those addressed?

Any customer concerns are first handled at the local branch level or may also be addressed to the NASPO ValuePoint Customer Service Center at (833) 790-9932 or via email at:

nasposupport@fastenal.com. Customer Service Center personnel have access to account information and can work to help resolve issues that may arise. Concerns are escalated as necessary to the District Manager or Government Sales Manager. When appropriate, a corrective action form is used to ensure that the problem has been resolved to the customer's satisfaction.

6. Describe Offeror's ~~return~~ **substitution** policy that would apply if awarded a Master Agreement. Forced substitutions will not be allowed. Explain how the Offeror notifies customers of an out- of-stock item(s) including if Offeror notifies customers about how the equivalent item compares to the out-of-stock item.

Fastenal will not conduct forced substitutions. The local servicing branch will work directly with the Purchasing Entity to identify possible equivalent substitutions which will satisfy their needs. Substituted items will always be provided only with the Participating Entity's approval.

For back-ordered or out-of-stock items, the Purchasing Entity will be notified by their local Fastenal branch. The local branch has first-hand information as to when the back-ordered item can be delivered, what items are available immediately should the Purchasing Entity wish to consider a substitute, as well as all technical information about the proposed substitution.



7. Describe the Offeror's online ordering system that Purchasing Entities would use to create a profile, place orders, track orders and other functions the system could have. If there are other ways to order Products, indicate that as well including connecting to eProcurement systems.

Online Ordering System: Fastenal's website at www.fastenal.com (or www.fastenal.ca in Canada) gives users access to more than 731,000 products. When logged in with their Fastenal account number, Participating Entities can view contract specific pricing along with clear product availability information. Our site has the full capability to save addresses, payment information, and order history at a user level. User management tools and FAST360° allow for unprecedented visibility and transparency into your relationship with Fastenal, while also allowing for control of online spend when necessary.

Superior online ordering capabilities include:

- **Product Search**: Products can be searched by using product categories; descriptions; key words; manufactures; manufacturer part numbers; industry part numbers; competitor part numbers; customer-specific part numbers; environmentally preferred products. All results can be narrowed down using attribute refinements.
- **Custom Order Templates**: Order templates are easy to use and easy to create. Simply add items to your cart and save the cart for future use. Give an identity to the Custom Template by choosing a name and applying a description to the Template. Order Templates are user specific or can be shared among users under one Fastenal.com account.
- **Electronic Quotes (eQuotes)**: eQuotes are electronic quotes sent to a user from their Fastenal Sales Representative. This is a method of converting customer product requests, vendor managed inventory requests, or vending machine transactions into customer orders without having to enter or re-type data. A notification is sent via email to the user and the eQuote is sent to the user's Fastenal.com account. Approve the eQuote and your local servicing branch will fulfill.
- **Fast Order Pad**: Quickly add items to shopping cart by entering part number and quantity.
- **File Upload**: Import an excel spreadsheet list of part numbers and quantities into the shopping cart.
- **Order Status & Tracking**: NASPO ValuePoint Purchasing Entities can see the status of their orders at any time during the order process. The local branch can provide tracking information on branch-delivered parts and 3rd party tracking numbers are made available in status updates where applicable.
- **Workflow Management Controls**: Spending limits can be set and managed for an unlimited number of users, approvers, or account administrators. Control spending by limiting users to a set budget over a flexible period of time and/or by limiting the size of individual orders. Any user can be set up to be an order requestor, an order approver, or an account administrator.
- **User Profiles**: Fastenal.com offers user profiles and user hierarchy. Each user profile can manage and store account information such as shipping and billing locations, along with encrypted and secured procurement card information on a PCI Compliant website.



In addition to storing card information, users can also store their favorite items in an order template or their frequently shipped to locations in My Addresses.

NASPO ValuePoint eMarketPlace

Fastenal supports more than 1,500 customized integrated e-commerce solutions, including solutions for current NASPO ValuePoint members. This includes electronic ordering and invoicing through EDI and cXML formats as well as integrated catalog functionality through punchout and hosted catalogs.

Fastenal previously participated in the NASPO ValuePoint eMarket Center. Once the new eMarketPlace is established, all orders placed through it will be fulfilled by our local branches. All Participating Entities will receive unmatched local service from their Fastenal representatives, along with an easy-to-use and feature-rich punchout catalog and electronic ordering platform.

Other Ways to Procure Product

One of Fastenal's key differentiators in the industrial supply distribution marketplace is the number of options we offer for order placement. In addition to the online ordering system as described above, below is a look at the various ways NASPO ValuePoint Purchasing Entities can order from Fastenal:

NASPO ValuePoint Customer Service Center: Fastenal's Customer Service Center includes dedicated NASPO ValuePoint customer service representatives. The Customer Service Center can be contacted at (833) 790-9932 or via email at: nasposupport@fastenal.com.

Walk-In/Walk-Out at the Local Fastenal Branch: With more than 3,200 in-market locations, we are where you are. (See section A for an overview of U.S. and Canada locations by state/territory). NASPO ValuePoint Purchasing Entities can order items by walking into the local branch, calling the branch, or emailing their order. Local branches are typically open during normal business hours of 7:30 a.m. to 5:00 p.m. local time, Monday through Friday. Branches can be opened after hours for emergency service. Local Fastenal branch information is available 24/7 via www.fastenal.com/locations.

Customer Site Visits: With 71% of our local representatives dedicated to serving the customers within their market, Fastenal makes more than three million customer site visits per year. The goal of these visits is to provide superior customer service and drive cost savings to each Purchasing Entity by providing a local person to help in the ordering process.

FMI Technology: By definition, technology is a tool to achieve practical benefits. For Purchasing Entities that use FMI Technology, those benefits include improved access to supplies, a reduction in consumption and inventory, and clear visibility into usage. It adds up to a more proactive, transparent, and efficient supply chain. Fastenal's automated supply programs offer a suite of devices to monitor, track, and control wide-ranging products. With Fastenal, the machine is just part of a total inventory management solution. Some of the available program components include:



- *FASTVend*: Vending solutions to control and track high-volume consumables as well as assets, providing 24/7 access, flexible controls, and deep visibility into usage: who, what, where, when, and why.
- *FASTPod*: As a solution for temporary, remote, and emergency responses, the servicing Fastenal branch can tailor a jobsite trailer or Conex to meet the Participating Entity's supply needs. These mobile units are managed by local Fastenal personnel and stocked with immediately available inventory that is bar-coded for easy identification.
- *FASTStock*: Manual bin stock service enhanced by mobility technology. Helping Purchasing Entities visualize what they have and where it is.
- *FASTBin*: Technologically enhanced bin solutions that provide 24/7 inventory monitoring. Helping Purchasing Entities visualize what they have on hand, where it's located, and current inventory status.

The efficiency of EDI solutions shines through with the larger weekly orders we execute through a Fastenal Managed Inventory program. Combining EDI with an FMI Technology solution takes it to another level, allowing Participating Entities to digitize and automate the entire supply process – from the purchase to the point of use.

Onsite Program: Fastenal's onsite programs have a single focus: operating a world-class supply chain for the Purchasing Entity's facility. With this model, we provide full-time Fastenal experts to handle daily operations. We also invest in consigned on-premises inventory, providing immediate access to planned needs while driving your working capital goals. Solutions, suppliers, services, specialists – everything we offer can be part of an onsite solution. Customization is the key word.

8. What is the Offeror's return policy?

Product can be returned for up to one (1) year from date of invoice if product is in its original packaging, unused, unexpired, undamaged, and in resalable condition, except as noted below. Proof of Purchase is required in all instances. Fastenal's motto is Growth Through Customer Service, and in practice the final decision on returns that do not meet our stated policy is up to the local servicing branch.

Fastenal allows returns for any reason up to 30 days from date of invoice unless otherwise noted. Any returns for shipping errors, damage or loss upon delivery must be reported within 10 days of the delivery date. All returns should be made to a Fastenal branch or as otherwise designated by Fastenal, must be in resalable condition and be accompanied with proof of purchase.

Products sold on a "Final Sale" basis as defined below cannot be returned. "Sourced Product" (defined below) is subject to the manufacturer's return policy and may not be returnable. Some product returns may be denied or made subject to restocking fees and other charges by Fastenal.

FINAL SALE ITEMS. Items sold on a "Final Sale" basis include: (i) custom or sourced items; (ii) special-order items; (iii) emergency response items; (iv) items marked in quotations or invoices as "Non-Cancellable" or "Non-Returnable"; and (v) any other items that Fastenal may designate as a



"Final Sale" from time to time.

STATE OF EMERGENCY: During a State of Emergency (such as a hurricane), some items may be noncancelable, non-refundable, and non-returnable. Purchasing Entities will be notified of these non-returnable items at the time of purchase.

SOURCED ITEMS. Sourced items as defined in question A which are ordered and delivered to the Purchasing Entity may be non-returnable and non-refundable. Sourced Items that have been ordered by the Purchasing Entity and are non-cancelable by the manufacturer, Purchasing Entity must accept and pay for the delivered quantities, excluding non-conforming items.

D. Data Security

1. Describe the standard security measures, including PCI compliance for the Offeror's company. Some states may have additional data security requirements, which the Offeror must work with each Participating Entity if applicable. Describe an instance that a customer had additional security needs and how the Offeror adapted.

Fastenal takes threats to the availability, integrity, and confidentiality of our customers' information extremely seriously. We have taken steps to implement a robust information security program and have independently certified our information security management system against the internationally recognized standard, ISO27001. This certifies our information security program is governed by rigorous information security policies, guidelines, standards, and appropriate risk mitigation control technologies.

In addition, Fastenal maintains compliance with the Payment Card Industry Data Security Standard (PCI DSS), General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA) and Sarbanes-Oxley (SOX), for select business areas, technologies and processes, Fastenal has adopted a holistic approach to information security which is based on practical and pragmatic approaches relating to information security initiatives.

Fastenal's risk-based security strategy ensures the adoption of information security principles, practices, and methodologies through the selective implementation of key best practice security controls within recognized information security frameworks and standards such as: ISO27001, National Institute of Standards and Technology (NIST), Payment Card Data Security Standard (PCI DSS), Open Web Application Security Project (OWASP) and the General Data Protection Regulation (GDPR) as the base standard for our data protection program.

Example: One instance when Fastenal's existing data security practice was changed to address the additional security needs of a customer has had to do with the security around personal employee data. Fastenal's standard practice includes the use of employee names, IDs, and/or email addresses for access and identification in Fastenal's vending devices. A customer had additional security requirements for the visibility of personal employee data. Fastenal adapted to the customer's additional security needs by designing our vending platform to operate with or without sensitive employee personal data. Customers that have



concerns can simply choose to provide substitute values instead of genuine employee personal data types, such as employee IDs, email address etc., during the vending account access setup phase of the onboarding process. This effectively eliminates any risk that Fastenal may inappropriately misuse, mishandle, or expose customer data to security risks, as customer employee data is never shared.

2. Included in the response include where data is stored including any back up servers.

Fastenal operates enterprise-wide business continuity plan (BCP) and disaster recovery (DR) programs. Recovery point and time objective have been set based in the criticality of systems and sensitivity of data.

All production data is backed up to a local storage within our secure data centers and then replicated immediately to our offsite DR device which is located at Sungard's Data Center and Workplace Recovery Center, Philadelphia, USA. This provides us with the ability to be able to fully restore our production environment in a timely manner.

3. Has the Offeror had a data breach within the last 5 years? How quickly was the end user notified, the issue resolved and talk about any other outcomes.

No, Fastenal Company has not had a data breach within the last 5 years.

E. Reporting

Participating Entities will have different needs when it comes to reporting. Describe Offeror's reporting capabilities including customization. (e.g., sales reporting, sustainability reporting, sustainable labeling available, usage reports, any other state reports needed by a Participating Addendum etc.).

As a current holder of the NASPO ValuePoint Master Agreement, Fastenal has extensive experience in customizing reporting to meet the specific needs of each Participating Entity. Today we provide 44 reports to States utilizing the NASPO ValuePoint Master Agreement, both standard and customized.

Contract Reporting: NASPO ValuePoint's Master Agreement reporting is submitted through the required NASPO ValuePoint reporting tool. Each Participating State's spend is broken out from the NASPO ValuePoint master report and recorded accordingly.

Fastenal's Contract Management and Sales Support department administers all reporting that supports the remittance of rebates, Participating States' administrative fees, cumulative discounts, volume discounts and minimum spend discounts (if any).

- Net Spend Report: Showing spend per account under the contract.
- Usage Detail: Showing invoice level part detail for each account under the contract.

Rebate, incentives, and administrative fee remittance is substantiated by the above referenced reports. Fastenal has additional reporting available that may be negotiated at no additional



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charge to provide information regarding contract spend, high usage item reporting, invoice registers, outstanding invoice statements, and payment trends as needed by the customer.

Sustainability Reporting: Fastenal provides sustainability reporting, which includes reporting regarding environmentally preferred products (EPP) which can be customized for submission using the Purchasing Entity's Green Sales Report Template.

Sustainable Labeling: Fastenal provides accurate and meaningful labeling of environmentally preferable products offered in our on-line catalog through the green leaf symbol to the left. Additionally, in an effort to provide



superior customer service, when the 'Green' symbol is clicked in our on-line catalogs or on Fastenal.com, the Compliance Information Section expands. This expanded view provides additional information regarding why the product is considered environmentally preferred. Compliance with 3rd party standards and certifications information is provided here as well. Products are available with certifications including (but not limited to):

- Carpet & Rug Institute
- EcoLogo
- Energy Star
- EPA Safer Choice
- EPA Watersense
- Global Recycled Standard (GRS)
- Green Seal
- Greenguard Environmental Institute
- NEMA Premium
- Recycled Claim Standard (RCS)
- SCS Certified
- Sustainable Forestry Initiative
- UL Environmental
- USDA Biopreferred

Sample Company Green Purchases Summary		
Certification	Spend	% of Total Spend
Environmentally Preferred	\$35,879.00	11.95%
Green Seal	\$8,588.00	2.86%
LEED	\$5,526.00	1.84%
Energy Star	\$3,931.00	1.31%
EcoLogo	\$2,291.00	0.76%
Greenguard	\$1,121.00	0.37%
WaterSense	\$1,098.00	0.37%
Safer Choice	\$981.00	0.33%
Sustainable Forestry Initiative	\$731.00	0.24%
Forest Stewardship Council Certified (FSC)	\$590.00	0.20%
Carpet & Rug Institute Certified	\$351.00	0.12%
USDA BioPreferred	\$247.00	0.08%
Total Spend (Incl. Non Green)	\$300,123.76	20.44%

Supplier Diversity Reporting: Supplier diversity reporting is available to reflect spend with diverse suppliers in accordance with state and local certifications. See section H, question 4 for additional information around Fastenal's Supplier Diversity programs.

FMI Technology Reporting: In addition to controlling product consumption, our FMI Technology programs allow your organization to unveil complete transparency all the way down to the individual user. Prior to vending an item, users can be prompted to enter up to five levels of user-defined information (e.g., department, group, cost center, project, etc.), enabling management to track usage accordingly.

Workflow Management Reports via Online Catalog: The Workflow Management feature within Fastenal's online ordering system has built-in reporting capabilities for managers to view, authorize, and approve purchases made online.

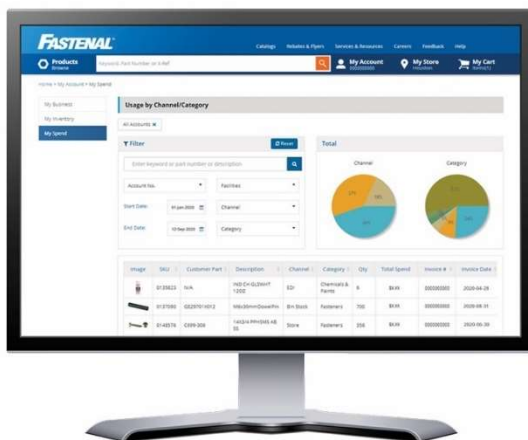
Online Ordering System Reporting: Fastenal's online ordering system provides robust reporting for ordering entities to manage their budgets and track their purchases. Available online reporting includes:



- **Usage Reporting:** View and review your purchasing patterns over a selected time period.
- **Open Balances and Statements:** View and print any Fastenal invoice with an open balance. This includes all orders placed with Fastenal, regardless of if placed online or not.
- **Order Status and Tracking:** NASPO ValuePoint Participating Entities can see the status of their orders at any time during the order process. 3rd party tracking numbers are made available in status updates where applicable, and the local branch can provide tracking information on branch-delivered parts.
- **Order History:** View history of orders placed online with Fastenal.com. Previous orders can be reordered and edited for future use.

Self-Serve Online Reporting Portals

In addition to the customized reporting offered to each Participating Entity, Fastenal offers 24/7 reporting access through our FAST360° and FAST360° Analytics reporting dashboards.



FAST 360°

In addition to data and analytics for contract management as described above, Fastenal provides local account holders with robust reporting relevant to their site operations. FAST360° is an on-demand reporting dashboard (accessible via Fastenal.com) that provides each local facility with visibility to their Fastenal-managed inventory and Fastenal spend. This is truly a unique solution in the industry, made possible by our high-touch service and FMI Technology program. FAST360° includes three core modules: My Business; My Inventory; My Spend.

FAST360° Analytics

The FAST360° Analytics portal allows Participating Entities to visualize their purchasing and supply chain management programs with Fastenal through Power B.I. reporting created exclusively for our contract customers. Through this reporting Contract Managers can understand the program by seeing it from multiple views and levels, choosing whether to analyze the big picture or take a deeper dive into specific divisions, categories, channels, and activities. Views include open invoices, vending activity (by site and stocking location), and spend (by month, year, category, sales channel, etc.). Cost Savings reporting documents Fastenal's strategic value and quantifies the lower total cost of ownership delivered.



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F. Implementation Plan

Implementation of a Master Agreement, if awarded is vital to the Participating Entities. Describe in detail the Offeror's implementation plan including an estimated timeline to include at minimum the following points:

Fastenal has more than 20 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of state, city, and county government agencies and utilize participating addendums. As the incumbent under the current NASPO ValuePoint Master Agreement, our experience and relationships will ensure a smooth transition to the new NASPO ValuePoint Master Agreement.

Fastenal's experienced government sales team has a close relationship with NASPO ValuePoint and each state, and our large local presence of more than 3,200 in-market locations and 20,000+ local people ensures the successful implementation of the NASPO ValuePoint contract.

Fastenal's implementation plan will roll out in three phases:

- 1) Onboarding and execution of the Participating Addendums
- 2) Implementation of the State Agreements with State Agencies and Political Subdivisions
- 3) Management of contracts

	INTERNAL FASTENAL ACTIVITIES	PARTICIPATING ENTITY-FACING ACTIVITIES
DAYS 1-30: ONBOARDING AND EXECUTION OF THE PARTICIPATING ADDENDUMS	• Circulate press release announcement through AP, trade publications, and post on social media and Fastenal.com. • Release video message from our President/CEO Dan Florness to all Fastenal employees endorsing the new NASPO ValuePoint Master Service Agreement. • Hold conference calls with Fastenal sales leadership to discuss the details of the NASPO ValuePoint award and implementation plan. • Publish a NASPO ValuePoint article in our Fastenal Quarterly newsletter which is distributed to all 20,000+ Fastenal employees. • Update the NASPO ValuePoint landing page on Fastenal.com and our intranet site and where Fastenal sales representatives will be directed to access:	• Communicate to all current Participating Entities, notifying them of the new contract pricing, incentives, and value-added benefits. • Schedule meetings with key decision makers within all states and territories. • Execute a participating addendum within each State, including FMI Technology agreements as applicable. • Meet with state contract administration personnel to understand the unique needs of each state, key initiatives, scope of the contract and cooperative use rules. • Customize the NASPO ValuePoint Participating Addendum to meet each State's needs. • Analyze member-specific market baskets. • Work with each Participating



	Master Service Agreement information, NASPO ValuePoint support contacts, and a downloadable training document to understand the contract terms and conditions.	State to obtain a listing of all entities who can utilize the NASPO ValuePoint Master Agreement and obtain cooperative use rules and regulations.
	INTERNAL FASTENAL ACTIVITIES	PARTICIPATING ENTITY-FACING ACTIVITIES
DAYS 31-90: IMPLEMENTATION OF STATE AGREEMENTS WITH STATE AGENCIES AND POLITICAL SUBDIVISIONS	• Launch email and telemarketing campaign to all Fastenal employees in Participating NASPO ValuePoint States detailing the NASPO ValuePoint Master Service agreement and action items for the coming weeks to support the agreement. • Update the state landing pages on Fastenal.com detailing the state agreement. • Update co-branded marketing materials with state agencies which will be available for Fastenal sales representatives on the NASPO ValuePoint intranet landing page. • Complete NASPO ValuePoint training with each local branch within their Participating State to ensure each branch understands the scope of the NASPO ValuePoint contract within their state.	• Partner with NASPO ValuePoint to promote contract to eligible agencies. • Distribute co-branded NASPO ValuePoint literature and Partner Brochure to all current state and local government agencies in each Participating State via our local Fastenal sales employees. • Hold the NASPO ValuePoint implementation meeting with each participating state. Implementation meetings with the customer can be set up as an in-person meeting, E-Learn Center, webinar, conference calls, and/or audio/video. • Participating Entity site visit and needs analysis as necessary. • Develop site-specific action plans. • Educate Participating Entities on various ordering methods available, including registering for an account on Fastenal.com. • Educate Participating Entities on Fastenal's value-added services, including vendor managed inventory solutions, onsite, sustainable products and solutions, supplier diversity, emergency preparedness, cost savings, and more.



	INTERNAL FASTENAL ACTIVITIES	PARTICIPATING ENTITY-FACING ACTIVITIES
DAY 91+: MANAGEMENT OF CONTRACTS	• Develop key account management plans for Participating Entities. • Address known issues and develop resolution to any concerns. • Develop continuous improvement plan from needs assessment and site visits. • Identify opportunities for onsite engagement. • Analyze cost savings opportunities available through use of Fastenal Managed Inventory (FMI) Technology. • Establish cadence of site visits and business reviews.	• Partner with NASPO ValuePoint to seek additional opportunities to engage with eligible entities, including through print marketing, online marketing, email marketing, and participation in tradeshow and events (including the NASPO Exchange). • Set up monthly, quarterly or semi-annual business reviews to ensure key objectives and cost saving measures are being met with each State. • Monitor cost savings goals, continuous improvement initiatives, training, service implementation and outreach initiatives to ensure successful implementation of the customer needs and requirements.

1. Detailed specific information, resources, and assistance the Offeror will require from each Participating Entity to implement the Participating Addendum.

Fastenal's Government Sales Directors and Government Sales Specialists have a close relationship with State procurement and will work with each State/Participating Entity to determine the information, resources, and assistance required to implement the contract. As applicable, this information will be detailed in the Participating Addendum. Below are examples of this information and assistance we anticipate may be required from each Participating Entity:

Information	Resources	Assistance
• Provide the State's expectations for participation and compliance • Identify reporting points of contact for fee/rebate remittance (if applicable) • Provide historical spend	• Identify reporting points of contact for ESB/MBE/WBE/DV subcontracting plans and the negotiation of supplier diversity goals • Identify the point of contact for Sustainability/Green	• Identify the champion within the State to facilitate the roll-out of the NASPO ValuePoint contract to State agencies and political subdivisions • Establish clear timelines for contract implementation



information to identify high-use items for inclusion in the custom market basket • Provide contact information and shipping locations • Identify top customers within the state to include political subdivisions (if applicable) • Provide suggestions for local media and government trade publications for press releases	reporting and establishment of goals • Provide marketing support – line cards, logos, landing page links on state's website	milestones and assign roles and responsibilities to each • Host events and scheduling of contract kick-off events
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2. Describe how soon from execution of a Participating Addendum the online ordering system will be available to each Participating Entity. If a phased implementation is planned in terms of limited functionality vs. complete functionality, please specify.

Fastenal's online ordering system is completely functional and in use today by existing NASPO ValuePoint Participating Entities. Existing Participating Entities' account numbers will be updated with the new contract terms and able to purchase online within 24 hours of execution of the Participating Addendum. New Participating Entities will be able to purchase online within 48 hours from the execution of a participating addendum and establishing an account number at the local Fastenal branch.

3. Describe in detail the Offeror's experience when implementing customer relationships of equivalent size and complexity.

As an incumbent NASPO ValuePoint contractor since 2011, Fastenal has excelled in administration, marketing, and compliance with the terms and conditions of the NASPO ValuePoint Master Agreement. Fastenal currently has 47 state-wide MRO contracts, 41 of which are with states that have signed a NASPO ValuePoint Participating Addendum. Additionally, Fastenal has more than 20 years of experience implementing many state-wide MRO contracts with cooperative use features. These statewide contracts span the spectrum of city, county, and state government agencies and utilize participating addendums. Fastenal has continuously grown sales and the number of accounts under the existing NASPO ValuePoint Master Agreement.

With our footprint and local representative coverage, Fastenal has been able to extend the full value of the NASPO ValuePoint Master Agreement to all Participating Entities, big and small, rural and metro, and increased the number of customers utilizing the NASPO ValuePoint Master Agreement each and every year.

Fastenal's contract management system and internal controls ensure sound administration of the



pricing, terms, and conditions. Clear policies, procedures, and work instructions ensure the sound execution of participating addendums, and the administration of any unique terms and conditions.

4. Describe any customization abilities for different States or political subdivisions within a Participating Entity.

Tailored Local Inventory: The ability to provide a custom stocking model based on historical usage and/or planned purchases.

Agency-Specific Custom Market Baskets: Agency-specific, high-use items, green/environmentally preferable products, Supplier Diversity products, Community Rehabilitation Program products, and/or regional manufacturers to provide NASPO ValuePoint Participating Entities with member-specific cost savings.

Fastenal Managed Inventory (FMI) Technology: Participating Entities have the ability to customize their local program to include Fastenal Managed Inventory programs by incorporating the use of FMI Technology agreements into the Participating Addendum. Our FMI Technology program centers on five core concepts: Simplify, Monitor, Control, Track, and Analyze.

Additional Customization:

Additional customization abilities include customized models for:

- Reporting capabilities
- Rebates/administrative fees
- Training for products/applications
- Safety audits and training
- Lean process improvement
- Cost savings documentation
- Volume discounts and growth incentives
- Restrictions and messaging
- Supplier diversity programs (Tier 1 & Tier 2)
- Green and sustainability programs

G. Other Products: If proposing for Category 15, Offerors must provide a detailed description of the product categories they are proposing and why they do not fit into the already defined categories. The Lead State reserves the right to approve/deny any additional Product Categories proposed. Offerors should note that not all Participating Entities may adopt Category 15 in their Participating Addendum.

The categories outlined below are those Fastenal offers which are not specifically called out within this solicitation but which we believe are part of the MRO product mix. Additionally, they are categories which we have often seen requested by the Participating Entities Fastenal serves through the current NASPO ValuePoint contract:

- Abrasives
 - Abrasive Accessories
 - Abrasive Blasters and Accessories
 - Abrasive Brushes
 - Buffing and Polishing Products
 - Burr Products
 - Deburring Products
 - Diamond Abrasives Products
 - Files and Rasps
 - Grinding Abrasives Products
 - Sanding Abrasives Products
 - Sharpeners and Accessories
- Adhesives, Sealants, and Tape
 - Adhesives and Glues



- Adhesives and Sealants
- Dispensing Tools
- Concrete and Asphalt
- Floor and Surface Care Chemicals
- Silicones, Caulks, and Sealants
- Tape
- Tape Dispensers
- Threadlocking Chemicals
- Warming Wraps and Accessories
- Cutting Tools and Metalworking
 - Cutting Tool Assortments Kits
 - General Purpose Holemaking
 - High Performance Drilling
 - Indexable Cutting Tools
 - Milling Products
 - Saw Blades
 - Threading and Tapping
 - Toolholding Systems
 - Tooling Components
 - Turning and Boring Products
- Fleet and Automotive
 - Air Line Products
 - Automotive Chemicals and Lubricants
 - Automotive Specialty Tools
 - Cribbing and Lumber
 - Dock and Trailer Equipment
 - DOT Fittings
 - DOT Hose and Tubing
 - Engine Oil and Additives
 - Fleet and Automotive Lighting
 - Fleet Batteries and Accessories
 - Fleet Electrical Products
 - Fleet Filters and Accessories
 - Fleet Electrical Products
 - Fleet Filters and Accessories
 - Fleet Replacement Parts
 - Fluid Transfer Products
 - Mechanical Components
 - Shop Equipment
 - Tire and Wheel Products
- Towing and Accessories
- Truck and Trailer Hardware
- Truck Boxes and Vehicle Racks
- Hardware and Building Supplies
 - Braces and Brackets
 - Cabinet Hardware
 - Caps and Plugs
 - Construction and Building Supplies
 - Entry and Exit Door Products
 - Hardware Supplies
 - Hasps, Hinges, and Latches
 - Industrial Flooring Products
 - Poleline Hardware
 - Springs
 - Strut Channel
 - Strut Channel Accessories
 - Strut Clamp and Hanger Accessories
 - Strut Clamps and Hangers
 - Window Hardware
- Hydraulics
 - Crimping and Preset Machines
 - Crimping Machine Accessories
 - Hydraulic Accumulators and Accessories
 - Hydraulic Couplers and Accessories
 - Hydraulic Fittings
 - Hydraulic Hose Products
 - Hydraulic Pumps and Cylinders
- Lubricants, Coolants, and Fluids
 - Grease
 - Grease Fittings and Accessories
 - Grease Guns and Accessories
 - Lubricants
 - Lubrication Equipment
 - Metalworking Chemicals
 - Metalworking Fluid Equipment



- Oils
 - Protective Coatings and Inhibitors
- Machinery
 - 3D Printers and Accessories
 - Cold Saw Accessories
 - Drill Press Accessories
 - Grinding Machine Accessories
 - Ironworker Accessories
 - Lathe Accessories
 - Machinery Accessories
 - Machining Tables
 - Metalworking Machinery
- Motors
 - AC Motors
 - DC Motors
 - Motor Accessories
- Packaging and Shipping Products
 - Bubble, Foam, and Cushioning
 - Corrugated Boxes, Cartons, and Mailers
 - Envelopes and Mailers
 - Improper Handling Devices
 - Packaging and Shipping Accessories
 - Scales and Accessories
 - Shipping Bags and Accessories
 - Shipping Labels and Tags
 - Strapping Products and Accessories
 - Stretch Wrap and Shrink Film
 - Stretch Wrap Machines and Accessories
- Pneumatics
 - Actuators and Cylinders
 - Air Piping Systems
 - Air Preparation
 - Blow Guns and Accessories
 - Clamps and Collars
 - Hose Couplers and Accessories
 - Hose Guards
 - Hose Reels and Accessories
 - Pneumatic Fittings
 - Pneumatic Hose Products
 - Pneumatic System Components
 - Pneumatic Valves and Accessories
 - Pressure Gauges and Accessories
 - Tubing and Tubing Accessories
- Power Transmission
 - Bearing Heaters and Accessories
 - Bearings
 - Bushings
 - Cam Followers and Yoke Rollers
 - Chain and Sprockets
 - Collars, Couplings, and Components
 - Gearing
 - Keyed Shafts and Keys
 - Linear Motion
 - Power Transmission Belts
 - Pullers, Separators, and Accessories
 - Seals and Accessories
 - Sheaves and Pulleys
 - Shims and Shim Stock
 - Speed Reducers
- Raw Materials
 - Composite
 - Felt
 - Foam
 - Graphite
 - Metal
 - Plastic
 - Rubber
- Sealing
 - Compression Packing
 - Cord Stock
 - Flanges, Gaskets, and Gasket Materials
 - O-Rings and O-Ring Kits



- Rotary and Linear Seals
- Test and Measurement
 - HVAC Test Instruments
 - Laboratory Supplies
 - Meter Accessories
- Meters
- Precision Measuring Tools
- Thermal Imagers and Accessories
- Thermometers
- Water Treatment

H. Additional Services that Add Value if Awarded (not scored)

This Section is required to be part of the Offeror's response. This information will be used if the Offeror is awarded a Master Agreements. However, this area is not scored as part of the evaluation of the RFP.

Offerors are encouraged to include value-added solutions that may improve or enhance a Participating Entity and Purchasing Entity's use of the Master Agreement, including products, services or both offered, if awarded.

1. **Installation of Products (if applicable).** Describe the Offeror's ability to provide non- third-party installation services of products or equipment that a Participating Entity(ies) may choose to award in their Participating Addendum. Some States may be limited by State rules when it comes to installation of equipment, for instance, electric vehicle charging stations are a Public Improvement. Include in the Offeror's response, if there are any instances a warranty may be voided if not installed by the Offeror.

To ensure a fast, seamless and risk-free implementation across NASPO ValuePoint member facilities, we have dedicated Implementation teams throughout the U.S. With more than 200 implementation specialists overall, Fastenal completed over 1,200 large-scale implementation projects with our customer base in 2023. This nationwide dedicated team of implementation specialists will provide installation services for shelving, racking, bins, dispensers, vending machines, and other items related to the MRO product line.

2. **Warehouse Management Solutions.** If applicable, describe a warehouse management solution that the Offeror has the ability to offer a Participating Entity.

Industrial supplies are typically a "blind spot" for organizations. Limited visibility to basic information – what product is stocked in the facilities, where it is located, how it's 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 Fastenal Managed Inventory (FMI) Technology program over the past 15 years, Fastenal has emerged as the global leader in technologies that take facilities maintenance and industrial supplies out of the shadows and into a transparent, planned environment. This includes the mass deployment of devices that would allow Participating Entities to digitally monitor, track, and control wide-ranging products, typically driving a significant and sustained reduction in consumption. These solutions (as described in detail in section III.A.) offer 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 efficient in how we stage and transport the product.
- 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.
- 24/7 Access: The assurance of "perpetual inventory" removes the incentive for employees to hoard and over-order supplies. It may seem counterintuitive, but continuous access promotes less overall consumption.
- Usage Traceability: Each dispensed item can be traced to a person, place, time, and cost center. 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).
- Access Controls: Several of our devices allow organizations to set role-specific controls so their 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 reduce wasteful consumption.
- Locker Pickup: The devices are primarily used for planned needs; however, FMI Technology lockers within customer sites can also serve as an efficient fulfillment solution for unplanned "spot buys." The environmental benefit: Instead of employees driving to Fastenal or other businesses to pick up urgent needs, our local teams deliver those orders (via on-site lockers) during their regular service visits.
- Asset Management: Our automated lockers allow managers to track tools, scanners, and other returnable assets to the most recent user, helping to prevent loss and theft. The devices can also be integrated with a Fastenal industrial services program to refurbish (rather than replace) tools.

In support of our Fastenal Managed Inventory (FMI) Technology solutions, please reference the sample agreements and fee structures (FMIT, FASTStock, FASTPOD, FASTCrib) as attached to Attachment 08 - Cost Proposal, Value Add Services. These agreements will be executed and/or incorporated in the resulting Participating Addendum with respective Participating Entities.

3. **Disaster Recovery Plans and Services.** Describe Offeror's emergency management plan to aid Participating Entities during an emergency or disaster recovery. Be specific as to response time, product availability, how to best contact the Offeror during an emergency and other services offered. Include an example of a time the Offeror assisted a State during



an emergency. DO NOT include the Offeror's disaster recovery plan for Offeror's own company.

Fastenal understands that the impact of a disaster is felt locally, and the response is best mobilized on the local and regional level. This is why Fastenal believes our capability to bring a positive and quick response to a disaster is second to none. We have inventory, personnel, and our transportation network positioned to respond to each local market's need. Fastenal's response is not next day, it is same day.

Support is available from both the local branch and our dedicated NASPO Customer Service Team:

- Fastenal Branch: Addresses, phone numbers, and email addresses are available under My Branch on Fastenal.com.
- NASPO ValuePoint Customer Service Team
 - Business Hours: (833) 790-9932, nasposupport@fastenal.com
 - After Hours/Emergency Support: (833) 790-9932, blueteamresponds@fastenal.com

To better understand what Fastenal brings to support each Participating State's emergency management plan, it's important to truly understand what Fastenal offers. With 3,200+ in-market locations and 20,600+ employees (71% of whom directly serve our customers), we truly are where you are. Our network of branches is supported by 15 distribution centers strategically located across North America.

One thing that differentiates Fastenal within the industrial supply marketplace is that we own our transportation routes. Our branches are serviced by our own fleet of 800+ commercial motor vehicles, so we don't have to rely on 3rd party carriers during times of need. With our fleet of 8,300 fleet vehicles, investment in locations, and more than \$1.5 billion in available inventory, Fastenal can respond more quickly to the local market than any other distributor.

Strategic Planning

A quick, effective response requires planning. Fastenal works closely with States at the procurement planning level – from the Departments of Health and Homeland Security to port authorities and local emergency management teams. Our collaboration involves developing local plans to deploy people and products on predetermined time frames. We follow predefined action items occurring at 12 hours, 24 hours, 48 hours, 72 hours, one week, and 30 days following an event. The process is methodical – defining potential people, planning, events, responding to the actual occurrence, proximity, products, and logistics.

Examples

COVID-19: In the early stages of the COVID pandemic, Fastenal identified products that would have high demand, such as gloves and masks. Fastenal created an allocation system to protect the available inventory and prioritized customers based on need. The customers that were given priority for these critical supplies were First Responders, State and Local Government, Higher Education and critical industries such as food and medical manufacturing.



Fastenal used its large network of manufacturers to negotiate large allocations for these critical supplies and used our internal delivery system to get them to the customer.

Hurricane Ian: In 2022 Fastenal provided extensive disaster relief support within the state of Florida in the aftermath of Hurricane Ian. This included the establishment of quoting and logistics operations onsite at the Florida Department of Health, which ran 7am-7pm shifts daily for more than a week. (This onsite support is reinstated whenever it is needed, as new storms occur). Fastenal worked with emergency response teams and local law enforcement to enable Fastenal deliveries of crucial supplies to affected areas.

4. **Use of Diverse Suppliers.** Each State has different reporting, statutes and rules that apply to ensure the use of diverse business's (e.g., small business, woman owned, veteran owned, disadvantage and other business's). How does the Offeror intend to use and of these businesses? Provide a plan including how the use of a small business or other identified types would be used if a Master Agreement was awarded. This will be addressed at the Participating Addendum level with States that have requirements may vary.

The goal of Fastenal's supplier diversity program is to help Participating Entities increase purchases with small, local, and diverse businesses. We do this by creating close, long term supplier relationships that strengthen our supply chain and communities.

As a strategic partner, it is our policy to advocate for small, diverse, and local businesses. To that end, we collaborate across the supply chain to identify opportunities for those supplier partners, working to match our strategic customers' needs with our suppliers' capabilities. Through our research, certification requirements, and quality verification system, we continue raising the bar for the program. Our commitment is to maintain a robust network of certified diverse suppliers that meet Fastenal's high standards for quality and service.

Our Supplier Diversity team will review qualified suppliers and assist to match the Participating Entity's needs to the capabilities by providing the following:

- Potential early involvement in the design and establishment of goals
- Realistic and understandable expectations
- Accurate forecasting of our anticipated needs and timely distribution of pertinent information
- Detailed Tier II usage reports including the following certifications:
 - HUBZone
 - Minority-Owned Business
 - Woman-Owned Business
 - Veteran-Owned Business
 - Service Disabled-Veteran Owned Business
 - Small Business
 - Small Disadvantaged Business

Reseller Program: Fastenal's Supply Chain Diversity program establishes strategic alliances with small businesses serving as authorized channels of distribution for Fastenal's products and services. Fastenal's Reseller Consortium features strategic partners with a wide range of



manufacturing, distribution and service capabilities as well as a full complement of supplier diversity certifications.

The full line of Fastenal's fasteners and industrial supplies are available for purchase from our authorized resellers. Some resellers are stocking distributors; others are service providers with agreements for Fastenal to provide logistics and distribution services in support of their customers' requirements. All authorized resellers are the vendor of record and responsible for invoicing, accounts receivable management, e-procurement solutions, and customer service.

Fastenal will work with each State or Participating Entity to determine supplier diversity requirements at the time of Participating Addendum and will work closely to identify the options that will best fit their needs.

5. **Discounts or Other Incentives.** Additional discount options are encouraged, which can distinguish between individual order minimum quantities and other discount terms that may be defined by the Offeror for the evaluation committee to consider. Extensions of additional discounts past the Master Agreement's initial term are not required but may be offered. If a Offeror has other incentive programs than discounting product, for instance a rebate program that could be offered, include that in the Proposal response as well.

Fastenal is willing to offer incentives based on the growth for NASPO Value Point Participating Entities as well as level of participation.

The various incentives offered by Fastenal are designed to encourage the adoption of supply chain processes which, when implemented in partnership with Fastenal, provide maximum value to the members. Each Entity's needs are unique, so Fastenal will work with each Participating Entity to design an incentive program that works for them.

1. Admin Fee based on individual Participating Entity negotiations.
2. Growth Incentive Programs based on:
 - Incremental Sales Growth
 - Technology usage Growth
 - E-Commerce Growth
 - Other Growth Incentives may also be negotiated based on the specific needs of Participating Entity
3. Agency-Specific Market Baskets can be created to drive additional savings based on specific needs, annual usage, consolidation of manufactures, and other market factors.
4. Volume Discounts: Fastenal understands that Participating Entities may, from time to time, have unique purchasing needs requiring the purchase of products in a volume not related to ordinary purchase volume. Fastenal will assist Entities by identifying and passing on the additional value which may be obtained through reaching a volume purchase. The volume discounts will be negotiated between

**Request for Proposals for
Facilities MRO and Industrial Supplies**

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Solicitation Number RFP 758 2400000228**



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- the local Fastenal branch and the NASPO ValuePoint Participating Entity based on current market conditions.
5. Additional incentives and/or SKU level discounts are available for single award contract agreements.