



"The Steller Documented Cost Savings program engages all stakeholders to stay focused on the core mission, which is to help our customers succeed and make better profits. We work closely with our partners daily to identify opportunities for our customers that maximize plant operations and efficiencies. While offering supplies from hundreds of brands, we choose our STAR suppliers for their dedication to investing in product development and supply chain access that will continually and consistently improve efficiencies for our customers. That's a win-win for our customers, and leads to increased and repeat business for Stellar and its partners.

John S. Wiborg

President and Chief Executive Officer, Stellar Industrial Supply

Our 2022 STARS Suppliers:































What truly differentiates Stellar from other industrial supply companies is our divisional approach to supporting customers. We operate through five divisions, each with its own product and market specialists.

These specialists utilize specific industry and product knowledge to help customers receive the best value for the greatest profitability.

Stellar offers fully customized industrial supply solutions, supporting all of our divisions. Committed to bringing our products to our customers as efficiently as possible, we employ dedicated solutions engineers to closely collaborate with you in terms of product usage and frequency. Our supply chain solutions specialist then develops a customized solution for your replenishment that optimally serves your unique needs. We also track product levels to continuously refine replenishment and ultimately provide the greatest value.

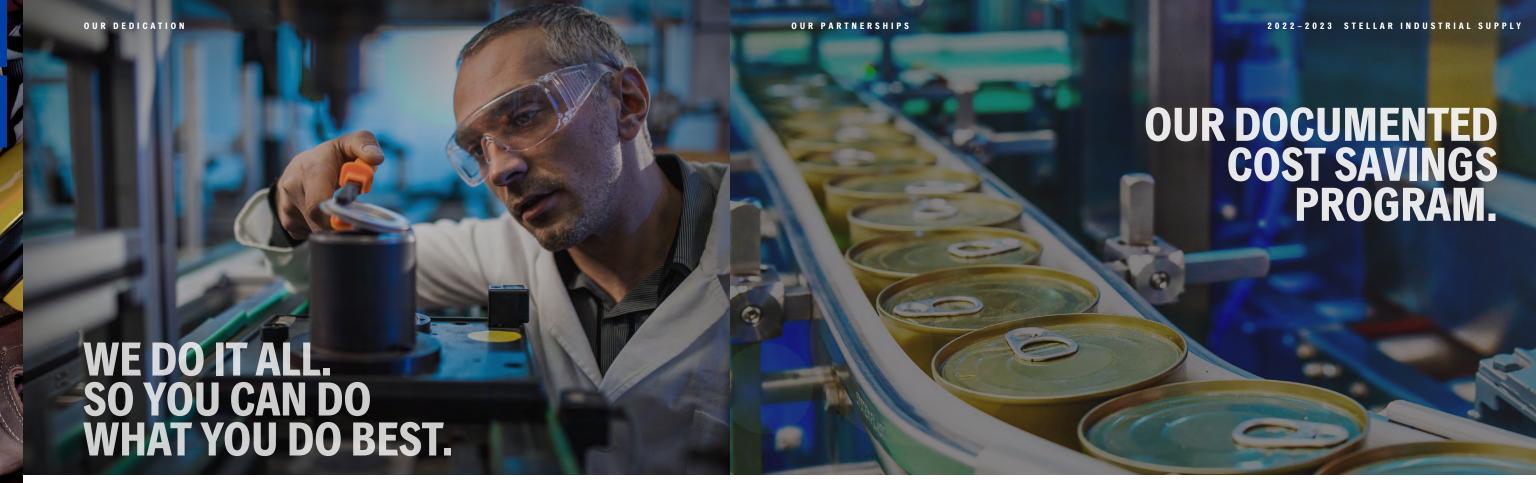
Aerospace. Our Aerospace division brings best practices, products and processes to aerospace manufacturers and machine shops throughout the United States. Stellar's AS9120 certification assures our customers that we have the robust quality processes that the aerospace industry needs.

Metalworking. This division employs factory-trained specialists who are experts at helping you optimize your machining operations. With years of experience in shop applications and industrial distribution, we represent the majority of leading suppliers in the metalworking industry and command the highest distribution discounts available.

Marine. Our Marine division brings a market focus to the OEM boat builder and other marine-related businesses. Our specialists offer best practices and solutions for marine customers throughout the United States.

Safety. This division is dedicated to all of our customers' personal protection equipment (PPE) needs. Our safety specialists are here to help you keep your workforce safe and to avoid or reduce lost time accidents. We also provide a variety of training seminars on protection, safety and handling.

MRO. Our industrial MRO specialists lend their experience and expertise to all of our industrial products outside of our other dedicated divisions. By focusing on these products, we provide the supply, service and support that you need to capably and profitably do your job.



Stellar Industrial Supply is a privately held, ISO/AS9120B-certified premier industrial supplier.

Our specialists, sales force and customer experience managers serve small, medium and large manufacturers; federal, state and local municipalities; and commercial construction companies across the United States.

We Are Dedicated

We have invested in our business to maintain our profitability and stability. We partner with our customers and suppliers to provide individual products and individualized solutions that help you save costs and boost profit, efficiently and without frustration.

We go onsite to handle purchasing, receiving and delivery; obtain competitive pricing; and manage tools and inventory.

Your Diligent yet Creative, Hard-Working but Easy-To-Work-With Partner

The biggest industries in the US rely on metalworking and tooling as a manufacturing lifeline. We are the leader in ensuring manufacturers and plant operators improve efficiencies and increase throughput to better compete in global markets.

We are strategically positioned to help our customers save in a myriad of ways; from training customers on new tools or more efficient machine processes to conducting LEAN Kaizen events and other strategic vendor and supplier consolidation solutions that increase your profit.

Innovating our solutions, caring about our people, performing as one with our suppliers and customers. That is how we thrive—acting with authenticity and excellence that improves the customer experience, stakeholder trust, market leadership and value—to benefit all involved.

What It Is and How and Why It Works

The Documented Cost Savings Program is a simple yet elegant plan: our customers agree to purchase a higher volume and a wider range of products when purchased through us, but only once we have proven that we can produce documented costs savings. It is a mutual benefit for both parties. In recognizing our vision to create "Ideal Customer-Supplier Partnerships" this program enables us to act as advocates for our customers' best interests.

By implementing this program, we aim to maximize profits and inventory turns. Creating better capacity through better processes leads to increased revenue per machine, while also reducing capital requirements for new equipment. Extrapolating this concept across multiple products results in reduced overhead and carrying costs.

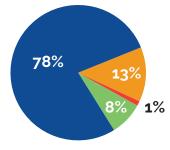
\$48,456
APPROVED DCS AVERAGE
across 370 customers 2021

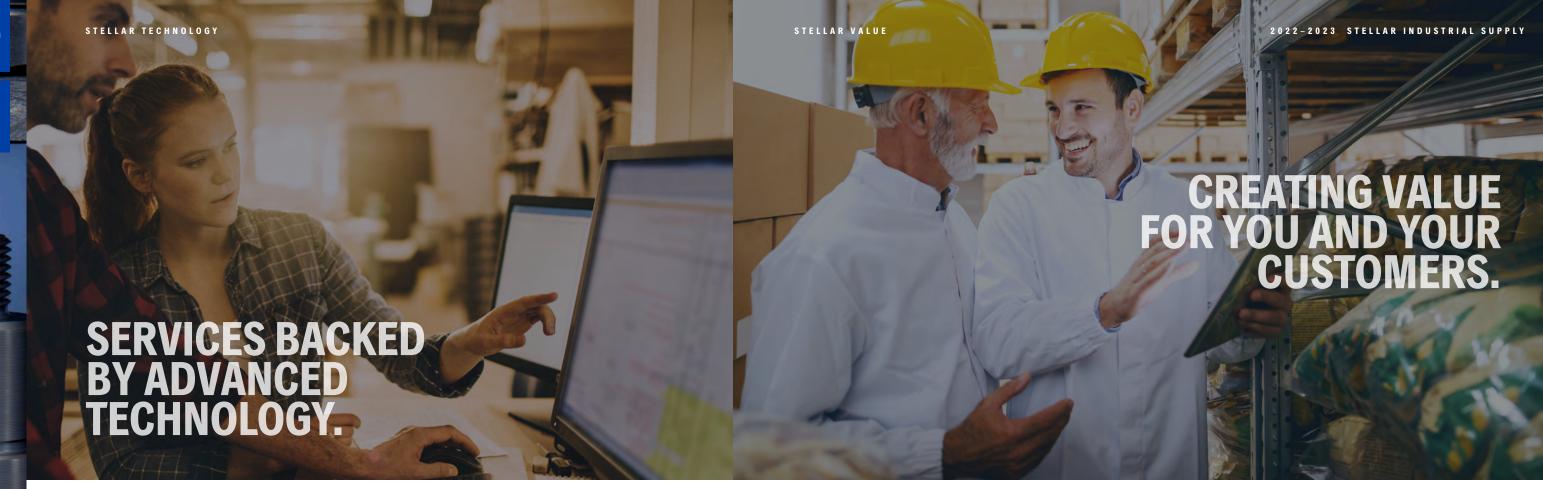
\$\frac{1}{5} \frac{1}{4} \frac{7}{10}\$\$ SAVED since inception in 2010 \$17.92 M APPROVED DCS 2021

We have clearly demonstrated the value of our win/win partnership approach that the DCS program was designed to generate. In 2020 alone, we and our partners combined to generate more than \$12 million in customer approved documented cost savings.

When you partner with us, you get personal service beyond product supply. Our value-added services enable you to benefit from our technology and training, from systems designed for customers to proficiencies enabling your success.

2021 DCS Through: Process Improvement Expenditure Reduction Revenue Enhancement Asset Improvement





Customized Integrated Supply Programs for Customers

We leverage advanced technologies related to both automated and semi-automated indirect material management systems based on:

- A variety of supporting systems, including but not limited to:
 - Vendor Managed Inventory (VMI)
 - Kanban inventory systems
 - · Point-of-use inventory solutions
 - RFID technology
 - · Tool vending equipment
 - Consignment programs
- · Integration options with industry-leading software platforms
- Electronic data interchange (EDI/XML capabilities)

Our technologies allow us to offer:

- Billing and reporting options specific to your needs
- Integrated web ordering
- Real-time pricing and availability
- · Online consignment management

Experts strengthened by training

Our employees continuously pursue training in:

- CribMaster and other leading vending software platforms
- Automation
- Metal cutting tools
- Safety
- Lean practices



We are a member of Affiliated Distributors (AD), the largest wholesale buying and marketing group in the U.S. AD provides the strongest financial, networking and programmatic benefits, setting high membership standards, partnering with best-in-class suppliers, and leveraging its size and scale to invest in resources and innovations to help us all win today and into the future. Together, we win.

The Cycle of Value

What provides value to a customer? In our case, it is the high level of commitment to a quality outcome in customer-supplier relationships. A virtuous cycle of value assures benefit for all involved and is the best avenue to providing value to a customer in an effective manner. Through this cycle, value is defined, developed, offered, executed and captured. This cycle is achievable through

our innovative supplier relationships and custom-built tracking software.

When we succeed in creating value for our customers, we can pass this business along to our suppliers. We in turn, ask our suppliers to provide high-performance yet fairly priced products, and to provide other ideas that can help our customers profit further.

Customers

Improve systems and processes to help increase efficiency, throughput and bottom line

Suppliers Expand market share,

introduce new products and optimize supply chain

Shareholders

Compile total value generated to benefit all of our shareholders



Associates

Expand opportunities to reap economic and career-related rewards

Communities

Give back the value we have created to our local communities



Tacoma - HQ

711 E 11th Street Tacoma, WA 98421 (253) 383-2700 (253) 383-0943 Fax

Seattle

4636 E. Marginal Way S, Suite B-150 Seattle, WA 98134 (206) 768-1800 (206) 768-1008 Fax

Spokane

2501 N. Farr Lane Spokane Valley, WA 99206 (509) 532-9100 (509) 532-8098 Fax

Everett

2201 Pacific Avenue Everett, WA 98201 (425) 259-9241 (425) 259-4445 Fax

Portland

12831 NE Whitaker Way Portland, OR 97230 (503) 253-3100 (503) 253-2121 Fax

Albany

1128 S. Commercial Way SE Albany, OR 97322 (541) 967-8500 (541) 967-6814 Fax

Sparks

955 S. McCarran Blvd., Suite 102 Sparks, NV 89431-6329 (775) 331-4370 (775) 331-8665

Billings

2504 Overland Avenue Billings, MT 59102 (406) 896-0066 (406) 896-0077 Fax

San Luis Obispo

755 Fiero Lane, Suite D San Luis Obispo, CA 93401 (805) 543-5177 (805) 543-0102 Fax

Upland

2022 W 11th Street Upland, CA 91786 (909) 946-8039 (909) 946-8069 Fax

Phoenix

1819 W 3rd Street Tempe, AZ 85281 (480) 550-3675 (520) 882-6690 Fax

Tampa

7020 Anderson Road Tampa, FL 33634 (813) 885-2343 (813) 885-1342 Fax

Pittsburgh

1 Park Drive Lawrence, PA 15055 (724) 743-2540 (724) 743-2541 Fax



(800) 562-8258

Sustaining win-win partnerships for Stellar value.