



2021
SUSTAINABILITY
REPORT

Our Commitment



AT WESCO, WE ARE COMMITTED TO HELPING OUR CUSTOMERS BUILD, CONNECT, POWER, AND PROTECT THEIR BUSINESSES TO IMPROVE THEIR OPERATIONS AND THE WORLD WE LIVE IN.

THIS IS WESCO

WESCO International, Inc. (NYSE : WCC), is a publicly traded FORTUNE 500® company headquartered in Pittsburgh, Pennsylvania. We are a leading provider of business-to-business distribution, logistics services, and supply chain management solutions.



Our pro forma sales totaled more than \$16 billion in 2020. This includes full-year sales for Anixter International, which we acquired in June 2020.



We employ approximately 18,000 people.



We maintain relationships with approximately 30,000 suppliers globally.



We operate approximately 800 branches, warehouses, and sales offices and have operations in more than 50 countries.



We provide a local presence for customers and a global network to serve multi-location businesses and multinational corporations.



We serve around 125,000 active customers worldwide, including commercial and industrial businesses, contractors, government agencies, institutions, telecommunications providers, and utilities.

As a leader in B2B distribution and supply chain solutions that operates in more than 50 countries, our purpose is powerful as we build value in our business. Our responsibility is even greater—to our people, our planet, our communities, and to our customers and supplier partners in the products, services and innovative solutions we provide.

Building value through responsible business practices translates into higher employee engagement, lower costs, better managed risks, and improved external relationships. We align ourselves with diverse, responsible partners. We work with suppliers to transform products and services into cost-effective, innovative supply chain solutions. We enable customers to measure and improve efficiency, productivity, and quality through digital advancements and technical expertise. We influence these outcomes for more than 125,000 active customers across commercial and industrial businesses, contractors, government agencies, institutions, telecommunications providers, and utilities.

We extend our focus of supporting our customers' growth and operational excellence to partnering with them to achieve their sustainability goals. We do this by designing and providing solutions that enable them to reduce greenhouse gas (GHG) emissions at their facilities and in their supply chains, improve productivity through automation, and increase output more efficiently and effectively through digital tools and applications. Smart meter technology, energy-use assessments, electric vehicle charging solutions, solar installations, LED lighting design and retrofits, and data communications and computing power are just some of the areas where we are supporting our customers with sustainable, efficient solutions.

Of course, we are also building on our own internal strategies for sustainability, while reinforcing our corporate responsibility. As a distributor, our carbon footprint may be small, but our sustainability efforts are an integral part of our operations and core values, and are reflected in our own processes, investments in green energy, electrification and digitalization, and our relationships and engagement with our stakeholders.

Our relationships with our supplier partners, our customers, and our employees, are our most coveted asset. With that in mind, I could not have been prouder of our team's preparedness, response, recovery, and mitigation efforts as the COVID-19 pandemic impacted the world over the last year and a half. From keeping our essential workers on the front line safe, to our salesforce ensuring our customers had the protective equipment and supplies necessary to manage the crisis, to our employees caring for and supporting each other, it was a true testament to workforce resilience and sustainability.

Despite the unprecedented circumstances under which we were operating, we stayed focused on sustainable best practices. From environmental to social to governance sustainability, we take our commitment to

upholding the principles of the United Nations Global Compact seriously. Our achievements and progress are detailed throughout this year's report as well as new goals for GHG emissions and safety standards. A few noteworthy highlights from 2020 include:

- Acquiring Anixter, Inc., a well-regarded competitor with a similar culture and high integrity, and bringing best practices in support of our newly created mission, vision, and values;
- Appointing our first Corporate Vice President of Inclusion & Diversity (I&D);
- Hiring our first Director of Supplier Diversity and joining the National Minority Supplier Development Council in early 2021;
- Forming our inaugural business resource groups (BRGs)—Women BRG; Black, Latino, Indigenous, and People of Color (BLIPOC) BRG; LGBTQ+ BRG; and Veterans BRG—to further expand upon our I&D initiatives;
- Receiving recognition by Forbes as one of the World's Best Employers as well as one of the World's Best Employers for Women;
- Reporting a reduction of 23% **GHG emission intensity**;
- Exceeding our goal of a 40% reduction in our total recordable injury rate from a 2017 baseline—two years ahead of the 2022 target.
- Supplying our customers with solar and wind energy products that produced more than 200 million kilowatts of renewable energy generation capacity with the potential to reduce greenhouse gas (GHG) emissions equal to 141,883 MTC02e;
- Continuing our membership in Bloomberg's Gender-Equality Index;
- Becoming a 2020 Women on Boards Winning "W" Company;
- Partnering with certified minority, women, and disadvantaged business enterprises (MWDBEs) to promote diversity and inclusion among our suppliers and cultivate a world-class vendor base;
- Receiving the 2020 Stevie® Award for Great Employers in the COVID-19 Most Valuable Employer category and
- Distinguishing ourselves as a Supply & Demand Chain Executive 100 winner for delivering value to enterprises across a range of supply chain functions.

WESCO is committed to global sustainability leadership and excellence in all phases of our company's operations and administration. We have learned from our challenges and are proud of our successes. We recognize that sustainability is a journey. While we have achieved much, we continue to look for ways to improve and meet the needs of our stakeholders.

We welcome your feedback on this report and our performance. Please contact us via email at Sustainability@wesco.com.



John J. Engel
Chairman, President, and Chief Executive Officer

TABLE OF CONTENTS

| | |
|-----------------------|--|
| 2 | OUR COMMITMENT |
| 4 | COVID-19 RESPONSE |
| SUSTAINABILITY | |
| 6 | Sustainability Approach |
| 7 | Reporting and Materiality |
| 8 | Stakeholder Engagement |
| 9 | United Nations Sustainable Development Goals |
| GOVERNANCE | |
| 10 | Corporate Governance |
| 11 | Ethics and Compliance |
| 14 | Human Rights |
| ECONOMIC | |
| 15 | Sustainable Products and Services |
| 19 | Supply Chain |
| ENVIRONMENT | |
| 22 | Environmental Management |
| 22 | Energy |
| 23 | Water |
| 24 | Waste |
| 26 | Emissions |
| SOCIAL | |
| 27 | People |
| 34 | Health and Safety |
| 42 | Community Engagement |
| 43 | AWARDS & RECOGNITION |
| 44 | GRI INDEX |
| 47 | SASB INDEX |

COVID-19 RESPONSE

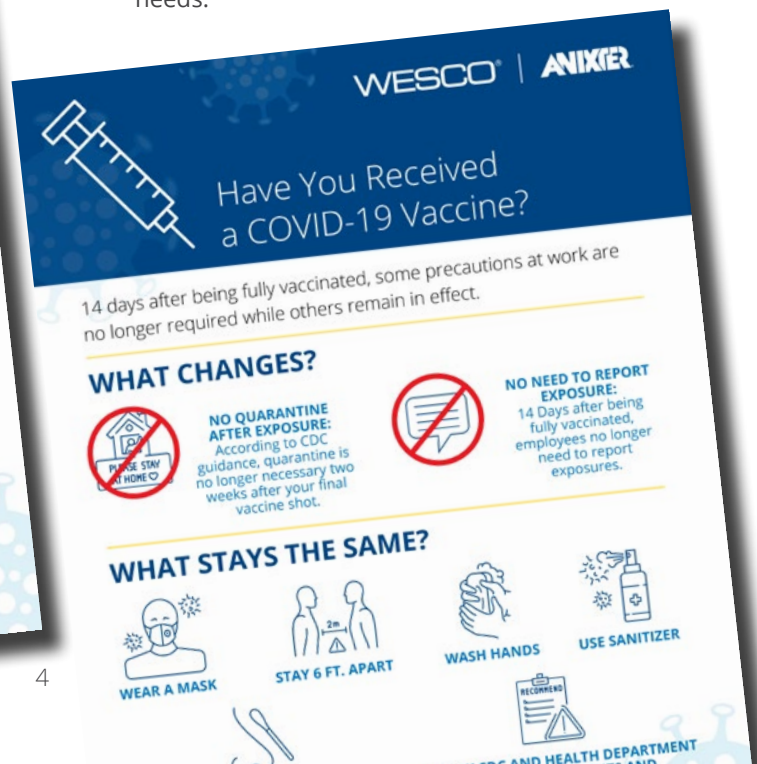
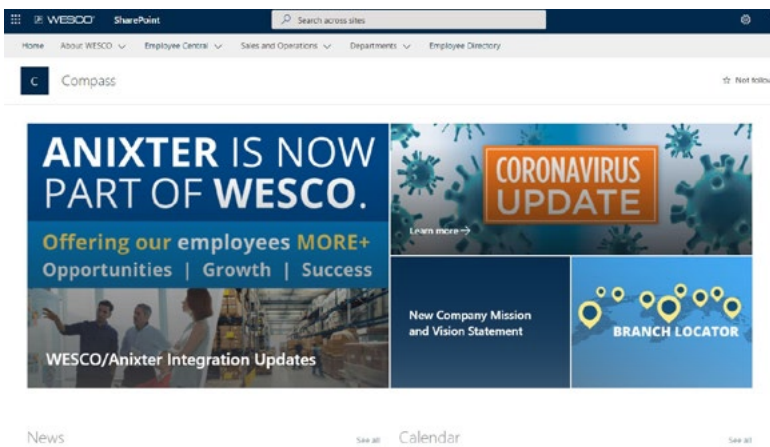
From the onset of the COVID-19 virus, our corporate leadership across all functions engaged in proactive and robust risk management planning and policy deployment. Our broad-based and multi-faceted response strategy was designed to help keep our employees safe and informed and enable us to continue operating uninterrupted as a designated essential business.

A foundational element of our health and safety management system is the regular review of emerging issues, ongoing risks, and dynamic changes to our work environment. At the onset of the pandemic, this existing foundation enabled our leadership to collaborate quickly and implement adjustments to accommodate new protocols, including social distancing, enhanced cleaning processes, and personal protective equipment requirements.

We formed a cross-functional COVID-19 task force to ensure employee and customer safety remained a top priority during the pandemic. We also compiled the WESCO COVID-19 Protocol and Guidance Playbook, which outlines the approach for our essential employees to work in our facilities safely and for all other employees to work from home. We are now focusing on returning to our offices around the world in a safe and efficient manner based on local regulations and guidelines.

The playbook focuses on:

- Educating employees on return-to-work protocols and the procedures implemented for their safety and protection;
- Setting expectations for employee behaviors, including hygiene measures and wearing proper personal protective equipment (PPE) that helps mitigate risk at work and at home; and
- Providing employees with information and resources regarding health and wellness, human resources, legal, and operational needs.



When an exposure or confirmed case occurs, the first-line manager quickly logs and forwards all case-related information to our COVID-19 task force. The task force partners with our Human Resources team and all involved managers to provide relevant guidance on quarantine, contact tracing, additional cleaning requirements, and return to work in accordance with our COVID-19 protocols. This process has been key to isolating and reducing the potential spread of the virus in our workplace.

We maintain a dashboard with information on employees who are exposed to or test positive for COVID-19.

Throughout the pandemic, we partnered with our suppliers to provide PPE and other equipment to our employees as well as customers that supported critical services in the healthcare, utility, and electrical industries.

It became clear in the early days of the pandemic that demand would far outstrip supply for certain critical PPE products, including face and hand protection, sanitizers, and cleaners. In alignment with many of our preferred supplier partners, we implemented a cross-vertical market allocation process rather than a traditional first-in-first-out order fulfillment strategy to ensure all critical customers received meaningful quantities of these products as timely as possible.

Through this program, we managed material releases on a daily basis for much of the spring and summer of 2020. We focused on our most strategic customer partnerships and critical industries with essential workers who were rushing to get their business operations back online after the first wave of mandated shutdowns. In many instances, we were supporting the safety category for these customers for the first time in addition to our core category responsibilities. We distributed over \$100 million in critical PPE and other safety-related products to our customers in 2020.

In many instances, we took ownership of the entire logistics process. This included international shipping coordination, customs processing and last-mile delivery to specific customer plant locations.

One example of our efforts involved a global tire manufacturer that had a container delayed in customs. Our Global Accounts team collaborated with our Utility business unit, which pulled inventory



from its nearest branch and sent it overnight on a weekend via a WESCO truck to ensure the product was received in the customer's storeroom before 7 a.m. on Monday.

In another example, an international freight and logistics carrier coordinated a factory "will call" pickup service model with us to arrange for monthly factory allocations of masks to be picked up and immediately routed into their airfreight networks for distribution around the globe.

As the pandemic continues to pose risks and challenges to the safety of our employees, customers, and business continuity in 2021, our task force remains engaged by reviewing emerging issues and ongoing risks.

We are proud of the efforts of our leadership and employees during the most challenging health crisis our company has faced. In recognition of their efforts, we received the [2020 Stevie® Award](#) for Great Employers in the COVID-19 Most Valuable Employer category.

Sustainability Approach

As a distribution and supply chain services company, our approach to sustainability is to:

- minimize the negative impacts of our own operations while leveraging positive actions across our organization; and
- assist our customers and suppliers with attaining their sustainability goals through the products and services we can provide.

Our Senior Director - Global EHSS (Environmental, Health & Safety, Sustainability) and Director of Supplier Diversity work with our senior leaders to set the strategy and develop related goals to embed sustainability across the organization. Our participation in the United Nations Global Compact and our commitment to advance the UN Sustainable Development Goals also impact our approach to sustainability.

Set in 2016, our original sustainability goals have guided our actions and initiatives. In 2020 with the Anixter merger, we doubled our annual revenue, nearly doubled the number of our employees, significantly increased the total square footage of our facilities, and expanded our vehicle fleet. This made it difficult to report accurately on most of these original goals.

Given the integration of Anixter and our meeting several current goals, we are introducing new sustainability goals this year and will start reporting on them in our 2022 Sustainability Report. We may add other goals in the future as we continue merging the WESCO and Anixter organizations.

We enable our employees to achieve our sustainability goals by providing them with the knowledge, skills, and resources necessary to apply lean principles to eliminate waste and improve efficiencies.

The WESCO Lean Program is focused on engaging all employees in continuous improvement activities through employee-led daily management meetings and kaizen (continuous improvement) workshops that are run by multi-level, multi-disciplinary teams. In 2020, our employees conducted more than 330 kaizens, which centered on safety, energy efficiency, customer satisfaction, waste minimization, and cost savings.

Our tiered training introduces employees to lean principles and then provides opportunities to gain increasingly stronger lean and leadership skills and experience within our structured problem-solving kaizen process. More than 6,500 of our employees hold at least an introductory white belt in lean, and 500-plus have yellow or green belt certification.

We empower every employee to self-initiate lean activities with support from their lean champions or our lean team. Our managers and executives also serve as lean coaches who are focused on continuous improvement. In addition to the WESCO Lean Program, we use our sustainable products in our own operations to drive efficiency and reduce waste. Energy-efficient lighting, power plugs, and solar energy are just a few of the technologies that we install at our facilities. (See the [Energy](#) section.)

We use our expertise in lean along with our sustainable products to help our customers improve the sustainability of their processes and facilities. Additional information can be found in the [Sustainable Products and Services](#) section.

We are also working with our suppliers to better understand and address their sustainability challenges and opportunities. Our efforts range from our Supplier Code of Conduct to a supplier sustainability questionnaire. See the [Supply Chain](#) section for details.

2016 - 2022 Sustainability Goals

Achieved through 2020 from Baseline

| | |
|---|----------------------|
| Reduce landfill waste intensity by 10 percent at locations in our 2016 baseline by 2022. | 13 percent increase |
| Reduce greenhouse gas emissions intensity 8 percent from 2016 levels by 2022. | 23 percent reduction |
| Reduce facility energy intensity 10 percent from 2016 levels by 2022. | 9 percent reduction |
| Improve the fuel efficiency of our trucks 3 percent from 2016 levels by 2022. | Goal met in 2018 |
| Achieve a 40 percent reduction in the total recordable incident rate (TRIR) by 2022 from a 2017 baseline. | 55 percent reduction |

The update to our goals for 2020 reflect WESCO only data in order to have an equal comparison to previous years. We believe a portion of the reduction in this year's GHG and Energy intensity is due to the COVID-19 Pandemic and the significant reduction in employees in the office.

2030 Sustainability Goals

| |
|--|
| Reduce absolute Scope 1 and 2 greenhouse gas emissions by 30 percent from a 2019 baseline by 2030. ¹ |
| Reduce landfilled waste intensity by 15 percent across our US and Canadian locations from a 2020 baseline by 2030. |
| Achieve a 15 percent reduction in the Total Recordable Incident Rate TRIR by 2030 from a 2020 baseline. |
| Committed to providing 425,000 hours of Safety training and development to our employees by 2030 |

¹ Unless otherwise indicated, the greenhouse gas emission goal and baselines are based on the following assumptions and estimates. The baseline for our GHG goal reflects the use of a 2019 baseline to mitigate the impacts of the COVID-19 pandemic on our operations, as we anticipate a return to normalized operations during the relevant achievement period and estimated Anixter building and fleet information, based on corresponding assumptions and estimates made using historical WESCO data. Our total estimated 2019 baseline emissions are 107,178.8 MTCO2e for WESCO | Anixter, with a goal of achieving emissions of 75,025.2 by 2030.

Reporting and Materiality

The 2021 WESCO Sustainability Report follows the core option of the Global Reporting Initiative's Standards.

Unless otherwise noted, the information and data contained in this report cover the combined operations of WESCO and Anixter, which was acquired in June 2020.

Our senior leaders were involved in the development and review of this report to ensure the content is accurate, balanced, and representative of our commitment to be transparent in reporting our economic, environmental, and social impacts.

We gather input from various sources to identify the content and material topics for our sustainability reporting. For this report, we relied on the following inputs:

- Customer surveys of our sustainability progress;
- Employee surveys and other feedback mechanisms;
- Feedback from customers, employees, suppliers, nongovernmental organizations and other stakeholders on prior sustainability reports;
- Topics evaluated by external ranking organizations, such as [CDP](#) and [EcoVadis](#);
- Insight from our senior leaders;
- Our enterprise risk management process;
- Applicable government regulations; and
- Priorities of industry associations in which we participate.

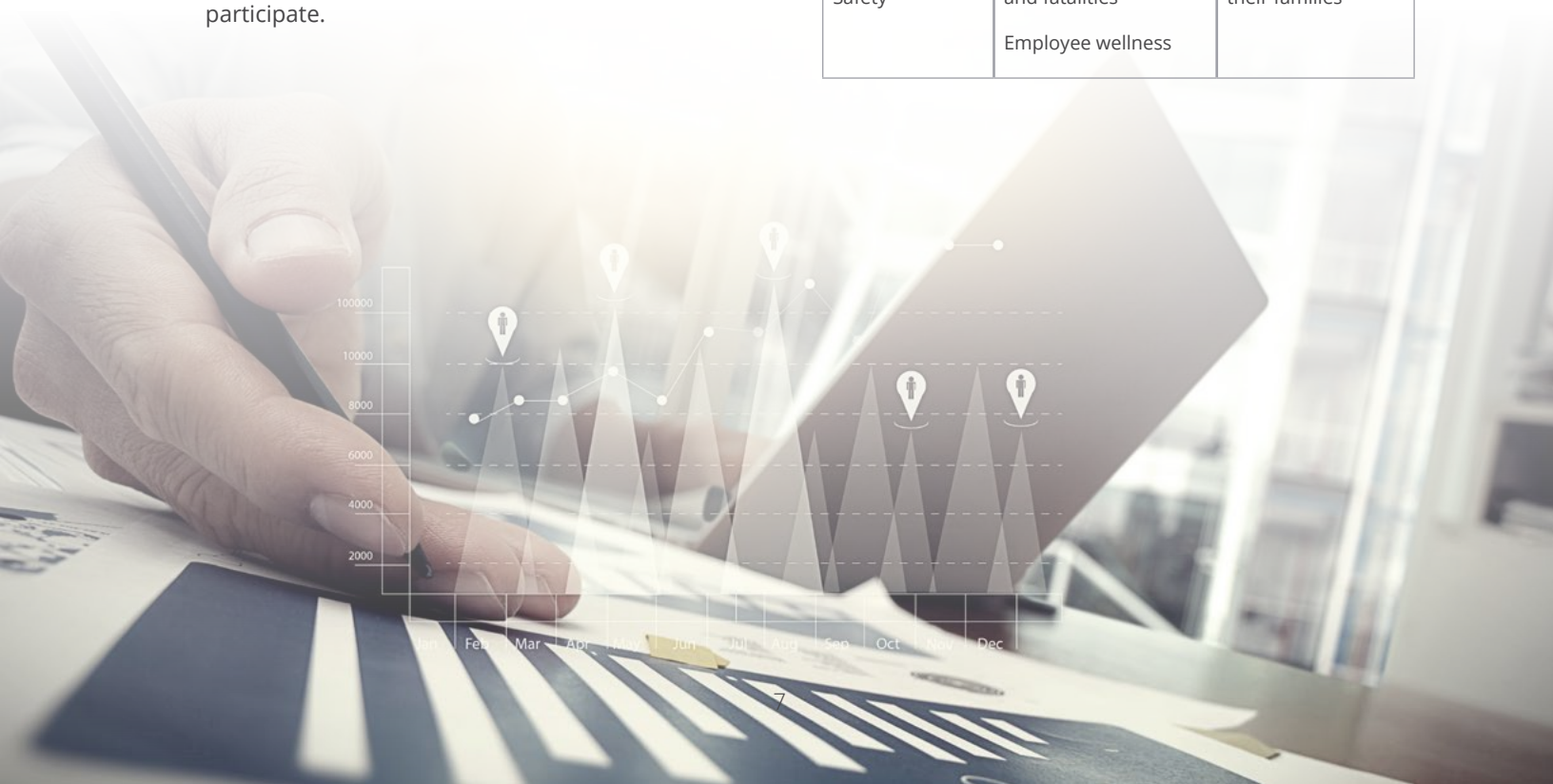
ASSURANCE

We did not seek third-party assurance for this report, but we will continue to explore doing so for future reporting.

The information and data contained in this report have been vetted by internal personnel with subject matter expertise on the topics on which we have reported.

Below are the material topics for our reporting. Additional information about impacts and boundaries can be found in the respective sections.

| Materiality | | |
|-------------------|---|--|
| Material Topic | Significant Impacts | Boundary |
| Supply Chain | Supplier diversity Supplier sustainability | Entire supply chain |
| Energy | Energy used internally Customer energy use | Customer energy use |
| Waste | Waste generated | WESCO facilities globally and local communities |
| Emissions | Emissions generated Customer emission | WESCO facilities globally, customers and local communities |
| Health and Safety | Employee injuries and fatalities Employee wellness | Employees and their families |



Stakeholder Engagement

We believe it is critical at all levels to continually improve our communication, cooperation, and sustainable practices through engagement with our stakeholders. These stakeholders include our employees, customers, suppliers, and communities that are influenced or affected by our operations.

We regularly use information from various stakeholder engagements to inform our goals, shape our practices, and refine our reporting. These touchpoints are determined by our mutual priorities, initiatives, and needs. In 2020, this engagement identified no significant stakeholder concerns or issues with our operations.

We place a high value in hearing from our stakeholders, including feedback on our sustainability strategy and execution. [Contact us](#).

OUR PEOPLE

At WESCO, people come first. We use multiple formal and informal touchpoints to engage our employees, including an annual global meeting with the CEO and our executive team as well as employee town hall meetings. We also conduct local and regional employee meetings throughout the company.

OUR INVESTORS

We engage current and prospective shareholders and financial analysts through our proxy statements, annual reports, quarterly earnings calls, and periodic investor events. We also meet with investors at numerous industry investor conferences and non-deal roadshows annually. At these events and through written communications and telephone calls, investors communicate with our Investor Relations team and senior management about issues regarding WESCO and the conduct of our business.

OUR CUSTOMERS

We communicate regularly with our customers through formal and informal channels, and we coordinate our engagement through daily business operations. We also review their requests for proposals and inquire to identify their most important issues. We provide them with extensive products and services information, training, and, where appropriate, various systems to address questions and concerns.

OUR SUPPLIERS

Globally, we engage with more than 30,000 partners and suppliers. We have dedicated supplier management teams that work with and hear directly from them, helping us identify which procurement and other practices matter to them. Our [Supplier Code of Conduct](#) sets out our expectations for suppliers, and the supporting ESG supplier questionnaire provides insights into their practices and informs our procurement and supplier management activities.

OUR COMMUNITIES

We conduct business in more than 50 countries and operate around 800 facilities and offices. These facilities are in communities that are home to our employees and their families as well as to our customers and their stakeholders. We want these communities to be inclusive, sustainable, and prosperous places to live and work. We support numerous charities, and our interactions with them provide valuable insights into the needs of our communities from multiple perspectives. Our employees are also active in many communities through fundraising, volunteering, contributing products, and performing local advocacy to address local needs. Many of these initiatives are supported by the WESCO International Charitable Foundation and Anixter Cares program, including for example strategic partnerships with Habitat for Humanity and American Red Cross.

MEMBERSHIPS

- Allegheny Conference on Community Development
- Electric Utility Industry Sustainable Supply Chain Alliance
- Institute of Supply Management
- National Association of Electrical Distributors
- National Association of Manufacturers
- National Association of Wholesaler-Distributors
- Responsible Business Alliance
- United Nations Global Compact

United Nations Sustainable Development Goals

We are committed to the [United Nations Sustainable Development Goals](#) (SDGs), which are a call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.

Our efforts in 2020 had the greatest impact on the achievement of the following five goals:



We created and maintained a healthy and safe working environment during the COVID-19 pandemic to protect our employees, their families, and the communities in which they live and work. [Learn more.](#)



We have ambitious energy-reduction goals. We are also a leading provider of products and services focused on energy efficiency and renewable power, helping us minimize our consumption and that of our customers. [Learn more.](#)



We offer a wide range of sustainable products and services from the world's leading manufacturers, enabling customers to meet their sustainability goals. [Learn more.](#)



Reducing inequality has been a priority for us and in 2020 it became even more of a focus. We are working internally and externally to reduce inequality throughout our organization and supply chain. [Learn more.](#)



Through our sustainability goals, we are committed to reducing our environmental impact. We use our products within our own operations wherever possible to drive efficiency and reduce energy, emissions, and waste. [Learn more.](#)



Corporate Governance

WESCO is committed to sound business practices and effective corporate governance across the organization. We seek to foster a culture of integrity, accountability and transparency, and we place a high value on ensuring that we operate according to sound ethical principles in everything that we do.

Our [Board of Directors](#) oversees and assesses the performance of our [executive officers](#) on behalf of our shareholders to ensure that the company is acting in their long-term interests. Board members are guided by our Code of Business Conduct, Corporate Governance Guidelines and other policies that are available on our [website](#).

The Board of Directors maintains the following four standing committees to assist in discharging its duties:

- **Audit Committee:** Ensures the integrity of our financial statements and compliance with legal and regulatory requirements. Manages our internal and external auditors.

- **Compensation Committee:** Has overall responsibility for evaluating and approving the structure of our executive compensation plans, policies, and programs.
- **Executive Committee:** Exercises all the powers and authority of the board in the management of the business and affairs of the company when the full board is not in session.
- **Nominating and Governance Committee:** Oversees the composition of the board by regularly reviewing membership and nominating prospective members.

GOVERNANCE

We use an enterprise risk management process that actively engages our directors in assessing the risks and opportunities facing our company. The board receives a full update annually as well as ongoing information on the most critical risks. Our management also reports to the board annually on the status of our ESG program.

A list of our risk factors can be found in our [2020 Annual Report](#).

2021 BOARD OF DIRECTORS



John J. Engel
Chairman, President and Chief Executive Officer
WESCO International Inc.



Anne M. Cooney
Former Division President
Siemens, Inc.



Matthew J. Espe
Operating Partner
Advent International



Bobby J. Griffin
Former President
International Operations
Ryder System, Inc



John K. Morgan
Former Chairman
President and Chief Executive Officer
Zep Inc.



Steven A. Raymund
Former Chairman
Tech Data Corporation



James L. Singleton
Chairman and Chief
Executive Officer
Cürex Group Holdings, LLC



Easwaran "Eash" Sundaram
Former Executive Vice President and
Chief Digital and Technology Officer
Jet Blue Airways



Laura K. Thompson
Former Executive Vice President
The Goodyear Tire & Rubber
Company



Lynn M. Utter
Former Chief Talent Officer
Atlas Holdings

Ethics and Compliance

We are proud of our reputation as a fair, honest, and ethical company, and we are committed to operating in a socially responsible manner.

Through our Ethics and Compliance Program, we promote an ethical culture across the organization and ensure that all WESCO directors, officers, and employees act and conduct business with the highest degree of honesty and integrity, comply with applicable laws, and adhere to company policies and procedures. As we continue to integrate WESCO and Anixter, we are dedicated to ensuring our commitment to ethics remains a core organizational focus.

It is the responsibility of our executive vice president and chief financial officer, with support from our internal Ethics Committee and Legal Department, to enforce our compliance program and drive its various components. Set forth in company policies, these components include:

- [Code of Business Ethics and Conduct](#);
- Global Anti-Bribery and Corruption Policy;
- Human Rights Policy;
- Internal Audit Program;
- Tele-Tip Hotline Program;
- Whistleblower Policy;
- Anti-Fraud Program; and
- Diverse Business Contracting Compliance Policy.

We also hold suppliers to our high ethical standards. Our [Supplier Code of Conduct](#) sets forth our global expectations in a variety of areas, including human rights and business ethics and integrity.

CODE OF BUSINESS ETHICS AND CONDUCT

We are guided by our [Code of Business Ethics and Conduct](#) when conducting all business matters. Each employee is required to act with integrity and use proper judgment in any given situation. Our reputation has been built by employees who understand the value we place on these qualities, and we continue to build that reputation each day. Our integrity has helped us become a global leader in the industries we serve.

Our Code of Business Ethics and Conduct is designed to assist our employees in complying with the laws and ethical principles that govern our business conduct.

To sustain a culture of honesty, accountability, and integrity and to identify potential risk areas, 100 percent of our employees acknowledge each year that they have received and read the Code of Business Ethics and Conduct and will comply with it.

GLOBAL ANTI-CORRUPTION POLICY

We promote responsible business practices at every level of the company. Countering bribery and corruption is one of our standards and a primary focus area of our global compliance program.

We take a zero-tolerance approach to bribery and other forms of corruption, and we are committed to acting professionally, fairly, and with integrity in all business dealings and relationships.

We uphold all laws countering bribery and corruption wherever we operate. No employee or anyone acting on our behalf may promise, offer, give, authorize, request, agree to receive, or receive – directly or indirectly – a bribe to or from anyone.

Our anti-bribery and corruption program comprises the following components:

- Policies;
- Oversight, autonomy, and resources;
- Commitment from senior management;
- Third-party due diligence;
- Incentives and discipline;
- Training and communication;
- Confidential reporting and investigations;
- Merger and acquisition due diligence and integration;
- Risk assessments;
- Periodic testing and review; and
- Training and education.

HUMAN RIGHTS POLICY

We are committed to ensuring that all employees are treated with dignity and respect. Our Human Rights Policy promotes diversity, safety in the workplace, freedom of association and collective bargaining, training, and the interests of disabled employees. It prohibits discrimination, harassment, and child and forced labor. It also provides guidance on appropriate working hours, wages and benefits, and workplace conditions. (See the [Human Rights](#) section.)

INTERNAL AUDIT PROGRAM

Our Internal Audit Department performs independent assessments of branch, distribution center, and enterprise-level processes and controls and is directly involved in reviewing reported or suspected unethical behavior. It also conducts special investigations to help enforce the Code of Business Ethics and Conduct.

Our target is to audit each WESCO branch and acquired company every three years and achieve an average score of at least 90 percent. The in-depth audit evaluates nearly 50 processes and policies in the areas of administration (which includes ethics and compliance), finance, inventory, safety, and security. The Internal Audit Department also participates in the Enterprise Risk Management process and performs audits and reviews of emerging risks that may impact the company.

The WESCO Controls and Compliance (Audit) Application serves as an electronic repository for key branch controls and documents for areas such as ethics, safety, and compliance. The application has a reporting feature that enables higher-level management to review and monitor control compliance and quickly identify issues and training opportunities for the branch teams. We believe this tool will be central to achieving our goal of a 90 percent average audit score.



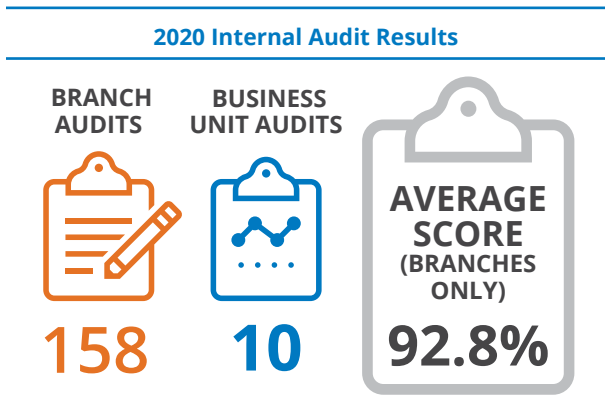
TELE-TIP HOTLINE PROGRAM

We offer a confidential hotline for employees and outside parties to report issues of concern regarding workplace activities or business practices in their local language. All calls are confidential and can be placed 24 hours a day, seven days a week. Individuals also can submit their concerns through an ethics and compliance email or mailing address. [Access Tele-Tip.](#)

Each call, email, and letter that our third-party vendor receives is sent to our manager of security and investigations and our Human Resources team, which assign investigative responsibility to the appropriate senior-level employee. The person submitting the tip remains anonymous unless he or she chooses otherwise.

Depending upon the nature and severity of the issue raised, external resources like law enforcement and outside counsel may be brought in to assist with the investigation. We communicate back to the third-party vendor once each issue is resolved so the person who submitted the concern can be informed that it has been fully investigated and appropriate steps have been taken.

In 2020, Legacy WESCO received 63 tips and resolved 92 percent of these matters within an average of 20 days. Areas of concern primarily involved human resources matters or theft allegations. Resolutions ranged from no action required to reprimands and terminations.





WHISTLEBLOWER POLICY

We strive to maintain an open-door policy that allows our employees to act on their concerns without fear of retaliation, punishment, or unfair treatment. [Download the policy.](#)

Employees are encouraged to disclose information they feel could adversely impact the company, investors, customers, suppliers, other employees, or the general public through the confidential Tele-Tip Hotline. All whistleblower tips are addressed using the hotline process outlined above.

ANTI-FRAUD PROGRAM

Fraud in any form is not tolerated at WESCO. We fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity regardless of a person's position, title, length of service, or relationship with the company.

Anti-fraud guidelines are contained within our [Code of Business Ethics and Conduct](#) and our [Supplier Code of Conduct](#). We also cover fraud-related matters in our anti-corruption training, and employees are required to follow our Counterfeit Product Prevention Policy, which addresses product fraud. We are committed to detecting and preventing the presence of counterfeit products in our supply chain and will not knowingly purchase or sell any counterfeit products.

Employees are encouraged to disclose suspected fraud through the confidential Tele-Tip Hotline or the ethics and compliance email or mailing address. All issues raised are addressed using the hotline process outlined above.

DIVERSE BUSINESS CONTRACTING COMPLIANCE POLICY

Many federal, state, and local government agencies have diversity participation initiatives aimed at fostering the growth and development of qualified minority, women, and disadvantaged business enterprises (MWDBEs). As a government contractor, we are committed to supporting these initiatives.

Our Diverse Business Contracting Compliance Policy helps ensure that we are complying with all laws and regulations concerning MWDBE participation on government-funded projects. In particular, we are committed to the legitimate participation of properly certified MWDBEs that can and will perform a commercially useful function on the public projects in which they participate. We do not and will not knowingly participate in pass-through transactions with MWDBEs on public projects, nor will we assist others in doing so.

We have a comprehensive training program on diverse business contracting compliance for our salespeople and other employees who are involved with government contracts and MWDBEs. Our salespeople also acknowledge receipt and compliance with our diversity contracting compliance policy during the onboarding process at the start of their employment.

ISSUE-SPECIFIC ACTIONS

Ethics and compliance issues that may be out of the scope of our normal operations and not covered by any policy or program are addressed on an individual basis. When appropriate, we create a new policy, training program, or other proactive measure to address the issue.

Human Rights

We believe in the protection of human rights and that all individuals should be treated fairly, ethically, and with dignity and respect.

We are committed to integrating respect for human rights into our practices wherever we do business, either directly within our own global operations or throughout our supply chain. This commitment is reflected in our core values.

With company policies that clearly state a commitment to human rights and efforts undertaken to strive toward conflict-free supply chains, we comply with applicable employment laws and regulations around the globe and do not tolerate human rights violations or discrimination of any kind. We uphold human rights based on our policies and regular management reviews combined with ongoing engagement with peers and experts in the field.

Many of our standard practices are embedded in our Human Rights Policy and are conveyed to our employees through training and annual reaffirmation statements. Our confidential [Tele-Tip Hotline](#) is available for employees and all stakeholders to report suspected human rights violations within our operations and those of our suppliers.

HUMAN RIGHTS POLICY

Diversity and Non-Discrimination

WESCO values the diversity of all of its employees and does not tolerate discrimination of any kind. WESCO is committed to maintaining a workplace that is free from discrimination. Recruiting, hiring, compensation, and advancement are based on qualifications, skills, and experience. Every calendar year, WESCO distributes to all locations the “Reaffirmation of the EEO/AAP/Disabled/Veteran Policies,” which states that discrimination will not be tolerated.

Harassment Prohibition

All WESCO employees are expected to treat their coworkers and employees of customers and suppliers with dignity and respect. WESCO will not tolerate harassment of any kind. All complaints or reports of harassment will be investigated confidentially. Each year, WESCO issues to all employees the “Reaffirmation of the Unlawful Harassment Policy,” which states that every employee should be treated fairly, with consideration and respect.

Child or Forced Labor

WESCO will not employ anyone younger than the minimum age established by local jurisdiction. WESCO will not allow imprisoned, indentured, bonded, enslaved, or any other types of forced labor in its operations. WESCO does not tolerate, engage in, or support the use of corporal punishment, threats of violence, or other forms of mental or physical coercion.

Working Hours, Wages, and Benefits

WESCO compensates employees at a competitive rate compared to the industry and local labor market. WESCO operates in full compliance with applicable wage, work hours, overtime, and benefit laws.

Workplace Conditions

WESCO provides working conditions that are safe and healthy to all employees. All employees are entitled to reasonable rest breaks and access to toilets, rest facilities, and potable water at their place of work. All employees are provided with appropriate job skills training. WESCO declares that employees receive 24 hours of rest within a time frame of seven consecutive days throughout the entire scope of operations.

Safety in the Workplace

WESCO provides a safe and secure environment for all employees. WESCO minimizes employee exposure to potential hazards by identifying risks and developing policies and procedures to minimize the chance of potential hazards happening.

Freedom of Association/Collective Bargaining

WESCO follows all applicable laws regarding employees’ ability to form or join labor unions. WESCO is committed to bargaining in good faith in such instances.

Training

All WESCO employees are required to familiarize themselves with this policy. Managers who are likely to receive reports of policy violation should know to direct employees to their human resources representative.

Disabled Employee Workforce

WESCO employs qualified individuals without regard to physical/mental disabilities that do not affect the employee’s ability to perform the essential functions of the job. WESCO provides reasonable workplace accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship to the business.

Sustainable Products and Services

We are more than a distributor. We are a partner that enables our customers and suppliers to grow their businesses, reduce their operating costs, and minimize their environmental impacts through the products we sell and the services and information we provide.

PRODUCTS

We offer a wide range of sustainable products from the world's leading manufacturers and can help our customers determine the best solution to meet their sustainability goals.

Key categories include:

- **Energy-efficient products:** Advances in lighting, motors, drives, transformers, and other mechanical products that we sell make it affordable and cost-effective to install energy-efficient products.
- **Energy-management solutions:** Our smart building solutions give better visibility and control of energy consumption. These range from simple and cost-effective lighting and HVAC controls to advanced building automation and monitoring equipment.
- **Renewable energy products:** We offer turnkey renewable energy solutions that include solar and micro-turbine wind.
- **Sustainable MRO products:** We have a broad range of sustainable maintenance, repair, and operating products to support green procurement goals.
- **Workplace safety products:** Through our [Conney Safety](#) and [Hazmasters](#) divisions, we offer a full range of products and equipment designed to help keep people safe in the workplace.

WESCO TRANSFORMATION SERVICES

Through WESCO Transformation Services, we provide customers with a single access point to the products and services that can help them achieve their sustainability and other goals.

We first identify a customer's desired future state and then engage and coordinate various WESCO teams and programs, such as WESCO Lighting Solutions and Value Creation, to develop, implement, and manage a comprehensive solution to achieve it. At times, we bring in third-party providers for products or services that are not part of our own offerings but add value to the overall solution.

Because our customers can access our entire product and solutions portfolio through a single interface, they enjoy a more efficient and streamlined relationship with us. That relationship can be for a single project, such as a lighting retrofit, or a portfolio of solutions that we implement on a local, regional, or global level.

WESCO Transformation Services covers two main categories of solutions:

- **Asset health,** which includes energy services for the entire building envelope; renewable energy investments; automation managed solutions; and security and critical infrastructure services; and
- **Supply chain health,** where customers outsource part or all of their procurement function to WESCO.

Sustainability benefits that customers can gain through WESCO Transformation Services include reduced environmental impact, more efficient operations, and a streamlined supply chain.



Smart Meters: Building Your Smart Infrastructure Just Got Easier

By Todd D. Smith, WESCO Energy Solutions

Apr 16, 2020

[Lighting](#) [Data Communications](#) [Sustainability](#) [Electrical](#)

A smarter infrastructure begins by leveraging new and emerging technologies to ensure immediate bottom-line savings. These future-proof solutions will grow as the needs of your building change.

[Read More >](#)



The Who, What, and Why of Electric Vehicle Charging Stations

By Fern Richardson

Mar 27, 2020

[Lighting](#) [Data Communications](#) [Sustainability](#) [Electrical](#)

There are currently 32 models of electric vehicles available for purchase in the United States. By the start of the next decade, it's projected that more than half of new car sales will refuel by plugging in.

[Read More >](#)



Energy Savings Is Only One Benefit of Lighting Controls

By Wendy Simmons

Feb 12, 2020

[Lighting](#) [Sustainability](#)

Advanced lighting controls, also known as networked lighting controls, are becoming increasingly important in the energy efficiency world. Lighting controls provide a way to enhance energy savings from lighting and even HVAC and mechanical retrofit projects.

[Read More >](#)

Sustainable products and solutions are featured on WESCO's blog.

WESCO ENERGY SOLUTIONS

WESCO Energy Solutions uses a customer-centric approach to deliver turnkey solutions. From conception through installation, we leverage energy-efficient solutions to help our clients lower operational expenses, achieve their sustainability goals, and future-proof their facilities.

Our advanced portfolio of energy-efficient services and solutions include:

- LED lighting;
- Smart building controls;
- Internet of things (IoT);
- Smart metering;
- Building health optimization;
- Electric vehicle charging;
- Solar photovoltaic;
- Peak demand charge mitigation;
- Water conservation;
- Compressed air optimization; and
- HVAC coatings.

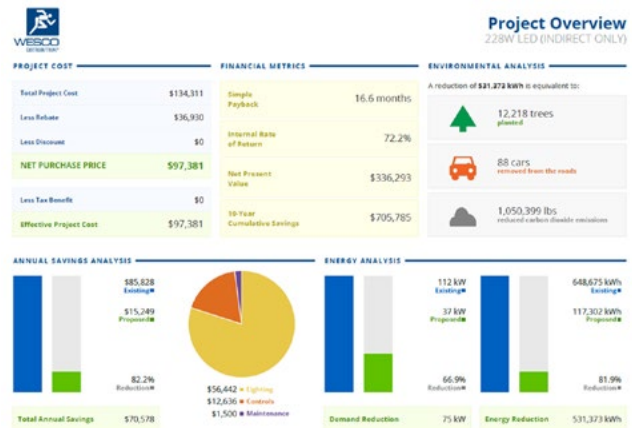
For each project, we leverage our technology and strong supplier relationships while considering price, performance, cost-of-maintenance, warranty, and manufacturer reliability and stability. WESCO Energy Solutions serves as a single point of contact throughout the retrofit process, allowing our customers to easily implement a complex array of energy-efficient solutions.

Following a preliminary assessment, we conduct an audit of the facility being considered for an energy-efficiency upgrade. Our detailed analysis of the audit's findings results in the most energy- and cost-efficient configurations.

In addition to project costs, we provide substantial information that enables our customers to make the best decision for their situation. This includes:

- A detailed financial analysis, including a cost-savings breakout and payback period;
- Energy reduction in kilowatt hours saved, the equivalent greenhouse gas emissions eliminated, and the emissions-reduction equivalent in terms of trees planted and cars removed from the road;
- A line-by-line energy analysis of each proposed fixture;
- Available rebates; and
- Financing options.

Once a project is approved, we can provide turnkey, cradle-to-grave project management services. We can select and manage the contractor, write grant proposals, coordinate securing rebates, handle the recycling of the old fixtures, and more. [Learn more.](#)



2020 WESCO Energy Solutions Project Summary

| | |
|---------------------------------------|-------------------------|
| Projects Completed | 4,232 |
| Carbon Dioxide Emissions Avoided | 154,084,640 metric tons |
| Kilowatt Hours Saved | 77,947,891 |
| Client Energy and Maintenance Savings | \$34 million |

These estimated results are based on a pool of data that is representative of the average full turnkey and product-only energy projects executed by WESCO in 2020.





PREScription FOR ENERGY SAVINGS

When one of the largest U.S. drugstore chains stepped up its energy-savings initiatives, the retailer turned to WESCO Energy Solutions for a turnkey LED lighting upgrade and project execution.

The project presented complex project management and product selection challenges due to a wide variety of layouts and existing lighting technologies in the chain's stores. To meet the enormous scale of the project, WESCO Energy Solutions provided full-scope services that included store surveys and audits; material stocking and distribution; work scheduling with local store managers; permit application and approval; and sub-contractor management.

WESCO Energy Solutions also delivered a streamlined rebate and proposal process, created new standards in customer service, and cut retrofit time by 75 percent, with most sites completed within a single visit. To handle the large number of simultaneous retrofits, dedicated product warehouses and additional suppliers were secured to ensure uninterrupted supplies.

Project Results

Stores: 4,277

Size: 59 million square feet (5.4 million square meters)

Energy savings: 152 million kWh

Energy Cost Savings: \$17 million

Rebates Received: \$2 million

Average MTCO_{2e} Reductions: 35,992 annually (equivalent to removing 7,828 cars from the road)

The results above are from an ongoing project reflecting project results for years - 2018-2020

WESCO RENEWABLES

Whether the focus is residential, commercial, or utility-scale solar, WESCO Renewables offers the products, solutions, and expertise to meet customer and market demands.

We partner with the world's industry-leading providers of solar products and solutions, including manufacturers of photovoltaic modules, inverters, racking, balance of systems, energy storage, and electric vehicle charging solutions. These partnerships and our unique supply chain value proposition, which includes everything from vendor-managed inventory to financing solutions, have made us a vendor of choice in this growing market.

Many variables contribute to growing market projections, including battery energy storage solutions, tax credit extensions, and new

administration goals and objectives regarding clean energy and climate control. Our renewables team comprises experts that can provide in-depth information on the ever-changing solar market, as well as knowledge and technical support for our installers and end-users.

This combination of products, services, and technical expertise allows our renewables customers to remain

focused on selling and installing solar systems. The result is increased profitability and reduced operating costs for our customers and more solar energy on the grid.

In 2020, we worked with our customers to install products with more than 200 million kilowatt-hours of renewable energy generating capacity. The amount of greenhouse gas emissions avoided is equal to the emissions from:

- Driving more than 30,650 vehicles for one year;
- Consuming 16 million gallons (61 million liters) of gasoline;
- Powering 16,372 homes for one year; or
- Burning 70,912 metric tons of coal.

The emissions avoided also equaled the carbon sequestration of 2.3 million seedlings over 10 years and nearly 185,300 acres (75,000 hectares) of forest in one year.



VALUE CREATION

Through our Value Creation initiative, our experts go outside of our organization to help our customers apply the same lean concepts to various aspects of their value chain. Depending upon specific customer needs, our team can enhance productivity, improve safety, reduce costs, minimize waste and emissions, increase energy efficiency, and achieve positive bottom-line results.

Areas of focus include:

- Logistics;
- Transportation;
- Warehousing operations;
- Supply chain quality;
- Energy;
- Sourcing; and
- Transactional management.

Working in partnership with our customers, we identify the issues or opportunities and assess the situation through onsite, remote, or data-driven means to develop a custom solution. To ensure that maximum benefits are realized and sustained, we provide support during and after implementation in our customers' operations and/or supply chains.

2020 Value Creation Performance

| | |
|---------------------------------|----------------|
| Total Customer Savings Realized | \$27.8 million |
| Customer Sites | 162 |
| Solutions | 29 |
| Events Held | 644 |
| Participating Suppliers | 73 |

GOVERNMENT PARTNER NETWORK

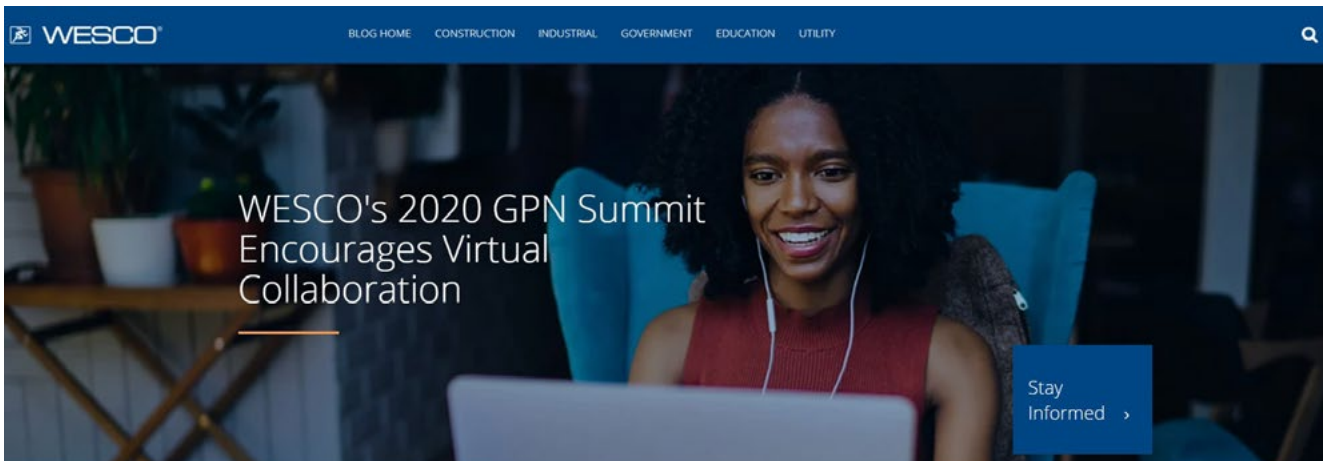
Federal, state, and local governments actively seek to award business to small and disadvantaged companies, particularly those owned by women, minorities, veterans, and the disabled. Unfortunately, many of these companies do not have the resources needed to identify and pursue these opportunities on their own.

Through our Government Partner Network (GPN), our internal government experts work with small companies and disadvantaged businesses (at least 51 percent is owned by one or more individuals who are socially and/or economically disadvantaged) that are WESCO customers to help them secure government business. We serve as an extension of their staffs, using our contacts and knowledge of government procurement to identify potential opportunities that would fit their product and service offerings.

For those opportunities that stretch beyond the capabilities of a network member, we partner with the customer directly or facilitate a joint venture or other business arrangement with appropriate WESCO customers and suppliers. This leverages their respective strengths to compete more effectively for the business, which would not be possible without the connections provided through GPN.

A core component of the program is the annual GPN Summit, where we convene approximately 150 customers, suppliers, and WESCO experts for workshops on government procurement practices and networking opportunities.

In 2020, we held a virtual conference that featured our normal array of presentations. We followed this with one-on-one networking calls to review open items and discuss specific plans for 2021 with each GPN member.



Supply Chain



We are committed to building a diverse supply chain that is focused on sustainability. It is a business imperative to ensure WESCO remains a supplier of choice for our customers.

This commitment is reflected in our supply chain mission statement, which prioritizes safety, sustainability, and supplier diversity. In addition, our Board of Directors is updated on the health and sustainability of our supply chain on a quarterly basis by our executive vice president of global supply chain and operations.

We purchase products from a diverse group of approximately 30,000 suppliers who are located predominantly in North America but manufacture products around the world. The main product categories we source are:

- General supplies;
- Communications and security;
- Wire, cable, and conduit;
- Lighting and sustainability;
- Electrical distribution and controls; and
- Automation, controls, and motors.

SUPPLIER SUSTAINABILITY

Our [Supplier Code of Conduct](#) and contractual terms and conditions set forth our expectations in the areas of human rights, health and safety, environmental responsibility, and business ethics and integrity. We expect every supplier to adhere to our standards in all of their operations. Our Tele-Tip Hotline is available for employees, suppliers, and outside parties to report any unethical conduct in our supply chain.

To help us evaluate supplier performance against our expectations and better understand the sustainability and risks in our supply chain, we conduct a supplier sustainability survey. The questions cover a broad range of topics, including conflict minerals, environmental performance, human rights, and employee and supplier diversity.

Each responding supplier will receive a sustainability score and be segmented based on performance. We will engage with suppliers who have the lowest scores to help them advance their sustainability efforts.

SUPPLIER DIVERSITY

We are committed to working with a wide array of suppliers and are taking action to increase the representation of businesses owned by women, minorities, veterans, disabled veterans and the LGBTQ+ community. These efforts are headed by our directors of global sustainability, supplier diversity, and indirect procurement.

In 2020, we renewed our commitment to supplier diversity, committing to the following guiding principles:

- We are committed to strengthening the diverse supplier community and economically contributing to our market's growth and expansion.
- We are committed to supporting customers' demand for value-added and validated diversity partners.
- We will promote engagement of small and diverse business enterprises in our distribution business.
- We do not and will not knowingly participate in pass-through transactions with LGBTQ+ or MWDBEs on public projects, nor will we assist others in doing so.
- We dedicate our organization's focus to building an authentic and engaging culture of inclusion, diversity, awareness, understanding, and cultural competence.
- We believe that harnessing our employees' various backgrounds, skills, and life experiences is vital to meet our customers' and supplier partners' changing needs.

We hired a full-time director of supplier diversity in 2020 and created a role in indirect procurement that is focused on growing our indirect diversity spend.



SUPPLIER DIVERSITY ADVOCATE

The passion Elisa Cavazos Mitchell has for supplier diversity is rooted in her own family's history.

"When he was a young man, my father left his family and friends in Mexico to immigrate to America and make a better life for himself and his future family," said Elisa, who joined Anixter in 2020 as Director of Supplier Diversity. "I watched him overcome language barriers and other obstacles on his journey to become a business owner. Friends who owned small businesses mentored him and provided opportunities. They supported his efforts to learn English and become a proud U.S. citizen and successful small business owner."

As an equally proud first-generation Mexican American, Elisa has never forgotten the importance of helping others achieve their goals. She is committed to promoting diversity and inclusion at WESCO, driving socioeconomic growth within the communities the company supports, and providing diverse-owned companies an opportunity to compete on an equal level with large companies.

"My father's experience fuels my desire to help small and diverse businesses succeed," said Elisa.

In 2020, we continued to identify Tier 1 partners* across the U.S. to capture Tier 1 spend and build a network of financially strong, value-added, and diverse partners that support the sales channels for each segment of our business. Our goal is to grow and mentor diverse Tier 1 partners, expand our reach, and drive socio-economic growth.

As part of our effort to drive supplier diversity spend, we became a member of the National Minority Supplier Diversity Council (NMSDC). NMSDC's mission is to connect corporate members with qualified minority-owned suppliers of all sizes. We are committed to working with minority business enterprises (MBE) to help our own and our customers' supply chain needs.

We have continued our strategic partnership with Dunn & Bradstreet to implement a supply chain management tool that has greatly increased our ability to identify, connect with, and onboard diverse suppliers.

In addition to driving diversity within our own supply chain, we work to increase business opportunities for customers who are small, diverse companies. Through our Government Partner Network and

*Our network of 3rd party vetted MWDBEs, LGTBQ+ and Small Business Enterprises work directly with WESCO customers and the sales team. Providing contract support and a commercially useful function (CUF).

the WESCO Diversity Alliance program, our internal experts provide one-on-one assistance to help member companies secure public and private spending designated for small and disadvantaged businesses.

We also hold an annual event where Government Partner Network (GPN) members network with each other, our government team, and key WESCO suppliers to explore potential joint ventures and other business arrangements to compete for government opportunities more effectively. Additional information about GPN is available in the [Sustainable Products and Services](#) section.

ELECTRONIC DATA INTERCHANGE

In 2020, we engaged with approximately 1,600 supplier partners and approximately 2,600 customers through electronic data interchange (EDI). Using EDI with our suppliers and customers allows us to streamline the sharing of order information and eliminate various paper documents mailed between organizations. This included 2 million customer and supplier invoices in 2020.

We will continue leveraging automation in all areas of our supply chain, including electronic procurement with customers and suppliers.



Environmental Management

Environmental sustainability is a priority for WESCO. We are committed to progressing against our goals, learning as we go, and making sustainability practices accessible to our employees and customers.

The foundation is our [Environmental Sustainability Policy](#), which aligns with key provisions of the ISO 14001 environmental management standards. The policy includes clear management accountability for environmental sustainability, direct program responsibilities, and key performance indicators and other metrics to track progress. The policy is supported through our energy and environmental management plan that follows the plan-do-check-act strategy.

We track our energy, emissions, waste, and water data at the location and global levels, with senior management regularly reviewing performance to identify gaps and issues and further refine the plan.

We calculated baselines for the following, and these will be the starting point for our news goals:

- GHG emissions for the U.S., Canada, and the U.K. (as well as emissions intensity per square foot, employee, and revenue);
- Energy consumption for the U.S., Canada, and the U.K. (kWh of electricity, therms of gas, gallons of fleet fuel); and
- Waste generation and recycling.

We will begin reporting on these goals in our 2022 Sustainability Report.

Energy

Efficient use of energy is a core component of our business strategy. As a leading provider of products and services focused on energy efficiency, we are in a unique position to minimize our energy consumption and that of our customers.

The vast majority of the energy we use is for lighting, heating, and cooling our approximately 800 distribution centers, branches, and offices around the world. Adding to our energy consumption is a fleet of approximately 950 trucks and 1,400 cars for our distribution and sales activities.

We will continue to implement plans to improve our energy efficiency to achieve the new goals we set in 2021.

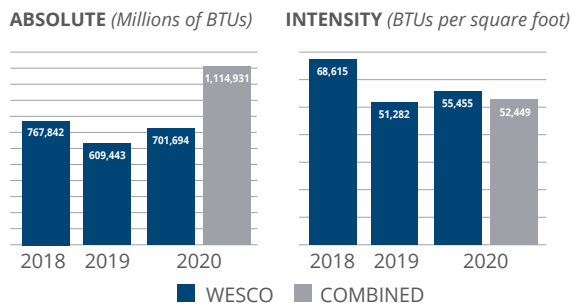
FACILITIES

Approximately 90 percent of our facility portfolio is leased, which reduces our control over the energy consumption of our facilities and adds complexity to meeting our energy-reduction goal.

Wherever possible, we engage with the owners and agents of the buildings we lease to improve energy efficiency. Our greatest opportunity to make an impact is during lease negotiations, when we provide prospective landlords with specifications that include the installation of LED lighting and programmable thermostats and recommendations for heating, ventilation, and air conditioning. We now include energy-efficiency requirements in all new building leases.

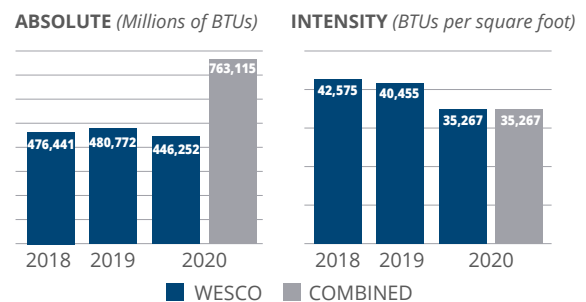
For the buildings we own, we can implement various initiatives to improve our energy efficiency since we retain total control over our energy use.

Overall Energy Use



WESCO's primary energy sources for operations are vehicle fuel, natural gas, and electricity. Intensity includes all types of energy consumed within the organization. Processes were not in place to collect building-level data for Anixter in 2018 and 2019. The 2020 combined data is estimated based on actual WESCO data for buildings, and actual WESCO and Anixter data for vehicle fuel consumption.

Facility Energy Use



Processes were not in place to collect data for Anixter in 2018 and 2019. The 2020 combined data is estimated based on actual WESCO data. Intensity for facilities is the same as Anixter's facilities' energy consumption and GHG emissions is all estimated.

Fleet Fuel Efficiency

Average miles per gallon

| | Cars | | | Trucks | | |
|------|-------|---------|----------|--------|---------|----------|
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| 2018 | 23.9 | n/a | 23.9 | 11.0 | 9.3 | 10.3 |
| 2019 | 23.6 | n/a | 23.6 | 11.0 | 9.5 | 10.3 |
| 2020 | 22.3 | n/a | 22.3 | 11.5 | 9.8 | 10.8 |

WESCO data is for operations in Canada and the U.S. only.

As a leading provider of solar solutions, we are committed to implementing this renewable energy source at the facilities we own, when technically feasible. For example, a 100-kilowatt solar installation at our Santa Clara, California branch provides 75 percent of the facility's annual energy use. We continue to evaluate additional opportunities to bring solar to other facilities.

TRANSPORTATION FLEET

Our Fleet Efficiency Policy guides our branches on reducing fossil fuel use and greenhouse gas emissions within their truck and car fleets.

When purchasing new trucks, we require an evaluation of the most fuel-efficient and alternative-fuel vehicles in each class. Branches are also encouraged to retire the least-efficient vehicles first and take steps to improve the efficiency of the remaining vehicles. Actions can include placing governors on certain new vehicles and making modifications to larger equipment, such as installing aerodynamic nose cones.

At the end of 2020, 167 of our distribution centers and branches were using industry-leading routing software to meet customer delivery dates and calculate the most efficient routes. These branches have experienced a double-digit reduction in miles driven, leading to energy and emissions savings. Better routing also has allowed us to reduce our truck fleet by 8.1 percent since 2018.

For employees who drive either a company truck or car, we provide training on ways to increase vehicle fuel efficiency. This includes accelerating gradually, maintaining proper tire pressure, conducting timely preventative maintenance, and using the most efficient routes.

Our idling policy requires an engine to be turned off unless it is essential for work. Exceptions are for engine warmup and during periods of extreme cold weather. Employees who violate the policy are subject to disciplinary action.

We also require anti-idling technology as part of our base vehicle specifications, and we began installing idling tracking software in a portion of our fleet in 2020. We anticipate continued GHG reductions since this increased visibility will allow us to implement targeted training at locations where idling performance is poorest.

To reduce energy use and emissions in our car fleet, we have been transitioning from employee-owned to company-leased vehicles. Employees in the U.S. and Canada who log more than 7,500 miles in business travel annually use a leased vehicle rather than their personal cars.

Leased vehicles give us more control over our fuel use. This has resulted in a more than 2.9 percent increase in average miles per gallon for our car fleet between the program's start in 2014 through 2020. We anticipate additional fuel savings in the future. We continue to explore more efficient vehicles, including electric and alternative fuel cars, for this program.

CUSTOMER IMPACT

In addition to bringing energy efficiency to our own operations, we help customers reduce their energy consumption through the use of our products and services.

Many of the products we sell, such as solar systems and LED lighting, deliver or enable energy-efficiency improvements. Our internal experts also engage with our customers to identify, cost-justify, and implement solar, lighting, and other transformational solutions.

Additional information can be found in the [Sustainable Products and Services](#) section.

Water

As a distributor and services provider, we are not a major consumer of water. Our facilities primarily use water for sanitation, cleaning, and irrigation purposes.

We track water usage at each of our locations and use the data to identify unusual consumption patterns that could indicate undetected leaks or excessive usage that requires intervention.

For example, four of our large distribution centers use sensors to detect water leakage and assist in monitoring average or excessive water use in bathroom water heaters and ice makers. At our Litchfield, U.K., facility, a water-harvesting system collects and filters rainwater that is then distributed on demand to various points of use, including bathrooms and irrigation around the building. The system reduces the amount of municipal water the facility uses by an estimated 36,000 gallons (136 cubic meters) annually.



Waste

We transport millions of products around the world each year, resulting in a solid waste stream comprised primarily of non-hazardous packaging-related material. Our locations have negligible to zero hazardous waste.

Our top three waste streams are cardboard, wood pallets, and plastic. To manage this waste, we first find opportunities to minimize the amount that we generate by applying lean principles. We next identify reuse opportunities, followed by recycling and, ultimately, landfilling the waste that remains.

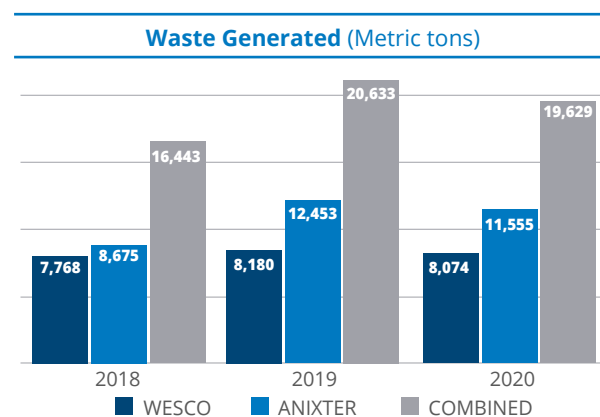
Our efforts include the following:

- **Cardboard:** We reuse boxes for customer deliveries, and we take back that cardboard upon customer request. We recycle any cardboard that cannot be reused.
- **Pallets/wood:** We reuse, recycle, sell, or return good pallets to our suppliers. An example is at our location in Alsip, Illinois, where we recycled 29 metric tons of broken pallets with a local recycler in 2020.
- **Wood reels:** Our Suwanee, Georgia, and Alsip, Illinois locations disassemble and refurbish wood reels for resale or shred them for animal bedding if they are unable to be refurbished. We also reuse our proprietary INSTA-REEL® reusable wood reels that are returned to us by customers. In 2020, 7,470 of these reels were used and returned, diverting an equal number from potentially being landfilled.

- **Plastic:** At our larger facilities, we recycle shrink wrap.
- **Printer toner cartridges:** Our global locations recycle empty toner cartridges.

Our locations and customers also have access to the lighting and electronic waste recycling services offered by a third-party vendor. This waste includes lamps, batteries, ballasts, electronics, and computer equipment. We also continuously seek local companies that can recycle our mainstream recyclables when needed.

While not substantial, our facilities also generate and separate paper, bottles, and cans. Where possible, employee volunteers deliver these materials to organizations, such as the Boy Scouts of America, that generate funding through recycling.



Waste Recycled

| | WESCO | | Anixter | | Combined | |
|------|-------------|---------|-------------|---------|-------------|---------|
| | Metric Tons | Percent | Metric Tons | Percent | Metric Tons | Percent |
| 2018 | 1,168 | 15.0 | 3,223 | 37.2 | 4,391 | 26.7 |
| 2019 | 1,287 | 15.7 | 4,572 | 36.7 | 5,859 | 28.4 |
| 2020 | 1,642 | 20.3 | 4,459 | 38.6 | 6,101 | 31.1 |

Waste Landfilled

| | WESCO | | Anixter | | Combined | |
|------|-------------|---------|-------------|---------|-------------|---------|
| | Metric Tons | Percent | Metric Tons | Percent | Metric Tons | Percent |
| 2018 | 6,600 | 85.0 | 5,452 | 62.8 | 12,052 | 73.3 |
| 2019 | 6,893 | 84.3 | 7,881 | 63.3 | 14,774 | 71.6 |
| 2020 | 6,432 | 79.7 | 7,096 | 61.4 | 13,528 | 68.9 |

Emissions

Our main source of greenhouse gas (GHG) emissions is the power used by our facilities, which accounts for nearly 70 percent of our total emissions. As such, the energy efficiency of our buildings is a key focus of our emissions-reduction activities.

Our secondary source of GHG emissions is our truck and car fleet, and a small percentage of our emissions is due to corporate travel (less than 1 percent) and the lifecycle impact of our landfilled waste (4 percent). We continue to look for new opportunities to reduce our fleet emissions through routing and consolidation, and we are also researching the use of electric vehicles as technology and infrastructure improve.

Our goal was an 8 percent reduction in total GHG emissions intensity by 2022 from a 2016 baseline. In 2020, our U.S. and Canadian operations achieved a 22.9 percent reduction in facility GHG emissions intensity compared to 2019 and a 23 percent reduction from the 2016 baseline. Estimates were made where data was unavailable. Absolute GHG

emissions increased 31.3 percent from prior year and 35.0 percent from the baseline due to adding the Anixter U.S. and Canada locations into our GHG inventory.

In 2020, we voluntarily purchased 3,636 metric tons of carbon offsets to mitigate more than 4% percent of our GHG emissions. We anticipate a similar purchase of carbon offsets for 2021.

Because we are not a manufacturer, our locations only have small amounts of GHG emissions from refrigerant leakage, propane-fueled forklifts, and diesel backup generators. These emissions were evaluated as less than 3 percent of our total facility emissions.

Information on how we help our customers reduce their GHG emissions by providing energy-efficient products and services can be found in the [Energy](#) and [Sustainable Products and Services](#) sections.

To add an additional level of transparency to our sustainability program, we complete the CDP climate change disclosure annually. [View our current and past reports.](#)

GHG Emissions Intensity

Metric tons of carbon dioxide equivalents per thousand square feet

| | Total Intensity | | Facility Intensity | |
|------|-----------------|----------|--------------------|----------|
| | WESCO | Combined | WESCO | Combined |
| 2018 | 5.3 | | 3.4 | |
| 2019 | 4.9 | | 3.0 | |
| 2020 | 3.9 | 3.9 | 2.7 | 2.7 |

Data is for U.S. and Canadian operations and does not include offset purchases. Total intensity includes both facility and transportation emissions.

GHG Emissions

Metric tons of carbon dioxide equivalents

| | Total Emissions | | Carbon Offsets | |
|------|-----------------|----------|----------------|----------|
| | WESCO | Combined | WESCO | Combined |
| 2018 | 58,782 | | 3,268 | |
| 2019 | 57,683 | | 0 | |
| 2020 | 49,955 | 85,425 | | 3,636 |

Emissions are direct (Scope 1) and indirect (Scope 2) and include carbon dioxide, nitrogen oxides (NOx), and methane. Data includes both actual and estimated emissions for our U.S., Canada, and Anixter UK operations. Operations outside of the U.S. and Canada represent less than 12 percent of our global square footage. Although not disclosed in the table above, our estimated 2019 GHG emission used for our 2030 goal can be found on page 6.

GHG Emissions by Source

Metric tons of carbon dioxide equivalents

| | Electricity | | Building Fuels | | Truck Fleet | | Leased Vehicles |
|------|-------------|----------|----------------|----------|-------------|----------|-----------------|
| | WESCO | Combined | WESCO | Combined | WESCO | Combined | WESCO |
| 2018 | 20,009 | | 17,518 | | 11,194 | | 10,061 |
| 2019 | 20,414 | | 15,534 | | 10,915 | | 10,820 |
| 2020 | 19,250 | 32,918 | 15,469 | 26,452 | 9,971 | 17,550 | 8,504 |

Emissions are direct (Scope 1) and indirect (Scope 2) and do not include offset purchases. Processes were not in place to collect data for Anixter in 2018 and 2019. The 2020 combined data is estimated based on actual WESCO data. All leased vehicles are attributed to the Legacy WESCO organization for the calculation of GHG Emissions by Source, there were no leased vehicles for the Legacy Anixter organization.

People

Our goal is to hire and retain the best diverse talent required to sustain a competitive advantage in today's global marketplace.

INCLUSION AND DIVERSITY

Inclusion and diversity (I&D) are the foundation of our high-performing culture.

We are committed to supporting an inclusive and diverse workplace that recognizes and values differences. We believe that our diversity—the many different and unique things we individually and collectively bring to work each day—contributes to building a stronger workforce and a better company. We are equally committed to increasing the diversity of our supplier network.



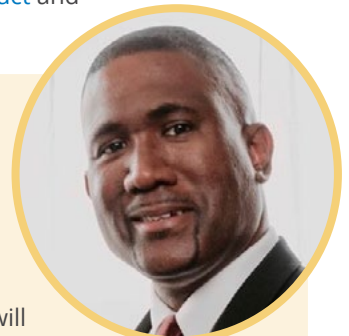
WESCO is a member of the 2020 Bloomberg Gender-Equality Index, which measures gender equality across internal company statistics, employee policies, external community support and engagement, and gender-conscious product offerings. Companies on the index scored at or above a global threshold established by Bloomberg to reflect disclosure and the achievement or adoption of best-in-class statistics and policies.

We respect and appreciate differences in age, ethnicity, Indigenous origin or heritage, gender, physical attributes, beliefs, language, sexual orientation, education, nationality, social background, culture, and other personal characteristics. We know that making the most of the wealth of ideas, talents, skills, backgrounds, and perspectives all around us helps us do more and be more—together. As such, we consciously work to create an environment that respects and values the diversity of the people and world around us.

We promote and foster an inclusive and diverse workforce and supplier network to:

- Contribute to innovation and make better decisions through exposure to broader perspectives and ideas;
- Attract a broader pool of candidates and improve employee retention;
- Build a strong workforce that is engaged and contributing to social and economic goals;
- Better reflect the diversity of the communities in which we operate; and
- Promote engagement of small and diverse business enterprises in our distribution business.

Our commitment to I&D is reflected at all levels of our company and aligns with our core values of integrity and respect. I&D is also explicitly reflected in our [Code of Business Ethics and Conduct](#) and other workplace policies.



INCLUSION AND DIVERSITY INFLUENCER

Darryl Castellano's commitment to inclusion and diversity goes beyond professional to encompass the personal.

"My new mission in life is to do whatever I can to set my three daughters up for success and to help remove any real or perceived barriers to that success," said Darryl, WESCO vice president of inclusion and diversity. "I recognize that due to the reality of their intersectionality – being female and black – there may be societal issues that they will have to overcome as they enter the workforce."

While his future is being shaped by his daughters, Darryl also pulls upon a past that was strongly influenced by his grandmother and mother.

"My grandmother had 10 children and 75 grandchildren and great-grandchildren, and she made each one of us feel like we were the apple of her eye," he recalls. "From her, I learned how to be patient, attentive, authentic, genuine, and respectful in all my dealings with people. From my mother, I learned how to work hard."

At WESCO, Darryl's past, present and future converge as he strives to advance the goals of inclusion, diversity, and equity in not only this company but the electrical distribution industry and beyond.

"My work to foster an environment of inclusivity for historically underrepresented groups is rooted in the principle that people and culture make the difference for every organization," said Darryl.

Our CEO has embedded I&D into the organization’s overall strategy and has empowered our business leaders to prioritize the topic. He also measures results and holds all leaders accountable. Our senior leadership team has input and executes our multi-year, enterprise-wide vision on inclusion, diversity, and engagement, which interconnects all of our employees, suppliers, and customers.

We have established the Global I&D Council, which comprises members of senior management, to support our business resource groups (BRGs). Our vice president of I&D and chief human resources officer chair the council.

New Corporate Values

In June 2020, WESCO and Anixter merged and we are transforming our company.

Both companies had strong corporate cultures, and our challenge was to integrate these cultures so that we could leverage the best from both companies. We followed a detailed cultural integration methodology that resulted in new corporate values and behaviors.

CULTURAL INTEGRATION METHODOLOGY

Until Day 1: Conduct diagnostics

- Ran culture interviews with leadership teams
- Reviewed culture interview results with leadership teams

Day 1 to end of August 2020: Design culture plan

- Launched employee culture survey
- Analyzed full culture survey results
- Articulated draft of new company mission/vision
- Decided on culture priorities
- Aligned on potential values

End of August to December 2020: Launch culture program

- Solicited employee input around values
- Finalized values based on employee input
- Launched additional change management activities; monitored and assessed progress

WESCO's Core5 Values



OUR PEOPLE ARE OUR GREATEST ASSET

- We keep each other safe
- We help each other to develop and reach our full potential
- We recognize and invest in our people



WINNING WITH CUSTOMERS AND SUPPLIERS

- We build strong and mutually beneficial partnerships with our customers and suppliers
- We value the voices of our customers and suppliers
- We follow through on our commitments and are trusted



ONE TEAM

- We foster effective teamwork and communication
- We value and ensure inclusion and diversity
- We listen and are honest with each other



ALWAYS STRIVE TO BE THE THE BEST

- We act with integrity and make ethical decisions
- We aim high and get results
- We are enthusiastic and we work smart
- We are committed to responsible environmental, social and governance business practices



INNOVATION

- We continually improve and welcome change as an opportunity to grow
- We innovate and execute with unrivaled focus and speed
- We transform through digitization

Training, Development, and Communication

We have developed practical training and tools for our leaders and managers to engage and leverage diverse experiences and ideas.

Business Resource Groups

A key initiative that we started in 2020 and executed in early 2021 was creating four BRGs—Women's BRG; Black, Latino, Indigenous, and People of Color (BLIPOC) BRG; LGBTQ+ BRG; and Veterans BRG. As of May 1, 2021, approximately 1,800 employees from around the globe had joined one or more of the BRGs.

These groups support our commitment to creating a diverse workplace, maintaining a culture of inclusion where employees can thrive, and valuing and encouraging different perspectives, styles, thoughts, and ideas. Each BRG focuses on professional development, networking, and community service within its respective area of concentration.

Comprising employees from every level of the company, the BRGs:

- Play a critical role in supporting our business initiatives;
- Act as a sounding board around strategic diversity objectives within the organization to help create a more inclusive work environment;
- Serve as a collective voice around shared issues or concerns that help to promote an inclusive, respectful workplace by uncovering issues that are specific to the needs of a diverse community within the organization;
- Provide opportunities for employee development, education, training, recruitment, retention, business outreach, and development; and
- Support innovation by providing insights on new markets, product development, and multicultural marketing while enhancing the company's reputation in the marketplace.

Talent Pipeline Development

We have set a high-level goal to recruit and hire females and minorities at an accelerated rate. We track and report on this data through a dashboard that measures I&D key performance indicators.

Our recruitment efforts are aided by our BRGs. We also actively recruit veterans through our partnership with [RecruitMilitary](#), which connects veterans with potential employers through job fairs and a jobs database. In 2020, we attended three of eight scheduled RecruitMilitary events prior to the onset of the pandemic. To make up for the five that were missed, we trained our Talent Acquisition team on recruiting veterans through the RecruitMilitary Green Zone training.

We communicate all of our open positions via [Circa](#), which is a network of more than 600 locally focused employment and diversity websites that helps us reach female and minority candidates. We also use the [Professional Diversity Network](#), which pairs members with employers who are serious about building a diverse workforce.

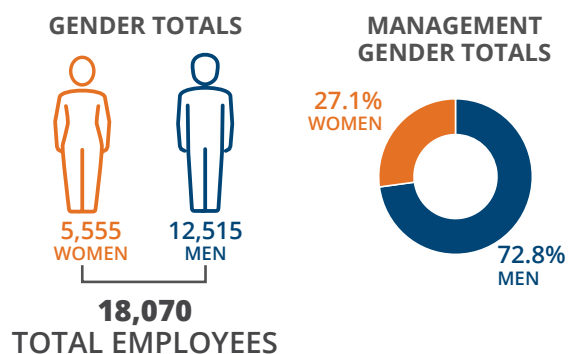
Marketplace and Supplier of Choice

Not only are we committed to an inclusive and diverse workplace, but we are also equally committed to growing our diverse supplier network. We strive to strengthen supplier diversity to contribute to the economic growth and expansion in the communities we serve.

Additional information about our efforts to increase the diversity of our supply base can be found in the [Supply Chain](#) section.

Employee Population

See full gender, race, and geographical statistics on page 30.





Number of Employees

| | WESCO | Anixter | Combined |
|------|-------|---------|----------|
| 2018 | 9,197 | 9,071 | 18,268 |
| 2019 | 9,625 | 9,244 | 18,869 |
| 2020 | 9,287 | 8,783 | 18,070 |

Temporary employees who are on the payroll are included. Temporary workers who are part of our Master Vendor Program (MVP) and paid through an outside agency are not included.

2020 Employees by Region and Employment Status

| | Permanent | | | Temporary | | |
|------------|-----------|---------|----------|-----------|---------|----------|
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| Africa | 3 | 9 | 12 | 0 | 1 | 1 |
| Asia | 60 | 573 | 633 | 0 | 8 | 8 |
| Europe | 106 | 870 | 976 | 4 | 7 | 11 |
| N. America | 8,811 | 6,498 | 15,309 | 3 | 12 | 15 |
| S. America | 270 | 802 | 1,072 | 30 | 3 | 33 |

Our workforce is not impacted by seasonal variations. Temporary employees who are on the payroll are included.

2020 Employees by Employment Type

| | WESCO | Anixter | Combined |
|-----------|-------|---------|----------|
| Full Time | 9,268 | 8,680 | 17,948 |
| Part Time | 19 | 103 | 122 |
| Temporary | 381 | 183 | 564 |

Temporary workers who are part of our MVP and paid through an outside agency are included.

2020 Gender Totals

| | Female | Male | N/A |
|------------|--------|-------|------|
| All Other | 31.4% | 68.4% | 0.2% |
| Management | 27.1% | 72.8% | 0.1% |

2020 Employees by Gender

| | Total | | | Permanent Employment Status | | | Full Time | | | Part Time | | |
|--------|-------|---------|----------|-----------------------------|---------|----------|-----------|---------|----------|-----------|---------|----------|
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| Male | 6,506 | 6,009 | 12,515 | 6,476 | 5,994 | 12,470 | 6,498 | 5,965 | 12,463 | 8 | 44 | 52 |
| Female | 2,781 | 2,774 | 5,555 | 2,774 | 2,758 | 5,532 | 2,770 | 2,715 | 5,485 | 11 | 59 | 70 |

Temporary employees who are on the payroll are included. Data for temporary workers who are part of our MVP program are not available by gender.

2020 U.S. Employees by Race

| | Male | | | Female | | | Total | | |
|-------------------------------------|-------|---------|----------|--------|---------|----------|-------|---------|----------|
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| American Indian/ Alaska Native | 17 | 22 | 39 | 6 | 9 | 15 | 23 | 31 | 54 |
| Asian | 117 | 161 | 278 | 58 | 87 | 145 | 175 | 248 | 423 |
| Black or African American | 357 | 411 | 768 | 159 | 151 | 310 | 516 | 562 | 1,078 |
| Hispanic or Latino | 493 | 629 | 1,122 | 200 | 256 | 456 | 693 | 885 | 1,578 |
| Native Hawaiian or Pacific Islander | 25 | 22 | 47 | 6 | 11 | 17 | 31 | 33 | 64 |
| White | 3,499 | 2,615 | 6,114 | 1,502 | 1,130 | 2,632 | 5,001 | 3,745 | 8,746 |
| Two or More Races | 55 | 82 | 137 | 33 | 36 | 69 | 88 | 118 | 206 |

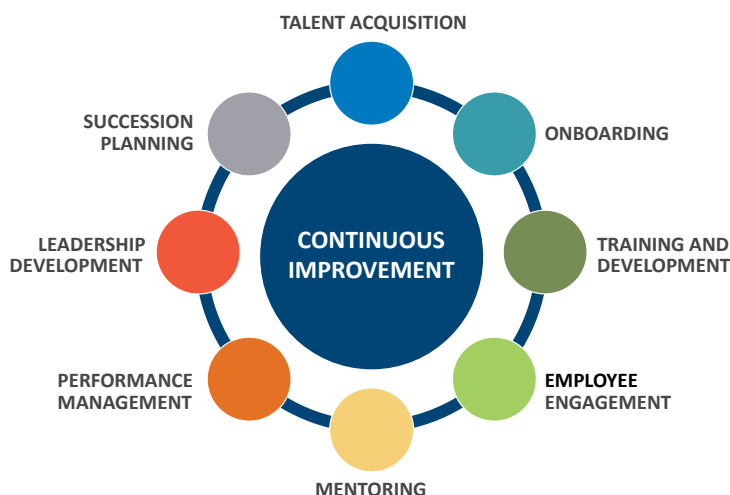
Temporary employees who are on the payroll are included. Data for temporary workers who are part of our MVP program are not available by race.

Ethnic Group Totals

| | Asian | Black or African American | Hispanic or Latino | White | Other | N/A |
|------------|-------|---------------------------|--------------------|-------|-------|------|
| All Other | 3.8% | 10.0% | 14.4% | 68.8% | 2.6% | 0.3% |
| Management | 3.2% | 2.8% | 6.2% | 86.2% | 1.4% | 0.2% |

TALENT MANAGEMENT

Our talent management platform covers acquisition through reporting and is grounded in a culture of continuous improvement.



Talent Acquisition

Our Talent Acquisition team supports the hiring needs of our hiring managers globally. These recruitment specialists use an array of recruiting tools and techniques to present the most qualified and diverse slate of applicants for each open position.

Onboarding

Employees new to WESCO watch a video—with an introduction by the CEO—about the company that provides information and training on company priorities, including safety, lean principles, and ethics and compliance.

New employees also receive an onboarding checklist that guides them on specific actions they need to take on the first day, in the first week, and in the first 30 days. Managers use a separate checklist that provides specific steps that must be taken to onboard a new employee before the first day, during the initial days, and in the first three months.

Training and Development

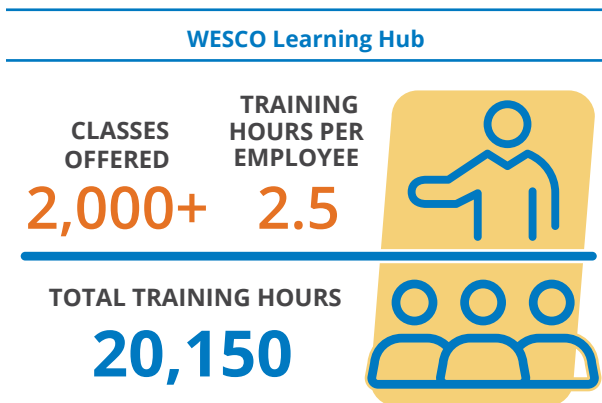
Upon being hired, employees are put onto a 30-60-90-day plan that sets them up for success. As part of this process, our employees are encouraged to create individual development goals with their managers and to review the plan at their annual performance review. To address identified gaps, we offer a range of online and in-person training available throughout the year.

The WESCO Learning Hub is our online learning platform that offers compliance- and competency-based courses. We also offer the following training for specific employee groups:

- WESCO Sales Development Training: This 12-month, hands-on training program for recent college graduates includes a combination of structured workshops and on-the-job learning at a branch to include all aspects of operations, with a focus on inside sales training.
- WESCO and Anixter Internship Program: This 10-to-12-week summer program places high-potential college students within a staff or business function at our offices in Pittsburgh, Pennsylvania and Glenview, Illinois.
- WESCO and Anixter Finance Development Program: A highly competitive, two-year rotational development program for recent college graduates seeking a career in finance. Members participate in three finance and accounting assignments for eight months each in which they help drive smart business decisions, analyze major investments, improve reporting and lead forecasting, and provide analysis for major projects. At the end of program, the Member will have a full-time position and be eligible for roles with increasing responsibilities commensurate with their career development goals.



With the support of their direct managers, our employees also have access to outside training resources, such as those available through the National Association of Electrical Distributors. In addition, we offer tuition reimbursement for employees pursuing undergraduate or graduate degrees or course work at an accredited school that is directly related to an employee's current position or career goals.



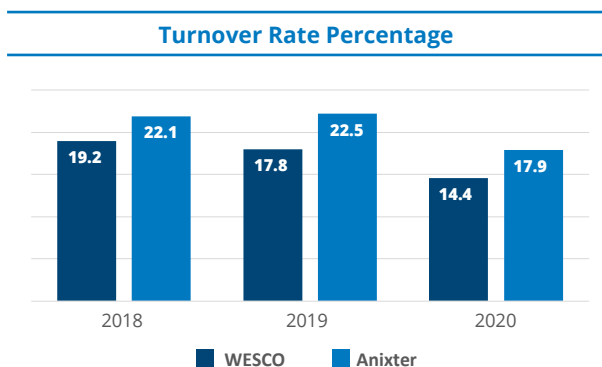
Employment Engagement

We believe employee engagement goes beyond satisfaction on the job to include our employees’ willingness and ability to invest their personal efforts into the success of our company. To achieve that, we must create an environment where employees are enthusiastic about coming to work each day and know that their contributions are valued.

In 2020, we conducted regular pulse surveys to gauge how the acquisition of Anixter impacted our employees. Key results included:

- Most employees moved from “unsure” to “excited” about the combined company.
- As they got to know each other more, most employees developed genuine trust and caring for their colleagues from each legacy company.
- As teams became blended with members from both legacy companies, two-way communication of key messages about the integration became easier to cascade to the populations of both companies

Another gauge that we use to measure engagement is total turnover rate, which was 14.6 percent for WESCO and 17.9 percent for Anixter in 2020.



An important component of engagement is recognition. Our worldwide Results, Recognition, and Rewards (R3) program allows us to celebrate employee contributions based on WESCO leadership values in a genuine and meaningful way soon after an event or achievement that deserves appreciation and recognition. It incorporates both peer-to-peer and manager-to-employee recognition.

As part of the R3 program, we also recognize service anniversaries. At each five-year service interval, employees are recognized on their anniversary date by our CEO and their manager and receive an award certificate that is followed at a later date by a WESCO service award.

We also laud employee achievements in implementing lean principles within our operations annually. The Excellence Award for Lean Leadership recognizes the WESCO leader who best embraces and leads the implementation of lean within his or her organization. The Lean Execution Excellence Award is given to the top team that delivers quantifiable results using lean.

Mentoring

The 2020 pandemic had an adverse impact on our ability to run our formal mentoring program. Priorities changed to dealing with the pandemic and mitigating costs associated with the program. We anticipate reinstating the program in 2021 in a virtual format.

Through the program, high-potential employees nominated by their business’ leaders are paired with a WESCO leader. An online survey filled out by mentees and mentors uses an algorithm to form matches based on shared interests and values.

For one year, the mentoring pair must meet at least once a month. The mentee is expected to drive the



relationship, identifying the development needs the pair will address. The frequency of contact and goals are captured in a mentoring agreement.

Performance Management

On an annual basis, each employee sets developmental and performance goals at the beginning of the year and can access various resources to help achieve them. Managers provide initial feedback on the plan and coaching and feedback throughout the year.

A formal performance review occurs each year, where an employee and his or her manager give feedback on performance against the plan.

Succession Planning

We conduct an annual leadership and organizational review to identify leadership succession and also evaluate our human capital risks.

We consider an employee's individual performance and potential and discuss his or her career aspirations. We also assess the likelihood that the employee will leave the organization and the associated risk that would present.

Annually, our CEO, business leaders, and chief human resources officer discuss the results of the review. Outcomes include an updated succession plan and targeted development for leaders who are identified as high potential.

COMPENSATION

We compensate employees at a competitive rate compared to the industry and local labor market, and we operate in compliance with applicable wage, work hours, overtime, and benefit laws.

In 2020, we completed a job evaluation project to evolve our compensation and career progression strategies for employees. The goal was to improve our ability to attract and retain talented employees while providing a sound structure for employee development and career growth. We developed new job hierarchies, added job levels in existing job hierarchies, and eliminated redundant or overlapping job titles.

Human Resources partnered with our business leaders to place employees into jobs in the new hierarchies based on their current duties and responsibilities. This better aligned job titles with employees' roles and responsibilities and provided a structure for career progression.

A TURNING POINT

The mental anguish of not being able to visit eight soldiers under her command who were in remote and dangerous areas in Afghanistan was a career turning point for Ginger Tate, who aspired to be a certified public accountant.

"I realized in that moment that my passion was people and not numbers," said Ginger, WESCO

director of health and safety and a member of the South Carolina Army National Guard.



Six months after putting her master's degree in accounting to use, Ginger was deployed to Iraq for one year as a platoon leader. She was promoted to captain during that first deployment and returned for a second deployment to Afghanistan as commander of her own company with 132 soldiers spread

across 18 cities.

"When I returned to my accounting job after my second deployment, I immediately felt out of place in the cubicle," recalls Ginger. "Using my military leadership, I moved into operations. After 15 years in that role, I welcomed the opportunity to serve WESCO employees by helping ensure their health and safety."

Ginger's experiences in military and civilian operations coupled with her health and safety training in the military has given her a well-rounded understanding of health and safety from the employee viewpoint while supporting corporate policies.

"I am committed to the health and safety of our facilities and employees and meeting the company's safety objectives," she said.

Health and Safety

We are committed to reducing or eliminating health and safety risks through dedicated programs, leadership commitment, and employee involvement. Continuous improvement in our health and safety program is a core corporate value.

Commitment starts at the top through our CEO's endorsement of our [health and safety policy](#), which is supported tactically by our health and safety program. The program is designed to create, implement, and maintain a healthy and safe work environment for all employees, temporary workers, visitors, and contractors using a "plan-do-check-act" cycle. We refine the in-depth program annually to implement best practices gathered from within WESCO and our external benchmarks.

Also known as our global health and safety management system, the program covers the core processes and procedures for health and safety management, safe work practices, and regulatory compliance. It also outlines key performance indicators that track and trend our progress against strategic targets in programs, initiatives, and performance. We hold each employee responsible for working safely, with safety performance a key objective by which we measure an individual's behavior and actions.

Key components of our health and safety program, which aligns with the OHSAS-18001 standard and is updated to ISO-45001 guidelines and standards, include:

- Management and supervisory responsibilities: Defines specific protocols management personnel are to follow regarding their support and involvement in the program.

- Employee responsibilities: Outlines the health and safety rules employees are expected to follow.
- Accident investigation process: Establishes the process to be followed in the event of an accident or near miss within a facility.
- Reporting of safety concerns/ideas: Provides a means for employees to provide input to the health and safety program regarding any concerns or ideas.
- Safety committee systems: Outlines the framework of a site safety committee, including the layout of an agenda, membership, and method for taking minutes.
- New employee orientation: Describes the process for all employees to complete health and safety orientation as part of their initiation and introduction to the facility.
- Enforcement: Provides a system of actions and an outline of steps to be followed in the event our health and safety policies are not adhered to by employees.
- Regulatory compliance: Ensures we communicate relevant information on legal and other requirements to our employees and other interested parties regarding all laws and regulations that are local, regional and national.

Our global corporate safety team closely monitors the program through performance reviews with key leadership, daily interaction with operations leaders, routine reviews of key performance indicators, and regular facility audits to verify compliance.



At the location level, the program requires:

- A corporate health and safety advisor assigned to each location to conduct facility inspections and employee training and implement a required location-based program based on the OHSAS-18001 standard and all relevant compliance regulations;
- Comprehensive audits, risk management, and needs assessments;
- Scheduled employee training in compliance with a corporate calendar; and
- Detailed tracking and reporting of health and safety metrics.

The locations have a close relationship with our global corporate safety team, and location performance is reviewed on a quarterly basis by our senior and executive management.

Driving our health and safety performance is an ambitious goal to achieve a 40 percent reduction in our total recordable injury rate (TRIR) by 2022 from a 2017 baseline. Our 2020 global TRIR of 0.47 incidents per 100 employees was a 55.2 percent improvement from the baseline, exceeding the goal two years ahead of the target.

A 2020 third-party audit of our health and safety performance that was conducted by MSCI resulted in a 10 out of 10 rating, with MSCI stating that we have a strong safety performance relative to our peers. This is reflected in our safety performance regularly placing us in the top quartile for lowest lost time recordable rate and TRIR in the annual National Association of Wholesaler-Distributors (NAW) survey of U.S. peer companies with more than US\$1 billion in sales.

Following the 2020 acquisition of Anixter, we began combining two industry-leading health and safety programs to continue advancing the abilities, behaviors, and education of our workforce through technology and innovation.

At the core of the integration is a commitment to continual health and safety improvement while involving employees in grassroots efforts to gain buy-in and ensure the sustainability of key initiatives. We are combining dozens of programs and initiatives with the greatest elements of both organizations while preserving financial impact to the bottom line. Throughout all efforts, organizational designs, and change management, employee health and safety remain our number one focus in all that we do.

Global Safety Performance—WESCO Employees

| | Fatalities | High-consequence Injuries | | Lost Time Recordables | | Total Recordable Incidents | |
|------|------------|---------------------------|------|-----------------------|------|----------------------------|------|
| | | Number | Rate | Number | Rate | Number | Rate |
| 2018 | 0 | 3 | 0.03 | 33 | 0.37 | 88 | 0.98 |
| 2019 | 0 | 1 | 0.01 | 19 | 0.21 | 57 | 0.63 |
| 2020 | 0 | 1 | 0.01 | 12 | 0.13 | 42 | 0.47 |

All rates use the U.S. Occupational Safety and Health Administration recordkeeping criteria and represent the number of cases per 100 employees.

Global Safety Performance—Anixter Employees

| | Fatalities | High-consequence Injuries | | Lost Time Recordables | | Total Recordable Incidents | |
|------|------------|---------------------------|------|-----------------------|------|----------------------------|------|
| | | Number | Rate | Number | Rate | Number | Rate |
| 2018 | 0 | 0 | 0 | 24 | 0.39 | 48 | 0.77 |
| 2019 | 0 | 0 | 0 | 35 | 0.48 | 62 | 0.85 |
| 2020 | 0 | 0 | 0 | 36 | 0.35 | 51 | 0.49 |

All rates use the U.S. Occupational Safety and Health Administration recordkeeping criteria and represent the number of cases per 100 employees.

Global Safety Performance—Combined WESCO and Anixter Employees

| | Fatalities | High-consequence Injuries | | Lost Time Recordables | | Total Recordable Incidents | |
|------|------------|---------------------------|------|-----------------------|------|----------------------------|------|
| | | Number | Rate | Number | Rate | Number | Rate |
| 2018 | 0 | 3 | 0.02 | 57 | 0.38 | 136 | 0.90 |
| 2019 | 0 | 1 | 0.01 | 54 | 0.33 | 119 | 0.73 |
| 2020 | 0 | 1 | 0.01 | 48 | 0.25 | 93 | 0.48 |

All rates use the U.S. Occupational Safety and Health Administration recordkeeping criteria and represent the number of cases per 100 employees.

Global Safety Performance—WESCO Temporary Workers

| | Fatalities | High-consequence Injuries | | Lost Time Recordables | | Total Recordable Incidents | |
|------|------------|---------------------------|------|-----------------------|------|----------------------------|------|
| | | Number | Rate | Number | Rate | Number | Rate |
| 2018 | 0 | 0 | 0 | 4 | 0.87 | 2 | 0.44 |
| 2019 | 0 | 0 | 0 | 1 | 0.24 | 10 | 2.40 |
| 2020 | 0 | 0 | 0 | 0 | 0 | 8 | 3.06 |

Anixter has not tracked temporary worker incidents but will begin doing so in 2021.

2020 Safety Performance by Region—Employees

| Country | Fatalities | | | Lost Time Recordables Rate | | | Total Recordable Incident Rate | | |
|---------------|------------|---------|----------|----------------------------|---------|----------|--------------------------------|---------|----------|
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| Africa | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Asia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Europe | 0 | 0 | 0 | 0 | 0.46 | 0.46 | 0 | 0.46 | 0.46 |
| North America | 0 | 0 | 0 | 0.13 | 0.37 | 0.25 | 0.47 | 0.55 | 0.33 |
| South America | 0 | 0 | 0 | 0 | 0.12 | 0.12 | 0 | 0.12 | 0.12 |

RISK AND INCIDENT MANAGEMENT

We employ a robust risk management process to eliminate potential hazards before anyone becomes sick or injured while at work.

Our risk management process includes the following key components:

- All employees are required to assess their work areas for any hazards or safety risks. The prompt reporting enables rectification of any risk or hazards.
- All employees who suspect that a hazard exists or notices any unsafe work practices are encouraged to report the hazard to their supervisor immediately for investigation.
- All employees have the right to challenge any unsafe work situation that may arise on the job or within the task they are performing. Following evaluation, the employee is notified of the action taken to eliminate the unsafe condition.

Employees have the option of submitting the unsafe situation anonymously to a dedicated email address.

- Each location conducts at least one formal safety inspection each month using a checklist of key hazards and risks, with managers informally inspecting work activities for safety hazards on an ongoing basis. We update the checklist regularly as new trends emerge.
- Identified hazards are followed up by reviewing the risk assessment and work process. Documented gaps must be closed by the following month.
- Recent observations or hazard checklist findings are reviewed at daily shift startup meetings.
- We use near miss reports to create awareness of conditions or behaviors that can be corrected before an injury occurs.

- We require each location to have an emergency action plan that is reviewed and updated regularly to ensure key contact information is up-to-date, drills are being logged, and facility response is still adequate.

In the event of an actual incident—no matter how minor—we require that it be reported immediately to the frontline supervisor for investigation and evaluation. Since every incident includes a sequence of contributing risks, it may be possible to avoid a repeat of the first event by recognizing and eliminating these risks. The removal of even a single risk may prevent a recurrence.

Our supervisors are trained in incident investigation procedures and techniques, such as the "five whys," to begin gathering data and understanding what hazards existed and what controls may have failed or may not have existed. Robust documentation protocols ensure event information can be fully vetted and reviewed by business leadership and the location's health and safety advisor, with a strong focus on corrective action plans.

Once the contributing factor has been determined, the corporate health and safety advisor will communicate a safety alert globally with the corrective actions taken to prevent the occurrence in any other facility.

After an incident, we may coach an employee, supervisor or manager on one or more of the following topics:

- Risk assessments;
- Safety alerts;
- Safety pauses;
- Safety standdown meetings;
- Start of shift (safety topic);
- Standard operations procedure; and
- Safety system of work.

HAZARD AND NEAR-MISS REPORTING

In late 2019, we began making it easier for our employees to log both hazardous condition findings and near-miss reports by shifting from paper-based, singular submissions to an innovative internal app. The goal was to create greater awareness of conditions or behaviors that can be corrected before an injury occurs.

One of the key drivers of the tool's successful implementation has been that the lean initiative was fully business-driven and operations-owned from

project start to finish. The app, which is accessible in the field through a smartphone, tablet or computer, has been engrained into daily management activities to track completion of daily GEMBA walks (personal observations of work).

We developed business intelligence dashboards to trend field safety presence, near-miss data, key learnings, and high-level hazard assessments, which are reported monthly to leadership in addition to key performance indicators established for daily GEMBA frequency and resolution timeliness.

In 2020, our employees reported 7,076 hazards and near misses through the app and took action to resolve 6,171 by year's end, helping mitigate many potential accidents

2020 Reported Hazards and Near Misses

| Category | Number |
|-------------------------------|--------|
| Behavioral | 480 |
| Documents | 55 |
| Equipment | 754 |
| General Safety | 1311 |
| Housekeeping | 3874 |
| Personal Protective Equipment | 388 |
| Security | 214 |
| Total | 7,076 |

SITE INSPECTIONS AND AUDITS

Workplace inspections are conducted at the location level at least once a month and cover all areas where employees, visitors, or contractors could be expected to access. Managers or supervisors at each site also will informally inspect work activities for safety hazards on an ongoing basis as a routine function of their daily activity.

Our global health and safety team conducts regular onsite location audits to ensure all health and safety requirements are being met. During the 2020 pandemic, the team completed virtual audits of select locations.

We also engage external experts to conduct third-party audits, such as the ERG audit, and some of our locations pursue third-party accreditation. For example, our Lichfield location undergoes a legal health, safety, and environmental audit process by a third-party auditor every two years to ensure legal compliance. In the United Kingdom, our locations conduct a robust health and safety audit process each year to become Alumcus SafeContractor

certified. This accreditation evaluates all elements of the health and safety program.

We are currently certified to the ISO 14001:2015 Environmental Management Systems standard in our Dubai and Lichfield and Chesterfield locations in the United Kingdom. Internal and external compliance audits were also successfully completed for these certifications. We plan to expand this program to several more locations over the next two years.

In 2020, we voluntarily engaged an external auditor to complete a human element audit on the safety of our buildings at 33 sites globally. These inspections focused on fire protection, natural hazards and equipment risks. We scored an average of 92 for building safety compared to the industry average of 77, indicating minimum risk for our employees within these facilities.

TRAINING

We have an obligation to train, instruct, and convey information to employees and others who may be affected by the hazards and risks associated with their work activities to ensure their health and safety. The training each employee receives is based on global requirements, specific work duties, and level of existing skill and knowledge.

For new, rehired, part-time, temporary, or transferred employees, we conduct a thorough safety orientation on the first day of work. The training covers communication, responsibilities, and the reporting of accidents, hazards, and potential hazards. Other topics include:

- Health and safety induction;
- Emergency action plans and exit areas;
- Personal protective equipment standards;
- Manual handling and safe lifting;
- Forklift training;
- Chemical safety;
- Fire safety;
- Environmental awareness;
- Office safety;
- Working at height; and
- First aid training.

All employees have access to online and in-person training, with most courses available in 10 languages. Other training channels include daily safety huddles, safety stand-downs, toolbox talks, injury alerts, and emails focused on a specific safety topic.

In 2020, approximately 12,000 employees completed more than 95,000 hours and 2,900 modules of health and safety training across the globe.

To increase broad safety awareness while cascading lessons learned throughout the organization, we distribute monthly newsletters along with weekly focus areas that tag each work week with a distinct health and safety topic to be used in shift start-ups, tailboards, safety minutes, and leadership meetings. We also issue electronic safety training based on various topics from behavior-based safety to all employees monthly and each quarter.

EMPLOYEE ENGAGEMENT

We recognize the importance of, and benefits to be gained by, engaging our employees on health and safety. Their participation means they are fully involved in ensuring that everyone knows how to work without risk to their health and safety and that of their coworkers.

Foremost, we empower our employees to pause whenever they feel there is an unsafe situation that must be addressed before performing a task safely. They are also encouraged to submit all concerns to their supervisor or anonymously through a dedicated email address without fear of reprisal.

We encourage locations to form safety committees that meet on a monthly basis. Committee membership comprises equal representation of management, operations, sales, and administrative employees. Following each safety committee meeting, the minutes are posted for all employees to view.

A location's safety committee is the main channel through which all health and safety incidents and near misses are assessed and corrected as required. All issues are tracked in a log for the corporate health and safety advisor to review, with opportunities for improvement reviewed for resolution in a monthly meeting with the corporate Environment, Health, Safety, and Sustainability team.

BRANCH/DISTRIBUTION CENTER SAFETY

A large portion of our employees work in branch locations or distribution centers. Their primary duties are receiving, picking, packing, and shipping materials.

The high-risk elements of our business as identified through analysis of historical safety data and our internal risk assessments are forklift tasks, ergonomic risks from manual material handling, and slips, trips, and falls.

In 2020, 36 percent (17) of our recordable injuries were associated with manual material handling, and 28 percent (13) were associated with slips, trips, and falls. We had only one injury associated with forklift use, where an employee failed to unhook the fall harness while exiting the equipment.

Targeted programs ensure forklift operators receive initial training followed by regular refresher training. In addition, many locations have:

- Created safe walking paths;
- Installed forklift projection lights to raise visibility;
- Mounted corner-sensing devices that sound an alert when two moving objects are detected at potential blind corners; and
- Installed cameras to assist with loading and unloading cables in 39-foot-high (12-meter-high) racking systems.



To minimize strains and sprains from manual material handling, our locations have implemented many engineering controls. These include raising workstations and installing overhead devices to relieve tooling weight and minimize trip hazards.

We require all warehouse employees to undergo targeted training on safe lifting techniques to limit manual material-handling risk. We also cover and reinforce safe-lifting techniques in our various training and communication avenues.

We have established ergonomically safe lifting limits, requiring mechanical assistance or a team lift when heavy objects must be handled. This limit is strategically tied into material processing equipment to provide a warning of heavy loads before the product is touched.

To minimize injuries relating to slip, trips, and falls, we established a risk management plan that identifies, assesses, controls, and monitors safety hazards relating to the risk to reduce or eliminate these injuries. All warehouse employees are required to go through safety training to create a safe workplace and immediately stop any unsafe practices or correct any unsafe conditions relating to slips, trips, falls.

FLEET SAFETY

With 19 percent of our employees using cars or trucks for work, fleet safety is another priority focus.

Our car fleet consists of employees who travel more than 7,500 miles each year for WESCO. Before an employee can drive on company business, we derive a risk assessment score based on that employee's motor vehicle record. We update these scores on a quarterly basis and provide counseling and/or training for those whose scores increase. We may even revoke driving privileges if warranted. All drivers also receive quarterly online safety training.

For our truck drivers, we conduct a motor vehicle record (MVR) search and also review driver qualification files. We then grade each driver based on his or her driving history for the past 36 months. As with our car drivers, we update this score on a quarterly basis and take any necessary action.

All new truck drivers go through onsite training that covers a broad range of topics, such as compliance, safety, and accountability (CSA), safe loading, load securement, safe driving practices, winter driving, sleep apnea and more. They also must participate in a ride along with an experienced driver.

We have extensive procedures that govern truck use. These include personal protective equipment, liftgate use, lifting limitations (50-pound rule), and properly entering and exiting a vehicle.

Each month, our Corporate Safety team reviews all car and truck incidents and makes appropriate recommendations. To instill accountability, car fleet drivers involved in a preventable accident are personally liable for up to \$400 in repair costs.

Historically, we tracked incidents per million miles for our car and truck fleets. This tracking was more stringent than most carriers and aligned with benchmark reporting practices for fleets. We required drivers to report any accident or damage, even as small as a chip in the windshield. Because of this, our incident rates tended to be higher than average. This was not a reflection on our driver safety.

In 2018, the National Association of Wholesale-Distributors (NAW), of which we are a member, modified its metrics to focus on accidents per million miles. An accident is counted only when a vehicle is towed from the scene or an injury occurs. We aligned with this reporting in 2019. The change led to a reduction in overall events per million miles but a more dramatic impact for every accident that occurs.

For incidents per million miles, we saw a 3.2 percent improvement in our North American car fleet since 2018. The truck fleet improved by almost 34.8 percent during the same period. While this improvement is notable, we believe the impact of COVID-19 helped reduce our miles driven by almost 18 percent. Reduced road congestion and our introduction of AI technology also contributed to the improvement.

| Incidents per Million Miles | | | | | | |
|-----------------------------|-----------|---------|----------|-------------|---------|----------|
| | Car Fleet | | | Truck Fleet | | |
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| 2018 | 7.71 | - | 7.71 | 7.15 | 5.59 | 6.61 |
| 2019 | 7.50 | - | 7.50 | 6.59 | 3.16 | 5.34 |
| 2020 | 7.46 | - | 7.46 | 4.06 | 4.81 | 4.31 |

Incidents refer to any level of involvement in an accident or damage to a company vehicle. Data is for North America only. Anixter does not currently have a car fleet in North America.

We recalibrated all WESCO legacy reporting to reflect the revised NAW accident criteria. Anixter did not report in this manner prior to being acquired by WESCO, but we will include those operations in our reporting beginning in 2021.

Under the new reporting methodology, our North American car fleet’s accident rate more than doubled since 2018. This is a focused area of improvement for our team. Our truck fleet accident rate improved 6.5 percent since 2018.

| Accidents per Million Miles | | | | | | |
|-----------------------------|-----------|---------|----------|-------------|---------|----------|
| | Car Fleet | | | Truck Fleet | | |
| | WESCO | Anixter | Combined | WESCO | Anixter | Combined |
| 2018 | 0.80 | - | 0.80 | 0.62 | - | 0.62 |
| 2019 | 1.10 | - | 1.10 | 0.90 | - | 0.90 |
| 2020 | 1.76 | - | 1.76 | 0.58 | - | 0.58 |

Accidents are counted when a vehicle is towed from the scene or an injury occurs. Data is for North America only. Anixter did not report in this manner prior to being acquired by WESCO, but we will include those operations in our reporting beginning in 2021.



CASE STUDY

AN EYE ON SAFETY

In 2020, we piloted and began to install a camera safety system in much of our North American truck fleet. This system uses artificial intelligence (AI) to monitor and interact with the driver on unsafe activities, which include distracted driving; acceleration, braking, and cornering (ABC); tailgating; and drowsiness.

We have already seen improvements related to our 2020 truck fleet rates, and we anticipate double-digit reductions in distracted driving events. This will lead to better overall safety performance in our truck fleet.

CUSTOMER AND SUPPLIER HEALTH AND SAFETY

Our responsibility for health and safety reaches beyond our employees and facilities and into our value chain.

Prior to our employees, contractors, and suppliers working at a customer site on our behalf, we conduct a risk assessment to implement appropriate work procedures and controls to reduce injury risk. We ensure our employees, contractors, and suppliers are aware of both the risks and the appropriate protective measures available to them.

For our customers, we provide safety data sheets for relevant products to ensure their safe use.

OCCUPATIONAL HEALTH SERVICES

We use occupational health services in the identification and elimination of hazards and the minimization of risks.

In all countries in which we operate, we comply with all legal requirements for obtaining occupational health services for our employees. In particular, we use the services of either a company doctor (where required and available) and/or recognized providers of occupational health referral services.

In all cases, we only use competent individuals with recognized qualification and accreditations that are verified during the procurement of such services. The procurement of occupational health services and decisions arising from such advice are supervised by human resources.

We endeavor to provide our employees with access to occupational health services in the manner that is most convenient and suitable to them. This can involve an in-person assessment at their workplace, family doctor, or occupational health service provider's premises, as well as a telephone consultation. In all countries in which we operate, we permit our employees to access occupational health services during working hours, and the services are always provided in the employee's local language.

We use the advice about employees that we receive from our internal and external occupational health experts to identify and eliminate hazards, minimize risks, and make appropriate adjustments to the workplace and working practices. In the case of long-term absences due to illness, we use the information to plan an employee's return to work.

All personal data obtained from occupational health services is stored, processed, and handled in accordance with our Data Privacy Notice and applicable data protection and privacy legislation. Per our Global Code of Conduct, we do not use employees' personal health-related information or their participation in any such services or programs for any favorable or unfavorable treatment.

WELLNESS

We are committed to helping our employees and their families achieve personal health and wellness.

Offering health insurance as an employee benefit is one of the most effective steps we can take to help our employees remain healthy. As such, we provide access to private medical healthcare insurance to all employees in countries where it is legally required. In other countries, we generally provide private medical healthcare insurance and participation in risk-based insurance programs to all employees.

When establishing our benefits strategy for each country, we consider the following in making our healthcare selection:

- Benefit level and type;
- Target market positioning;
- Employee cost-sharing and dependent coverage; and
- Flexible benefits/employee choice.

To further improve the health of our employees, we offer a variety of activities and programs that assist our employees and family members to better manage or overcome major well-being challenges. These include:

- Employee Assistance Program: Employees and their family members can use the program's services to cope with a variety of issues that impact wellness, such as stress, depression, parenting, and caring for the elderly.
- Wellness coaching: Registered dietitians, exercise physiologists, and health and wellness professionals provide expert advice and support on weight management, improved nutrition, increased physical activity, tobacco cessation, stress management, and better sleep.
- Case/disease management: Through a concierge service experience, high-risk individuals with complex health needs receive personalized assistance and help in identifying opportunities for clinical and wellness engagement.
- Wellness discounts: Employees and their family members have access to discounts for fitness centers, nutrition programs, activity trackers, and more.

Although some of these programs are U.S.-centric, many elements or versions are made available to our employees in other countries based on the available health plan or government requirements.

Community Engagement

We engage with the communities where we live and work on a grassroots level. Our employees direct and perform a variety of charitable activities, including fundraising, volunteerism, product contribution, and advocacy, to address a local need.

To further support outreach and help encourage community engagement, we instituted our Volunteer Time Off program in January 2020 to give employees paid time off for volunteering. Anixter employees worldwide also participated in the Anixter Cares corporate social responsibility program in 2020 on an individual level in a range of activities.

By connecting with and contributing to local charitable organizations, we support the development of strong, vibrant, and diverse communities. Each of our locations are encouraged to support at least two community activities annually. In addition, the WESCO International Charitable Foundation provides employee hardship assistance in certain instances.

In response to the COVID-19 pandemic, WESCO made charitable contributions in 2020 and early 2021 to the United Way, Habitat for Humanity, and the American Red Cross.

Below are other examples of community programs and initiatives supported at the corporate and employee levels during 2020.

- American Red Cross: Technology sponsor for American Red Cross Hero Awards
- Habitat for Humanity: Sponsored the Chicagoland Habitat for Humanity Hero Awards and hundreds of employees have volunteered for Habitat home building projects
- American Diabetes Association: Virtual Tour de Cure bike race
- Boys & Girls Clubs of America: Midwest Youth of the Year Award
- Kohl Children's Museum: Sponsored children's activity exhibits and provided engineering support to design and build exhibits
- JP Morgan Corporate Challenge
- Toys for Tots: Toy drive/fundraising campaign
- American Cancer Society: Employees worldwide wore pink for breast cancer awareness

Awards & Recognition

WESCO

Forbes 2020 World's Best Employers
[Learn more](#)

Forbes 2020 America's Best Employers for Women
[Learn more](#)

Stevie Award for COVID-19 Most Valuable Employer
[Learn more](#)

Stevie Award for Best Youth Employment Strategy
[Learn more](#)

2020 Bloomberg Gender-Equality Index
[Learn more](#)

2020 Fortune 500

2020 Fortune World's Most Admired Companies

Electrical Wholesaling 2020 Top 200

Modern Distribution Management Top Electrical,
Data, and Security Distributors

Plug and Play Corporate IoT Award

Supply and Demand Chain Executive 100,
Advanced Supply Chain Operations

National Grid Project Expediter Silver Award
(Most Paid Electrical Projects);
Awarded to WESCO Energy Solutions

National Grid Project Expediter Bronze Award (Most
Paid MWHs); Awarded to WESCO Energy Solutions

Industrial Distribution 2020 Big 50 List

ANIXTER

2020 Habitat for Humanity Habitat Hero Award

2019 Confrimit ACE Award for Digital Success

Solar Insta-Reel Innovation Award

Vertiv Supplier Award:
2019 Electrical Distribution Partner of the Year

Axis Supplier Award:
U.S. Distribution Partner of the Year

2020 Fortune 500

Electrical Wholesaling 2020 Top 200

Modern Distribution Management Top Electrical,
Data, and Security Distributors

Global Reporting Initiative Content Index

This report has been prepared in accordance with the GRI Standards: Core option.

GRI 102 GENERAL DISCLOSURES 2016

| DISCLOSURE | DESCRIPTION | LOCATION |
|-------------------------------|---|--|
| Organizational Profile | | |
| 102-1 | Name of the organization | WESCO International, Inc. |
| 102-2 | Activities, brands, products, and services | Product & Service Portfolio Sustainable Products and Services |
| 102-3 | Location of headquarters | Pittsburgh, Pennsylvania, USA |
| 102-4 | Location of operations | Branch Locator |
| 102-5 | Ownership and legal form | WESCO International is a publicly traded (NYSE: WCC) Fortune 500 holding company. |
| 102-6 | Markets served | Product & Service Portfolio |
| 102-7 | Scale of the organization | Corporate Profile |
| 102-8 | Information on employees and other workers | People |
| 102-9 | Supply chain | Supply Chain |
| 102-10 | Significant changes to the organization and its supply chain | In 2020, WESCO merged with Anixter International Inc. |
| 102-11 | Precautionary Principle or approach | We evaluate environmental impact in our decision-making processes and have embraced the Precautionary Principle. |
| 102-12 | External initiatives | CDP |
| 102-13 | Membership of associations | Stakeholder Engagement |
| Strategy | | |
| 102-14 | Statement from senior decision-maker | Our Commitment |
| 102-15 | Key impacts, risks, and opportunities | Contained in report sections. |
| Ethics and Integrity | | |
| 102-16 | Values, principles, standards, and norms of behavior | Corporate Governance |
| 102-17 | Mechanisms for advice and concerns about ethics | Ethics and Compliance |
| Governance | | |
| 102-18 | Governance structure | Corporate Governance |
| 102-19 | Delegating authority | The Board of Directors has delegated authority to members of senior management for economic, environmental, and social topics. |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | Our executive vice president of global supply chain and operations and our executive vice president of human resources report to our chairman and CEO. Our directors of global environmental, health and safety, sustainability and supplier diversity reports to the vice president of global supply chain. |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics | The process of consultation is delegated from the Board of Directors to senior management, which annually reviews the results with the board. |
| 102-22 | Composition of the highest governance body and its committees | Directors & Officers Board Committees |
| 102-23 | Chair of the highest governance body | Directors & Officers |
| 102-24 | Nominating and selecting the highest governance body | Nominating & Governance Committee |
| 102-25 | Conflicts of interest | Code of Business Ethics and Conduct |

GRI 102 GENERAL DISCLOSURES 2016

| DISCLOSURE | DESCRIPTION | LOCATION |
|-------------------------------|--|--|
| 102-26 | Role of highest governance body in setting purpose, values, and strategy | The Board of Directors conducts an annual strategy review, which includes updating the organization's purpose, value, mission, and goals related to economic, environmental, and social topics. |
| 102-27 | Collective knowledge of highest governance body | Corporate Governance Guidelines Directors & Officers |
| 102-28 | Evaluating the highest governance body's performance | Corporate Governance Guidelines |
| 102-29 | Identifying and managing economic, environmental, and social impacts | As delegated to them by the board, management is responsible for identifying and managing economic risks and opportunities that affect the enterprise. The board delegates the management of these risks to senior management. |
| 102-30 | Effectiveness of risk management processes | As delegated to them by the board, management is responsible for reviewing the effectiveness of the risk management process, which includes reviewing risks related to economic and environmental processes. |
| 102-31 | Review of economic, environmental, and social topics | The topics are reviewed during scheduled board meetings. |
| 102-32 | Highest governance body's role in sustainability reporting | The chairman of the board reviews the sustainability report. |
| 102-33 | Communicating critical concerns | Contact Our Board |
| 102-35 | Remuneration policies | 2021 Proxy statement (page 27-51) |
| 102-36 | Process for determining remuneration | 2021 Proxy statement (page 27-51) |
| 102-37 | Stakeholders' involvement in remuneration | 2021 Proxy statement (page 27-51) |
| 102-38 | Annual total compensation ratio | 2021 Proxy statement (page 56) |
| 102-39 | Percentage increase in annual total compensation ratio | 193 to 1 |
| Stakeholder Engagement | | |
| 102-40 | List of stakeholder groups | Stakeholder Engagement |
| 102-41 | Collective bargaining agreements | 2 percent of our employees were covered by a collective bargaining agreement in 2020. |
| 102-42 | Identifying and selecting stakeholders | Stakeholder Engagement |
| 102-43 | Approach to stakeholder engagement | Stakeholder Engagement |
| 102-44 | Key topics and concerns raised | Stakeholder Engagement |
| Reporting Practice | | |
| 102-45 | Entities included in the consolidated financial statements | 2020 Annual Report (Exhibit 21.1 on page 76) |
| 102-46 | Defining report content and topic Boundaries | Reporting and Materiality |
| 102-47 | List of material topics | Reporting and Materiality |
| 102-48 | Restatements of information | Not applicable |
| 102-49 | Changes in reporting | Not applicable |
| 102-50 | Reporting period | 2020 |
| 102-51 | Date of most recent report | 2019 |
| 102-52 | Reporting cycle | Annual |
| 102-53 | Contact point for questions regarding the report | Mike Brown, Vice President of Global Supply Chain |
| 102-54 | Claims of reporting in accordance with the GRI Standards | Reporting and Materiality |

Global Reporting Initiative Content Index, continued

| DISCLOSURE | DESCRIPTION | |
|---|---|---|
| 102-55 | GRI content index | GRI content index |
| 102-56 | External assurance | Reporting and Materiality |
| MATERIAL TOPICS | | |
| GRI 204: Procurement Practices 2016 | | |
| 204-1 | Proportion of spending on local suppliers | Not applicable. We work with approximately 30,000 suppliers located around the world that provide products to our roughly 800 branches. |
| GRI 302: Energy 2016 | | |
| 302-1 | Energy consumption within the organization | Energy |
| 302-3 | Energy intensity | Energy |
| 302-4 | Reduction of energy consumption | Energy |
| 302-5 | Reductions in energy requirements of products and services | Sustainable Products and Services |
| GRI 305: Emissions 2016 | | |
| 305-1 | Direct (Scope 1) Greenhouse Gas (GHG) emissions | Emissions |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Emissions |
| 305-4 | GHG emissions intensity | Emissions |
| 305-5 | Reduction of GHG emissions | Emissions |
| GRI 306: Effluents and Waste 2016 | | |
| 306-2 | Waste by type and disposal method | Waste |
| 306-3 | Significant spills | We had zero significant spills in 2020. |
| GRI 403: Occupational Health and Safety 2018 | | |
| 403-1 | Occupational health and safety management system | Health and Safety |
| 403-2 | Hazard identification, risk assessment, and incident investigation | Health and Safety |
| 403-3 | Occupational health services | Health and Safety |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | Health and Safety |
| 403-5 | Worker training on occupational health and safety | Health and Safety |
| 403-6 | Promotion of worker health | Health and Safety |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Health and Safety |
| 403-8 | Workers covered by an occupational health and safety management system | Health and Safety |
| 403-9 | Work-related injuries | Health and Safety |
| 403-10 | Work-related ill health | Health and Safety |

Sustainability Accounting Standards Board Content Index

| TOPIC | ACCOUNTING METRIC | CATEGORY | UNIT OF MEASURE | CODE | DATA |
|---|---|--------------|------------------------------------|--------------|---|
| Energy Management in Retail & Distribution | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative | Gigajoules (GJ), Percentage (%) | CG-MR-130a.1 | (1) 321,297 (2) 27.3% (3) 0% (WESCO has several solar installations but they do not total 1%) |
| Data Security | Description of approach to identifying and addressing data security risks | Quantitative | n/a | CG-MR-230a.1 | <p>The cyber security and protection of our data is a top priority across the entire organization. To that end, we take a holistic approach to securing our data and business systems from attack, compromise or loss. This includes the combination of leading technologies, policies and procedures aligned to ISO27001 and a 7x24 Cyber Security Operations team monitoring our environment for signs of attack and responding in real-time.</p> <p>The implementation of a multi-layer and multi-provider portfolio of technologies is designed to deliver overlapping coverage against today's modern attack vectors with a strong defensive and offensive security posture. We continually evaluate risks, threats, intelligence feeds and vulnerabilities to adapt, mitigate or respond as necessary to preserve a secure state. Combining technology, processes and threat intelligence we deliver specific and timely education and training to the organization, including mandatory training for all employees.</p> <p>While we focus heavily on prevention and detection, response and recovery plans, service agreements and partner engagements are in place should there be a need for us to respond to an attack.</p> |
| | (1) Number of data security breaches, (2) percentage involving customers' personally identifiable information (PII), (3) number of customers affected | Quantitative | Number, Percentage (%) | CG-MR-230a.2 | |
| Labor Practices | 1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region | Quantitative | Reporting currency, Percentage (%) | CG-MR-310a.1 | WESCO does not disclose this information |
| | (1) Voluntary and (2) involuntary turnover rate for in-store employees | Quantitative | Rate | CG-MR-310a.2 | (1) 9.9% (2) 6.2 |
| | Total amount of monetary losses as a result of legal proceedings associated with labor law violations | Quantitative | Reporting currency | CG-MR-310a.3 | WESCO does not disclose this information |
| Workforce Diversity & Inclusion | Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees | Quantitative | Reporting currency | CG-MR-330a.1 | (1) See page 30 (2) See page 30 |
| | Total amount of monetary losses as a result of legal proceedings associated with employment discrimination | Quantitative | Reporting currency | CG-MR-330a.2 | WESCO does not disclose this information |

Sustainability Accounting Standards Board Content Index, continued

| TOPIC | ACCOUNTING METRIC | CATEGORY | UNIT OF MEASURE | CODE | DATA |
|---|---|-------------------------|---------------------------------|--------------|---|
| Product Sourcing, Packaging & Marketing | Revenue from products third-party certified to environmental and/or social sustainability standards | Quantitative | Reporting currency | CG-MR-410a.1 | WESCO does not disclose this information |
| | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Discussion and Analysis | n/a | CG-MR-410a.2 | <p>The Chemical Safety program establishes procedures to ensure chemical hazards are properly evaluated and communicated such that facility personnel can work with minimal or no risk to health.</p> <p>Management and Supervisory Responsibilities Management provides overall support and resources for the program. Supervisors must ensure employees are properly trained and the program is implemented at the facility.</p> <p>Employees HSE Responsibilities Employees must follow the outlined procedures for chemical management and inform management of any changes or concerns.</p> <p>Chemical Inventory A chemical inventory is available for hazardous materials handled onsite. Chemical hazard information may be grouped to aid in effective communication of hazard and control information.</p> <p>Chemical Hazard Evaluation The use of individual chemical hazards should be evaluated for routine functions to assess potential exposures. Tasks which are unusual or non-routine are to be evaluated by a supervisor prior to work being performed to ensure proper controls are provided.</p> <p>Labeling Systems All chemical containers are to be labeled in accordance with the Global Harmonization System (GHS) and are marked as to what they contain and the respective hazards.</p> <p>Safety Data Sheets Data sheets for each chemical used onsite are obtained from the manufacturer or distributor and made available to all employees.</p> <p>Training Employees are trained upon initial assignment and on a periodic basis thereafter with regard to the chemicals used in the work place.</p> |
| | Discussion of strategies to reduce the environmental impact of packaging | Discussion and Analysis | n/a | CG-MR-410a.3 | <p>WESCO minimizes waste by capitalizing on opportunities to reduce, reuse and recycle.</p> <p>WESCO uses packaging products that have anywhere from 10-80% recycled content built into the base material. Many of these materials are also biodegradable.</p> <p>At WESCO, most of all items such as corrugated, polybags, tapes, etc. are recyclable. We source sustainable materials such as dunnage, reels and boxes from paper/paperboard and wood. Many locations have cardboard balers and compactors to reduce the impacts in a landfill waste environment.</p> <p>With the training of employees on recycling, we encourage using the minimal packaging necessary to protect and safeguard our products so as not to over tax the landfills.</p> <p>Shipment Consolidation successfully used third-party transportation partners to collect, consolidate and ship products from the U.S. to WESCO and customer locations around the world. By leveraging multimodal transportation to consolidate supplier shipments, WESCO reduces operating expenses, increases material visibility and lowers carbon emissions.</p> |
| ACTIVITY METRIC | | CATEGORY | UNIT OF MEASURE | CODE | |
| Number of distribution centers | | Quantitative | Number | CG-MR-000.A | 817 |
| Total area of distribution centers | | Quantitative | Square meters (m ²) | CG-MR-000.B | 2,234,176 square meters |

WESCO®

INTERNATIONAL, INC.

HEADQUARTERS
WESCO International, Inc.
225 W. Station Square Drive
Suite 700
Pittsburgh, PA 15219
412-454-2200

www.wesco.com
buy.wesco.com

WESCO International, Inc. (NYSE: WCC), a publicly traded FORTUNE 500® company headquartered in Pittsburgh, Pennsylvania, is a leading provider of business-to-business distribution, logistics services and supply chain management solutions. Pro forma 2020 annual sales were over \$16 billion, including full year sales for Anixter International which WESCO acquired in June 2020. WESCO offers a best-in-class product and services portfolio of Electrical and Electronic Solutions, Communications and Security Solutions, and Utility and Broadband Solutions. The company employs approximately 18,000 people, maintains relationships with approximately 30,000 suppliers, and serves more than 125,000 customers worldwide. With nearly 1.5 million products, end-to-end supply chain services, and leading digital capabilities, WESCO provides innovative solutions to meet customer needs across commercial and industrial businesses, contractors, government agencies, institutions, telecommunications providers, and utilities. WESCO operates approximately 800 branch, warehouse, and sales locations in over 50 countries, providing a local presence for customers and a global network to serve multi-location businesses and multi-national corporations.

© COPYRIGHT 2013-2021 WESCO Distribution, Inc. All Rights Reserved. Printed in the USA.