

# Ingenuity delivered.

2022 Sustainability Report



# Our Commitment

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As this report is being published, Wesco is celebrating our 100th anniversary since being founded in 1922. In an uncertain and volatile world, very few companies enjoy such longevity and success.

Wesco has been a leader in our industry, acquiring and developing capabilities along the way. Our ability to capture synergies and create value for our stakeholders by combining strengths is in our DNA.

We have expanded in size and scope while charting a course to realize our vision of becoming the best tech-enabled supply chain solutions provider in the world. Wesco's performance in 2021 was exceptional and laid the foundation for the extraordinary value creation opportunity that lies before us.

Our ability to significantly increase value for our stakeholders is a direct result of the commitment, hard work, and laser-focus on customer success that our people bring to our company each and every day. We have integrated sustainable systems into our operations, product and service offerings, and we have embedded these principles into our culture. We strongly believe that our people and our high-performance culture are our greatest assets. We are taking great care in developing our diverse and talented workforce and strive to be the employer of choice for our industry.

Our mission is to build, connect, power, and protect our world, and our environmental, social and governance (ESG) practices are at the heart of that important work. We are investing in new and emerging



technologies and expanding our capabilities in order to meet the growing demands in energy efficiency and management, renewable energy, and in sustainable maintenance, repair and operations for our customers. Each sector of our business has the opportunity for growth by providing our customers with products and services in support of their ESG goals. Additionally, our team is focused on delivering against our own ESG strategies and delivered the following results:

#### **Environmental**

- Reduced waste to landfill by 5%
- Set 2030 sustainability goals for landfill waste, greenhouse gas emissions and safety
- Conducted a supplier sustainability survey, responses representing \$5.6 billion in spend, to better understand our supply chain's sustainability practices and risk. We are continuing this work as we develop and implement a supplier sustainability counsel in 2022
- Commitment and implementation of energy reduction projects including 25 lighting retrofit projects, restructuring our solar strategy, and actively working to purchase green power through utility green tariffs

#### **Social**

- Introduced our new mission, vision and values
- Reduced total recordable injury rate by 10.6% since 2020; Wesco consistently performs 6x–8x better than peer group

of distributors benchmarked by the National Association of Wholesale Distributors (NAW)

- Contributed volunteer hours and financial support for Habitat for Humanity and the American Red Cross
- Matched employee donations for humanitarian aid to Ukraine
- Named to Forbes World's Best Employers and Forbes America's Best Employers for Women
- Named to Fortune Magazine's "World's Most Admired Companies" list

#### **Governance**

- Independent Lead Director, James L. Singleton, named Public Company Director of the Year by The National Association of Corporate Directors (NACD)
- Annual review of ESG initiatives and results by Board of Directors
- Sundaram Nagarajan, elected to the Wesco Board of Directors, September 1, 2022

Wesco is poised for continued growth as a global leader of business-to-business distribution and supply chain solutions. We look forward to ushering in the next 100 years of success.



John Engel  
Chairman, President  
and Chief Executive Officer

# This Is Wesco

## Wesco Company Profile

Employees  
**18,000**

Customers globally  
**140,000**

Products and services  
**1,500,000**

2021 Sales of  
**\$18.2 billion**

Wesco International (NYSE: WCC) builds, connects, powers, and protects the world. With a 100-year history of growing our business and diversifying our products and services to best serve our customers, we are a leading provider of business-to-business distribution, logistics services and supply chain solutions.

Headquartered in Pittsburgh, Pennsylvania, Wesco is a Fortune 500 company that provides a local presence for customers and a global network to serve multi-location businesses and multi-national corporations. At Wesco, we are creating the premier electrical, communications, and utility distribution and supply chain solutions company in the world. We're committed to providing more solutions for our customers, more partnerships for our suppliers, and more opportunities for our employees.

With a broad portfolio and extensive expertise, we help our customers operate their businesses more efficiently and profitably. Whatever the project or supply chain challenge, Wesco is a one-stop shop for any product or service needed to get the job done. Our unique skills, experience and insights enable us to work smarter and build innovative solutions that move our customers' businesses forward.

## Mission and Strategy

Our strategic plan draws together how our vision, mission, values, and key strategies provide a singular base for our collective work. Our vision is clear: to be the best tech-enabled

supply chain solutions provider as we pursue our mission to build, connect, power, and protect the world.

At the heart of the strategy are the Core5 values: Our People are our Greatest Asset, Winning with Customers and Suppliers, One Team, Always Strive to be the Best and Innovation. These values define who we are at Wesco and drive how we approach our work.

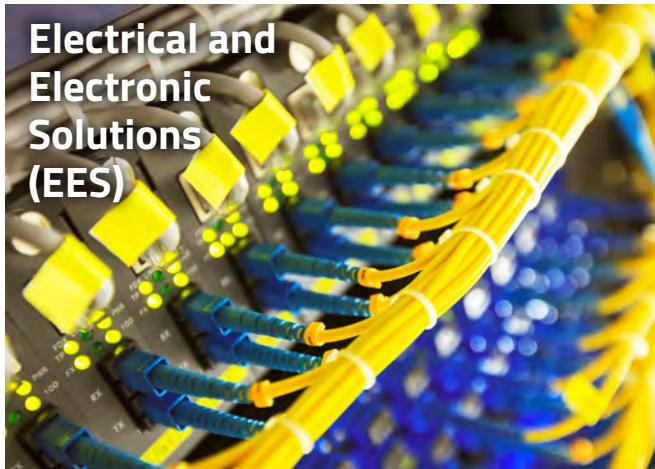
We believe that accomplishing this vision depends on the successful execution of our three-tiered strategy, which incorporates these three elements:

- Integrate the business and build world-class capabilities.
- Strengthen the organization and our culture of excellence.
- Digitalize and transform the business.

The three elements of our strategy touch every aspect of our business—from how we go-to-market with our three strategic business units, to how we drive efficiency and build our high-performance culture across the organization. We believe that the successful execution of these strategies, combined with our comprehensive product and service offerings, will provide cost-effective and innovative end-to-end supply chain solutions for a diverse set of customers across our end markets.

## Wesco Business Segments

Wesco provides best-in-class products and innovative solutions to meet customer needs for commercial and industrial businesses, contractors, government agencies, institutions, telecommunications providers and utilities.



We are a leading distributor of electrical products and services, and have been in business for a century. From automation and control to relays, sensors, and switches, we have the products and solutions to meet all of our customers' electrical needs.

### KEY PRODUCTS/BRANDS/PROJECTS

- Electrical Equipment and Infrastructure
- Automation and Controls
- Lighting
- Renewables
- Manufacturing Components
- Maintenance, Repair and Operations (MRO)
- Safety



For more than 40 years, we have partnered with leading manufacturers to deliver comprehensive solutions that provide 24/7 connectivity and enable security and safety in commercial buildings, data centers and parking facilities around the world.

### KEY PRODUCTS/BRANDS/PROJECTS

- Network infrastructure
- Security
- Wireless
- Professional A/V
- Safety
- IoT



For more than 60 years, we have been serving a diverse customer portfolio in the utility, broadband and industrial segments, with the broadest product offering in the industry, all while helping customers optimize their network deliverables for subscribers and minimize operational expense.

### KEY PRODUCTS/BRANDS/PROJECTS

- IOU, Public Power and Contractors:
  - Generation and Renewables
  - Transmission and Substations
  - Distribution
- Global Service Providers
- Broadband and Wireless Operations
- Integrated Supply for Industrial, OEM and Manufacturing Companies



# Sustainability

[Sustainability Approach](#)  
[Sustainability Journey](#)  
[Reporting and Materiality](#)  
[ESG Disclosure and Framework Alignment](#)  
[Sustainability Goals](#)

## Sustainability Approach

With our 100 years of operational excellence, Wesco is recognized as a premier distribution and supply chain services company with a history of success. We continuously evolve to address the needs and challenges of our customers, our suppliers, and the communities we serve. Our approach to sustainability is two-fold. We aim to:

- Minimize the environmental impacts of our own operations, and
- Assist our customers and suppliers with achieving their sustainability goals through the products and services we provide.

We have an established governance structure over our sustainability strategy and activation. Our Board of Directors, through its Nominating and Governance Committee, oversees Wesco's material environmental, social and governance (ESG) matters. Our Executive Vice President, Supply Chain and Operations works with our senior leaders to set the strategy and develop goals to embed sustainability across the organization.

We began reporting our sustainability strategy in 2012. In 2016 we created five specific environmental goals, most of which were met at the end of 2021. During this time, we improved upon our data collection and aligned with the United Nations Sustainable Development Goals (UN SDGs). Following the transformational combination with Anixter in 2020, our team set new goals for our combined organization looking forward to 2030. Wesco employees work collaboratively to reach our ESG goals.

The Wesco Lean Program is focused on engaging our employees in continuous improvement. Lean principles are reinforced in daily management meetings and in kaizen (a Japanese word for continuous improvement) events conducted by cross-functional teams. In 2021 our employees conducted over 250 kaizens centering on safety, energy efficiency, customer satisfaction, waste minimization and cost savings. Over 8,000 of our employees held at least an introductory white belt in lean, and 720 team members earned a more advanced yellow or green belt certification in 2021. We empower our employees to self-initiate on lean activities with support from lean champions and teams.



## Sustainability Journey

Our centennial prompted a reflection on our sustainability journey. In the graphic, we summarize our journey over the last decade, knowing it will continue to develop over the years to come.

**2009**

Wesco becomes the first electrical distributor in the U.S. to report to the Carbon Disclosure Project

**2012**

Wesco releases its Inaugural CSR Report

Wesco opened two new state-of-the-art Lighting and Sustainability Solution Centers in Boston, MA, and Chicago, IL to provide customers with real-world applications of energy efficient lighting, controls, and other green building solutions

**2011**

Wesco completed our first on-site renewable energy project in Phoenix, AZ

The lean principles contribute to our Wesco sustainability programs as employees practice continuous improvement. This applies to Wesco facility activities, the products and services we offer to our customers in support of their sustainability efforts, and our supplier relationships as we support suppliers in addressing their sustainability challenges and opportunities.

We use our sustainable products and services within our operations to drive efficiency and reduce waste. Wesco has the unique opportunity to learn about new and innovative products and practices and to share our learning with our customers and along the entire value chain. We design and provide solutions enabling our customers to:

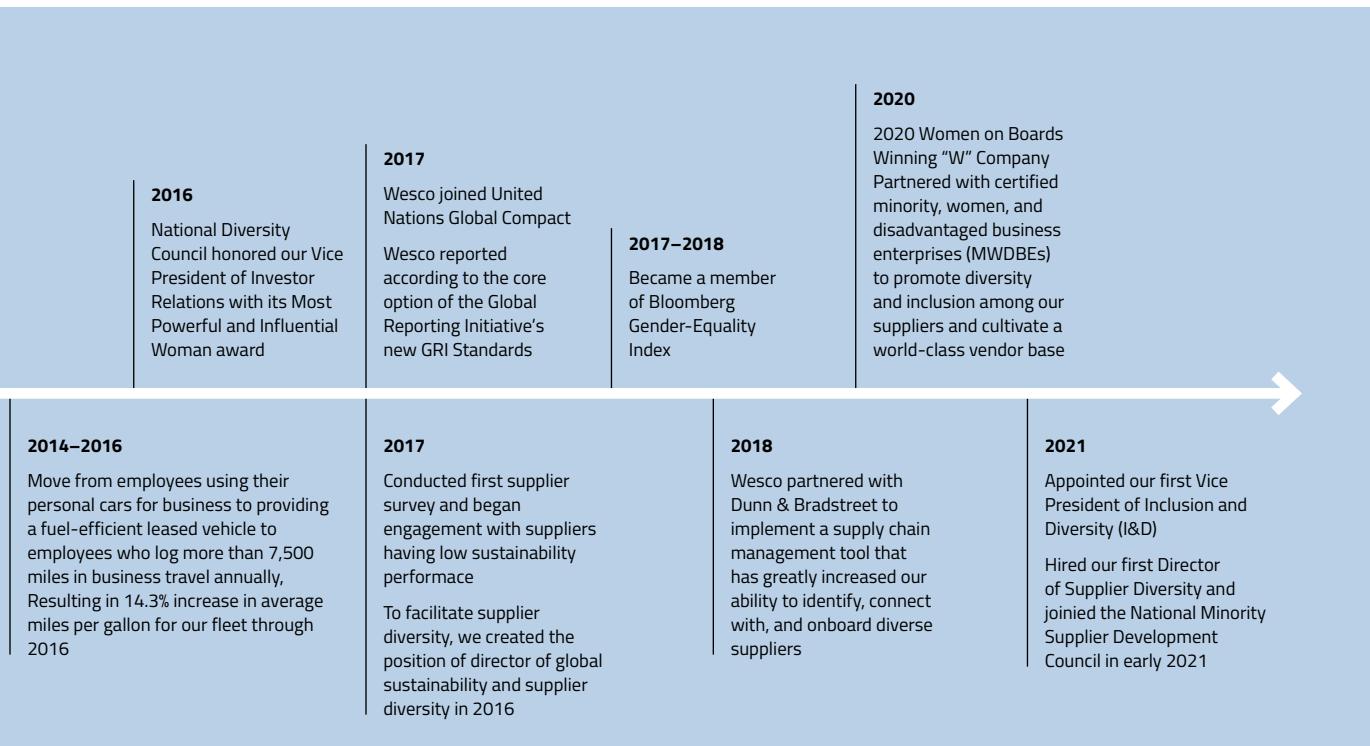
- Reduce greenhouse gas (GHG) emissions at their facilities and in their supply chains,
- Improve productivity through automation,
- Increase output more efficiently and effectively through digital tools and applications.

Energy-efficient lighting, power plugs, and solar energy are just a few of the many technologies that we install at our facilities and our customers' operations to reduce our environmental impact.

## Reporting and Materiality

This report covers content identified as material to Wesco and our stakeholders, as well as information to meet disclosure requirements to align with our ESG frameworks.

The 2022 Wesco Sustainability Report follows the core option of the Global Reporting Initiative's Standards. 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 sustainability involvement, environmental impact, governance practices and social initiatives. We gather data and information 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, non-governmental organizations and other stakeholders on prior sustainability reports;
- Topics evaluated by external ranking organizations, such as [CDP](#) and [EcoVadis](#);

- Disclosure frameworks such as [GRI](#), [SASB](#), and [TCFD](#);
- Insight from our senior leaders;
- Our enterprise risk management process;
- Applicable government regulations; and
- Priorities of industry associations in which we participate.

We plan to evaluate and refresh our materiality assessment process in late 2022.

MATERIAL TOPIC	SIGNIFICANT IMPACTS	BOUNDARY
Supply Chain	Supplier diversity	Entire supply chain
	Supplier sustainability	
Energy	Internal energy use	Customer energy use
	Customer energy use	
Waste	Waste generated	Wesco facilities in the U.S. and Canada and local communities
Emissions	Internal emissions generated	Wesco facilities in the U.S., Canada and UK, customers and local communities
	Customer emissions	
Health and Safety	Employee injuries and fatalities	Employees and their families
	Employee wellness	

## ESG Disclosure and Framework Alignment

Wesco aligns with several ESG frameworks and disclosures in support of our commitment to transparency and our fulfillment of stakeholder needs and expectations. We leverage the following frameworks and standards to provide robust ESG information disclosure:



### Global Reporting Initiative (GRI):

GRI offers a list of global standards and guidelines around sustainability reporting.



### Sustainability Accounting Standards Board (SASB):

SASB provides a comprehensive set of industry-specific disclosure topics and guidelines.



### Task Force on Climate-Related Financial Disclosures (TCFD):

TCFD provides disclosure recommendations on thematic ESG topics such as governance, strategy, risk management, metrics, and targets to provide stakeholders with fuller information surrounding climate risks.



CDP: Formerly the Carbon Disclosure Project, CDP is an international organization that helps companies and cities measure and disclose important environmental impact information through an annual questionnaire and rating system.



### United Nations Global Compact (UNGC):

UNGC is an initiative that aims to help businesses align their strategies and work toward the UN's Sustainable Development Goals.



### United Nations Sustainable Development Goals (UN SDGs):

UN SDGs provide a shared set of 17 goals toward peace and prosperity for people and planet and creates a call to action by all countries in a global partnership.

### **United Nations Sustainability Goals**

Wesco is 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. We have prioritized the following five goals:



More information about our SDG aligned initiatives is included throughout this report.

## 2016-2022 Sustainability Goals

Our 2016 goals were set for a very different Wesco organization since they predated our transformational merger with Anixter in 2020. We will retire these goals following this report to shift focus to our 2030 goals. As a new Wesco, we continue to work toward improvements in all these areas.

COMPLETION STATUS	GOAL	2021 RESULTS
	Reduce landfill waste intensity by 10% at locations in our 2016 baseline by 2022.	In 2021, we had not yet met this goal. Landfill waste is included within in our 2030 goals.
✓	Reduce greenhouse gas emissions intensity by 8% from 2016 levels by 2022.	Goal met in 2020
✓	Improve the fuel efficiency of our trucks by 3% from 2016 levels by 2022.	Goal met in 2018
	Reduce facility energy intensity 10% from 2016 levels by 2022.	In 2021, we had not yet met this goal. We will continue to work toward improving in this area.
✓	Achieve a 40% reduction in the total recordable incident rate (TRIR) by 2022 from a 2017 baseline.	Goal met in 2020

The achievements described above reflect legacy Wesco data only in order to have an equal comparison to previous years. We believe a portion of the reduction in 2020's GHG and Energy intensity were due to the COVID-19 pandemic and a reduction in employees in our offices.

## 2030 Goals

COMPLETION STATUS	GOAL	ACHIEVED THROUGH 2021
	Reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30% from a 2019 baseline by 2030*.	Reporting on this goal will begin in our 2023 report. New data will allow stronger estimates to restate our 2019 baseline as we reach for our 30% reduction goal by 2030. 2019 baseline estimated emissions are 107,178.8 MTCO <sup>2</sup> e
	Reduce landfill waste intensity by 15% across our US and Canadian locations from a 2020 baseline by 2030.	2021 12,845 MT (68.5% of total) — a 5% reduction 2020 baseline 13,528 MT (68.9% of total waste generated)
	Achieve a 15% reduction in Total Recordable Incident Rate (TRIR) by 2030 from 2020 baseline.	2021 0.42 incidents per 100 employees — a 10.6% reduction 2020 baseline of 0.47 incidents per 100 employees.
	Provide 425,000 hours of safety training and development to our employees by 2030	2021 60,000 hours of safety training — 14.1% achieved

\*Unless otherwise indicated, the greenhouse gas emission goal and baselines are based on the following assumptions and estimates. We have based our GHG emissions goal relative to 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. This baseline incorporates estimates for legacy Anixter buildings and fleet emissions in 2019, based on corresponding assumptions and estimates made using historical legacy Wesco data. Our total estimated 2019 baseline emissions are 107,178.8 MTCO<sup>2</sup>e for Wesco | Anixter with a goal of achieving emissions of 75,025.2 by 2030.



# Social

## People

### Human Rights

#### Inclusion and Diversity

##### Awards

*I&D Training, Development, and Communication*

*Business Resource Groups (BRGs)*

*Diverse Talent Pipeline Development*

*Diverse Leadership Program*

*Marketplace and Supplier of Choice*

#### Employee Demographic Data

#### Talent Management

*Talent Acquisition*

*Onboarding*

*Professional Training and Development*

*Employee Engagement and Recognition*

*Mentorship*

*Performance Management*

*Leadership and Organization Review/*

*Succession Planning*

*Compensation*

#### Health and Safety

*Risk and Incident Management*

*Hazard and Near-Miss Reporting*

*Site Inspections and Audits*

*Health and Safety Training*

*Employee Engagement*

*Branch/Distribution Center Safety*

*Fleet Safety*

*Customer and Supplier Health and Safety*

*Occupational Health Services*

*COVID-19 Response and Continued Employee*

*Support*

*Wellness*



Wesco has implemented innovative technology to address safe and efficient driving in fleet vehicles.

Wesco provides healthcare coverage and wellness and lifestyle programs that promote physical and mental health and encourage work life balance.



Wesco's Inclusion and Diversity encourages respect and appreciates differences in age, race, ethnicity, indigenous origin or heritage, gender, physical attributes, beliefs, language, sexual orientation, education, nationality, social background, culture and other personal characteristics.

## People

Our people are our greatest asset. It is the first and a foundational core value at Wesco. We develop and nurture a culture that attracts and retains diverse and highly-qualified employees to sustain a competitive advantage in our evolving marketplace.

In 2021 we surveyed employees to keep a pulse on our culture as teams settled into new ways of working as a result of the COVID-19 pandemic and our merger with Anixter the previous year. Results of the survey provided senior leadership insights into the effectiveness of our change management processes. More information on our Employee Pulse survey is included in the Employee Engagement Section of this report. We continue to monitor and refine systems and process integration that support our continued success.

### Human Rights Overview

We are committed to ensuring that all employees are managed fairly, ethically, and are treated with dignity and respect. Our Human Rights Policy addresses the following topics:

- Diversity and non-discrimination (see Diversity and Inclusion section of this report)
- Safety in the workplace (see Health and Safety section of this report)
- Freedom of association and collective bargaining (see Governance section of this report)
- Disabled employee accommodations
- Harassment prohibition (see also, Whistleblower Policy and Tele-Tip Hotline program)
- Adherence to laws addressing child and forced labor
- Appropriate working hours, wages and benefits (see Compensation section of this report)
- Safe and healthy workplace conditions (see Health and Safety section of this report)

Our practices integrate respect for human rights, both directly within our global operations and throughout our supply chain.

## 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 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

Our policies complement regular management reviews, ongoing programming with peers, and presentations from experts in the field. Our Human Rights Policy informs standard practices and is reinforced both through employee trainings and with annual reaffirmation statements. Our confidential Tele-Tip Hotline is available for all employees and stakeholders to report suspected human rights violations within our operations and those of our suppliers.

## Inclusion and Diversity

Inclusion and diversity (I&D) are at the foundation of our high-performing culture. We believe that our dedication to 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 at all levels. We respect and appreciate differences in age, race, 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.

The goals of Wesco's Inclusion and Diversity program are to:

- Leverage the unique experiences and perspectives of our talented workforce to support Wesco's mission
- Engage employees and build an inclusive culture
- Recruit and develop talent that brings new perspectives and thought processes to Wesco
- Increase representation of suppliers that are owned and operated by teams with diverse backgrounds
- Support the communities in which we operate.

I&D is also explicitly reflected in our [Code of Business Ethics and Conduct](#) and other workplace policies.

Wesco's overall strategy includes an I&D focus and has empowered our business leaders to prioritize the topic. Executive leadership oversees I&D activity, measures results, and holds all leaders accountable. Collectively, teams are working toward a multiyear, enterprise-wide vision on inclusion, diversity, and engagement, which interconnects all our employees, suppliers and customers.



Wesco was recognized as a member of the 2021 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.

Our Global Inclusion & Diversity Council is chaired by our Vice President of Inclusion and Diversity, who leads a team of senior management members who ensure that Wesco is tracking toward our I&D goals to reach our vision through the following channels:

- I&D Training and Communications
- Business Resource Groups
- Talent Pipeline Development
- Supplier of Choice

### Awards

In recognition of the many I&D initiatives pursued, Wesco has received several awards for its efforts and achievements.

- Bloomberg Gender-Equality Index
- The 30 Best Companies to Work for Latinos: Each year, Latino Leaders magazine compiles a list of best companies for Latinos, using such criteria as employee diversity, programs to recruit, promote and retain Latinos, Employee Resource Group programs and Latino representation in the boardroom and C-Suite level. Wesco is proud to be recognized as one of the 30 best companies in 2022, which reflects our commitment to diversity and inclusion strategies and advancement.

### I&D Training, Development and Communication

Leaders and managers leverage a set of practical training and tools to engage employees and share diverse experiences and ideas. In 2021 we offered 15 different I&D training course modules. Overall, there

were 27,069 completions of the modules, totaling an estimated 4,108 hours of employee I&D training.

### Business Resource Groups (BRGs)

In 2021 the I&D Council led the creation of four BRGs. More than 2,200 employees from 23 countries at every level of the organization have joined one or more of our BRGs. These groups are offered globally and are open to all employees regardless of any aspect of their personal identity.

We continue to expand our BRGs to support representation across our business. In 2022 we launched a fifth BRG representing Employees with Diverse Abilities, as a resource for employees with visible and invisible differences to share their unique perspectives.

These groups maintain a culture of inclusion where employees can thrive, and strengthen our culture by offering different perspectives, styles, thoughts, and ideas. Additionally, feedback from our BRGs offers business insights as we strive to continually improve our diverse culture. Some of the many benefits of our BRGs include:

- Supporting our business initiatives;
- Acting as a sounding board for strategic diversity objectives within the organization to help create a more inclusive work environment;
- Serving 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;
- Providing opportunities for employee development, education, training, recruitment, retention, business outreach and development; and
- Supporting innovation by providing insights into new markets, product development, and multicultural marketing while enhancing the company's reputation in the marketplace.

### Diverse Talent Pipeline Development

We aim 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 diverse and inclusive recruitment efforts are aided and informed by our BRGs.

We also actively recruit veterans through our partnership with [RecruitMilitary](#), which connects veterans to potential employers through job fairs and a jobs database. Throughout the pandemic, RecruitMilitary partnered with CareerEco to offer access to virtual recruiting events. We attended six job fairs for veterans in 2021, and our Talent Acquisition team is trained on recruiting veterans through the RecruitMilitary Green Zone training.

Additionally, we communicate our open positions via [Circa](#) and the [Professional Diversity Network](#), two career networking tools that aid in reaching diverse job candidates and help us build our diverse workforce.

As a function of our growth, we have additionally partnered with DirectEmployers Association <https://directemployers.org> in order to enhance our commitment to reaching even more diverse job candidates.

### **Marketplace and Company of Choice**

Activities to create a strong, diverse, highly skilled workforce in an inclusive and continual learning culture are aimed in one direction: to be the company of choice for great candidates and employees. Our commitment to grow our diverse supplier network helps our suppliers and makes us a stronger supplier for customers. Additional information about our efforts to increase the diversity of our supplier network can be found in the Supply Chain section.

## **Business Resource Groups**

	<b>MOSAIC</b>	<b>PRIDE</b>	<b>WIN</b>	<b>VOLT</b>
Supporting	Black, Latino, Indigenous, People of Color employees and allies	Equitable empowerment of the LGBTQ+ community and allies and promotion of a safe, friendly environment for all	Women in our organization and industry and allies	The engagement of active military employees, veterans and allies
Membership	499 in 23 countries	280 in 16 countries	1,130 in 25 countries	330 in 15 countries
2021 Accomplishments	Led the development of Wesco's First Global Inclusion and Diversity Day with over 1,000 attendees. The theme was #ProudtoBe and employees from across the globe participated by sending in photos and videos of what they are proud to be.	Hosted two roundtable events on Active Allyship and Coming Out in the Workplace	Hosted a virtual International Women's Day event with 800+ attendees  Held a joint event with Panduit's Empowering Women's Success Network  Piloted a mentorship program with 17 pairs of mentors and mentees	Created a Challenge Coin for members of VOLT to earn by demonstrating Service, Integrity and Valor at work each day
Community Initiatives	Published a Multicultural Employee Cookbook	Created guides and training for employees on using pronouns, allyship and terminology documents to support the LGBTQ+ community	Led an all-woman Habitat for Humanity Build in Chicago	Led Habitat for Humanity Build in Chicago with Veterans
Slogans and Logos	#ProudtoBeWesco  <b>MOSAIC</b> Culture. Equity. Growth.	<i>Creating Safe Spaces for All</i>  <b>PRIDE</b> LGBTQ+. Empowerment. Inclusion.	#ChoosetoChallenge  <b>WIN</b> Involve. Inspire. Influence.	<i>Thank You For Your Service!</i>  <b>VOLT</b> Service. Integrity. Valor.

## Talent Management

Our Talent Center of Excellence (COE) team supports both Talent Acquisition (Recruiting) and Talent Management (Leadership and Development, Performance Management, and Succession Planning) activities across Wesco by providing programs and resources across the entire employee lifecycle. Our goal is to identify, attract, and hire the very best talent, and to continuously improve our leadership bench strength and talent readiness.

### Talent Acquisition

Our Talent Acquisition Team partners with leaders and hiring managers globally to successfully reach our talent goals.

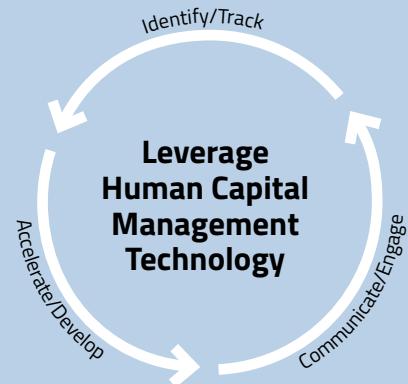
With the formation of the Talent COE in July 2021, we increased focus on tools, technology, processes, and people resources to meet the needs of our growing business in a competitive environment. We implemented a new service delivery model focusing on an increased level of service and streamlined processes. We are focused on improving the hiring manager and candidate experience, while bringing the right talent to open roles as quickly and efficiently as possible. Additionally, we launched a revamped global Employee Referral Program to promote employee recommendations and referrals, while standardizing the process.

We are working to optimize our recruiting data sources and systems for elevated reporting and analytics capabilities to improve visibility and insights into progress towards our goals and trends in the overall recruitment process.

We are continuously looking for new ways to promote Wesco and attract talent. We leverage relationships with recruitment vendors for extended reach with a diverse pool of applicants. This year we evaluated current agreements and centralized various contracts with RecruitMilitary, Orion, Transforce, Michael Page, Kelly Outsourcing and Consulting Group, CCA, Velocity and Elite Staffing. Additionally, we strengthened our partnership agreements with LinkedIn and Indeed to maximize our usage of the platforms for job postings and analytics capabilities. Looking forward, we plan to launch a Recruitment Process Outsourcing initiative to significantly improve our ability to source, attract and hire Warehouse Operations

## Diverse Leadership Program

### Leverage Human Capital Management Technology



#### Purpose:

- Improving leadership bench strength and develop our diverse talent with the intent of sharing that talent across internal business segments
- Identify and track diverse talent that could be ready for an increased level role within 4 to 5 years
- Engage diverse talent by facilitating development process and providing direction for career advancement
- Accelerate diverse talent development with exposure to new opportunities and learnings

#### Value for Wesco

- Diverse succession plans to improve leadership bench strength
- Integrated development plans increase talent sharing readiness/leadership readiness
- Creates visibility and opportunity to put diverse talent into critical roles

#### Value for the Employee

- Drives continued development via informal development opportunities and cross-functional leadership exposure
- Engages talent by clarifying development process and providing direction for career advancement

# 2021 Employee Demographic Data

## Employees by Gender

	FEMALE	MALE	NONBINARY	UNKNOWN	GRAND TOTAL
	5,501	12,265	3	177	17,946

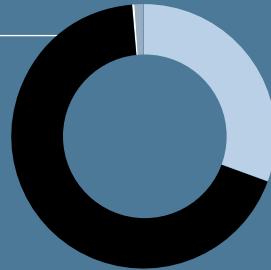
Temporary employees who are on the payroll are included. Temporary workers who are part of our Master Vendor Program (MVP) and paid through an outside agency are not included.

## Management Gender Totals 2021

	FEMALE	MALE	NONBINARY	UNKNOWN	GRAND TOTAL
All other	25.5%	55.4%	0.02%	0.9%	81.8%
Management	5.2%	12.9%	0.00%	0.1%	18.2%
Grand Total	30.7%	68.3%	0.02%	1.0%	100.0%

Gender Total

Female	30.7%
Male	68.3%
Nonbinary	0.02%
Unknown	1.0%



All Other

Female	31.1%
Male	67.8%
Nonbinary	0.02%
Unknown	1.1%

Management

Female	28.5%
Male	71.0%
Nonbinary	0.0%
Unknown	0.6%

## Management Gender Totals 2021

	TOTAL	PERMANENT	FULL TIME	PART TIME
Female	5,501	5,487	5,429	72
Male	12,265	12,248	12,203	62
Nonbinary	3	3	3	0
Unknown	177	169	177	0
Grand Total	17,946	17,907	17,812	134

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.

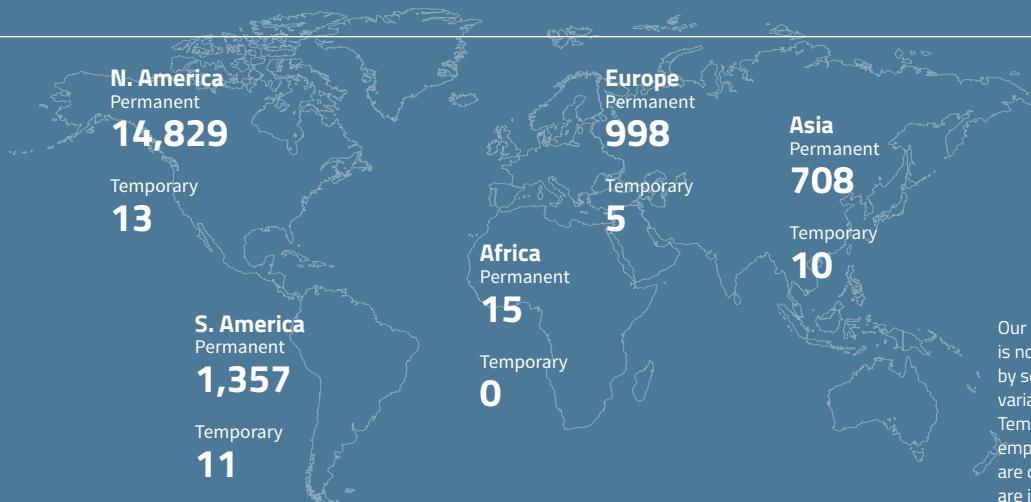
candidates across North America. The program is expected to ultimately allow Wesco more scalability as our labor needs fluctuate, improve our efficiency, and reduce the time to fill our highest volume positions.

We are excited about rolling out a new employer brand and recruiting strategy, and using new messaging to advertise, source and recruit top talent. More information is found on our updated careers page on [Wesco.com](https://Wesco.com).

## Onboarding

We welcome new employees with an orientation 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 through 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.

## Employees by Region and Employment Status



## Employees by Race

	FEMALE	MALE	NON-BINARY	UNKNOWN	GRAND TOTAL
American Indian/ Alaska Native	19	43	0	0	62
Asian	160	300	2	0	462
Black or African American	307	793	0	0	1,100
Hispanic or Latino	475	1,109	0	0	1,584
Native Hawaiian or Pacific Islander	14	47	0	0	61
White	2,545	5,802	1	0	8,348
Two or More Races	48	109	0	0	157
Unknown	21	42	0	46	109
Grand Total	3,589	8,245	3	46	11,883

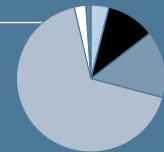
Temporary employees who are on the payroll are included. Data for temporary workers who are part of our MVP program are not available by race.

Ethnic data includes voluntary responses from our U.S. employee population.

## Ethnic Group Totals

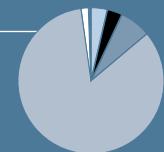
### All Other

Asian	3.9%
Black or African American	10.7%
Hispanic or Latino	14.8%
White	67.4%
Other	2.6%
Unknown	1.0%



### Management

Asian	3.83%
Black or African American	3.2%
Hispanic or Latino	6.9%
White	84.0%
Other	1.5%
Unknown	0.5%



## Professional Training and Development

Managers are encouraged to provide all newly-hired employees with individual 30-60-90-day plans that set 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.

Wesco offers several certification and training programs, some of which are mandatory for all employees, while others are voluntary or role-based. Passport, formerly 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:** For more than 10 years we have offered a 12-month, hands-on training program for recent college graduates that 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 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 Finance Leadership Development Program: A two-year development opportunity for high-potential individuals completing their undergraduate degree or within 2 years post-graduation. Individuals in this program will accelerate the development of their business and technical skills through three 8-month job rotations. The Finance Leadership Development Program may include rotations in: Controllership, Business Unit Financial Planning and Analysis (FP&A), Corporate FP&A, Corporate Treasury, Supply Chain and Operations FP&A, Financial Systems, Global Business Services, Internal Audit and Pricing. Analysts in this program will be actively involved in key business priorities while gaining a network of organizational contacts, a wide understanding of Wesco's business, and experience with financial systems and processes. Upon completion of the program, participants will have a full-time position and eligibility 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 in an effort to prepare and encourage employees to strive for expanded roles or promotions within the business as part of our succession planning.

#### **Employee Engagement and Recognition**

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 2021, we conducted monthly employee engagement surveys circulated to all employees. The survey, along with Change Networks from each Business Unit/Functional Area, garnered the following key points:

- Encourage increased participation in Pulse Surveys;
- Improve workload and work-life balance;
- Provide clearer understanding of company integration efforts.

Following the release of the employee engagement results, our management teams were tasked with creating action plans to work towards addressing the issues employees identified in the survey and focus groups. We will continue to seek feedback from our employees and actively work as a team to improve our employees' experience.

Another gauge that we use to measure engagement is total turnover rate, which was 21.2% for Wesco in 2021.



## Wesco Communications & Security Solutions

### CSS Lead

Bill Geary, Executive Vice President  
and General Manager, Communications & Security Solutions

### Health and Safety

Occupational health and safety are core tenets of a sustainable organization, and for Wesco, safety is more than how we operate our business, it is our business. In the Communications & Security Solutions (CSS) Business Unit, safety has been a focus for many years, and we have progressively embedded it into our culture, our daily work life, and the solutions and services we provide our customers around the world.

The integration of Conney Safety and Hazmasters into the business brings us more than 75 years of trusted safety program management, safety products, consulting, and training to support safer work environments for Wesco and our customers. To drive scale, we have embedded specialized safety resources across all business units in order to bring a holistic approach to this space like never before.

- We have a dedicated internal safety team to promote safety throughout Wesco.
- We require regular, mandatory safety training for all employees and routine evaluation of safety protocols within our branch offices and warehouses.
- Our "Safety Minute" initiative begins group meetings with a brief safety message for our employees, following the mantra "Safe by choice, not by accident."
- We offer customers the industry's most comprehensive selection of trusted safety products from the world's leading manufacturers.
- We provide safety services, consulting and training tailored to solve our customers' unique challenges.
- Our suite of customer education programs includes a wide variety of on-site and virtual safety courses, which are led by Certified

Safety Professionals (CSPs), to help our customers meet their requirements and keep their workers safe.

### Sustainability and Energy Efficiency

Wesco works tirelessly to drive improved sustainability and energy efficiency in all of our offerings. From the solutions we recommend, to our warehouse activities and shipping methodologies, sustainability is central to the work we do.

- We have a global technical services solutions group that specializes in all technologies, including a consulting practice that creates sustainability roadmaps.
- Wesco provides environmental sensors and devices to help ensure visibility to and improve management of energy usage, temperature, humidity, crucial air and liquid flows, and battery monitoring of devices and power distribution units.
- We offer a wide variety of endpoint devices, including network cameras, pro AV equipment, access control and more that leverage IoT to achieve operational excellence, increase energy efficiency, improve business continuity, reduce risk, meet sustainability goals, build competitive advantage, and provide safe and healthy working conditions.
- We work in a boundaryless fashion to ensure our customers have access to every solution they need to make their commercial building, data center and parking facility more efficient, including energy-efficient LED lighting, networked controls, smart power metering, and electric vehicle charging.

Wesco has learned over the last century that continuous improvement in our culture and practices can lead to expansive leaps in safety and sustainability. And our commitment to continuous improvement in these areas will never waver.

## Case Study

## Wesco develops teams through the Young Sustainability Innovators Program

Wesco partnered with the Arizona State University's Thunderbird School of Global Management to promote the Young SDG Innovators Program. This nine-month program, presented in a hybrid format with both in-person and online engagement, helps participants develop concrete United Nations Sustainable Development Goals-aligned projects. The session builds participant's expertise, capabilities, and visibility within Wesco and helps to build connections with other ESG professionals.

TURNOVER RATE PERCENTAGE*			
YEAR	WESCO	ANIXTER	COMBINED
2019	17.8	22.5	-
2020	14.4	17.9	-
2021	-	-	21.2

\*Includes previous rates by company and will report combined in all future reports.

An important component of engagement is recognition of the stellar work our employees do. Our worldwide Results, Recognition, and Rewards (R3) program allows us to celebrate employee contributions in a genuine and meaningful way. Based on Wesco leadership values, the R3 program 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 by our CEO and their manager and receive an award certificate and a Wesco service award. In 2022, we launched WOW (Wesco Outstanding Work) a new rewards and recognition program. The program allows colleagues to shine a spotlight on outstanding performance and everyday excellence through social posts and even recommend monetary rewards.

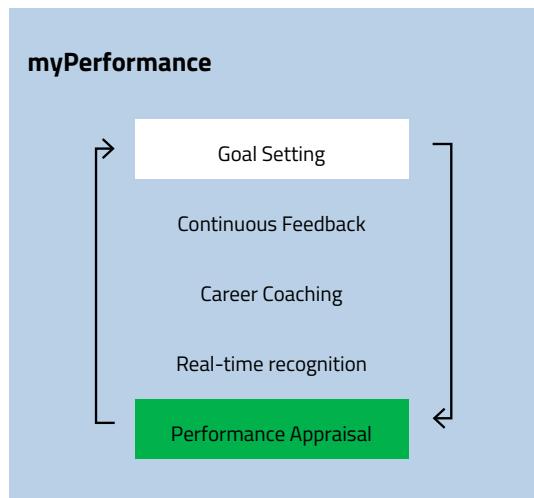
We also laud employee achievements in implementing lean principles within our operations. The Excellence Award for Lean Leadership recognizes the Wesco leader who best embraces and leads the implementation of lean within his or her organization. The Lean Execution Excellence Award is given to the top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

### Mentorship

We are in the process of redesigning our mentorship program to an updated format to better suit our employees. 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 meets 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

Wesco is on-track to launch a new performance management system in 2022 that will allow us to refocus our time and energy away from administration to allow us to talk more with our people rather than write about our people. The program is a continuous practice built on enabling ongoing conversations, called "Check-ins", between managers and their teams to drive results. Check-in conversations will happen throughout the year to allow for continuous feedback, career coaching and real-time recognition.



### Leadership and Organization Review/ Succession Planning

We are strengthening our Leadership and Organization Review (LOR) process this year both in scope and frequency by increasing the number of sessions from once to three times annually. This will generate value across the entire enterprise by a) Creating

an ongoing conversation on our talent rather than one annual discussion, b) Providing tools to identify, engage, and develop our talent, c) Activating conversations related to critical needs and critical talent, and d) Supporting intra- and inter-Strategic Business Unit Function mobility for our talent.

#### **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. With oversight from Human Resources and our business leaders, we continually evaluate and evolve our compensation and career progression strategies for employees to improve our ability to attract and retain talented employees while providing a sound structure for employee development and career growth.

## **Health and Safety**

We work hard to keep each other safe. It is the first tenet in our core value of commitment to our people. We do not tolerate violations of safety protocol. We are committed to reduce health and safety risks and aim for zero incidents. Our CEO and full leadership team are determined to consistently improve through dedicated programs, employee best practice sharing and training. We act to improve the safety of our facilities and track a series of metrics that provide guidance toward that improvement.

In 2021 we made significant improvements to our Environmental Health and Safety management system. This significant upgrade was a positive result of the combination of industry-leading practices following our merger with Anixter. Our teams took the most effective elements of each to make an industry-best management system with a focus beyond compliance to leverage key performance indicators to get ahead of injuries and continue our strong performance. Our performance is 65% better than the U.S. Department of Labor average for our industry.

Our Global Health and Safety Management statement, also redesigned in 2021, is supported tactically by our health and safety system. The management system covers all internal work-related functions performed by any worker, contractor or employee in our facilities, customer locations or corporate office settings. All employees are included in this management system and are focused on continuous improvement. Our systematic approach achieves this through assessing risk, implementing controls, evaluating effectiveness of those controls, and acting upon trends identified through preventative and responsive metrics. Metrics include near miss reporting, training completion statistics, injury rates and data from key initiatives, like ergonomic wearable feedback.

Our Global Corporate Safety team oversees the Health and Safety system, which covers the core processes and procedures for strong 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. Each employee is responsible for working within the system and contributing to our enterprise-wide safety performance objectives by which we measure an individual's contribution and actions.

Key components of our health and safety program consider both preventative and reactionary management, concepts with which our program aligns, considering elements within the OHSAS-18001 and ISO-45001 guidelines and standards, including:

- **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.

#### **Leadership and Organization Review Process**

Step 1

#### **Goal Deployment and Talent Planning**

Step 2

#### **Talent Review and Succession Planning**

Step 3

#### **Development Planning and Mobility**

## Goals Met and Going Further

As a testament to our commitment to health and safety:

### 2022 Goal

40% reduction in our total recordable injury rate (TRIR) from a 2017 baseline.  
RELEASED IN 2016 AND ACHIEVED in 2020!

### 2030 Goal

Achieve a 15% reduction in the total recordable injury rate (TRIR) from a 2020 baseline of 0.47 incidents per one hundred employees.

**GLOBAL SAFETY PERFORMANCE—ALL EMPLOYEES**

	<b>FATALITIES</b>	<b>HIGH-CONSEQUENCE INJURIES</b>		<b>LOST TIME RECORDABLES</b>		<b>TOTAL RECORDABLE INCIDENTS</b>	
		Number	Rate	Number	Rate	Number	Rate
2019	0	1	0.01	19	0.21	57	0.63
2020	0	1	0.01	12	0.13	42	0.47
2021	0	1	0.01	23	0.13	72	0.42

All rates use the U.S. Occupational Safety and Health Administration recordkeeping criteria and represent the number of cases per 100 employees. For 2021, performance now reflects the combined company rates and totals after the Wesco and Anixter merger.

- **Reporting of safety concerns/ideas:** Provides a means for employees to provide input to the health and safety program suggesting any preventative considerations.
- **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 followed.
- **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.

Locations have a regional health and safety advisor who provides oversight to local leadership who is responsible for compliance activities such as facility inspections, and employee training.

Regional health and safety advisors are responsible to:

- Work with site leadership to ensure compliance programs are in place, and initiatives are implemented to drive performance improvement,
- Conduct routine facility audits based on trends or compliance needs,
- Evaluate training needs, and plan out a corporate training calendar, and
- Track, trend, and report health and safety metrics.

Each location has a close relationship with our global corporate safety team, and company performance is reviewed monthly by our senior and executive management.

Our 2021 injury rate continued to improve year-over-year for the past seven years, showing a steady decline in work related injuries, and in the severity of our events. That performance placed us at the very top of the latest injury rate survey by the National Association of Wholesaler-Distributors (NAW) survey of U.S. peer companies with more than US\$1 billion in sales. Based on the survey results, our U.S. TRIR is 70% lower than those of our peers. According to U.S. Bureau of Labor Statistics data, our TRIR is also 65% lower than the industry average for all wholesalers and distributors.

### 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:

- Assess work areas for any hazards or safety risks. The prompt reporting enables rapid rectification of any potential risk or hazards.
- Immediately report to their supervisor any suspected hazards or unsafe work practices. Supervisors conduct immediate investigation.
- Have the right to challenge any unsafe work situation in their task or on the job, including anonymously. Evaluation is conducted and employee is notified of action to address situation.

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 hazard awareness trends emerge.
- Reviews hazards identified prompting a review of the risk assessment and work process. Documented gaps must be closed by the following month.
- Adds hazard checklist findings and recent observations to daily shift startup meetings.
- Uses near-miss reports to create awareness of conditions or behaviors that can be corrected to prevent incident.
- Holds an emergency action plan that is reviewed and updated regularly. The plan includes current contact information, logged drills and facility response.

In the event of an 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 factors and/or root causes have been determined, the corporate health and safety advisor will communicate a global safety alert with the corrective actions taken to prevent the occurrence in any other facility. Corrective actions will focus on one or more of the following topics:

- Adequacy of risk assessments and standard operating procedures,
- Design changes to improve working conditions, ergonomics, and safe systems of work.
- Improved engineering controls to eliminate hazards and reduce employee injury risk.
- Retraining to ensure adequate knowledge of equipment and hazards.
- Compliance with regulations and standards.

### **Hazard and Near-Miss Reporting**

Our employees log both hazard and near-miss reports using both manual methods, and an innovative internal app. The app, which is accessible through a smartphone, tablet or computer, is engrained into daily management activities to track completion of daily GEMBA walks (a lean manufacturing practice encouraging observations of work happening). Dashboards are available to track and 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 2021 our employees reported 6,717 hazards and near misses and took action to resolve 5,856 by year-end, helping mitigate many potential accidents.



## Wearable Devices Improve Safety Metrics

2021 was a pivotal year in the digital transformation of our Health and Safety program by introducing pilots of wearable technology designed to provide live education to the participants of their at-risk postures and movements throughout the day. The wearables project was fully supported through leadership's commitment to invest in the resources and champion their pilot facilities participation. The corporate health and safety group led the pilots with local management to kick off the initiatives, then continuously monitor progress, improvement, and participation. The users would wear a small device on the back of their shirt collar that established a baseline for 1 week on their movement, then for the following 2 weeks, provided real-time beeps/vibrations to alert them when they were overextended, overreaching, or were bending awkwardly. Feedback was incredibly positive due to the device simplicity, but also the real-time feedback provided a notification suggesting they could clearly identify and correct their risk. By increasing our workers awareness of their at-risk postures, the results were astounding in the pilots with some employees seeing 70-80% improvement in their hazardous movements, and an overall improvement for the 2021 year at 39%. The success was clear as it provided workers with education custom tailored to them and their movement, with tangible results that will be further expanded in the coming years to better integrate into employee feedback and performance directly into the systems and processes they're using each day.

REPORTED HAZARDS AND NEAR MISSES*		
CATEGORY	2020	2021
Behavioral	480	524
Documents	55	221
Equipment	754	666
General Safety	1,311	1,286
Housekeeping	3,874	3,123
Personal Protective Equipment	388	580
Security	214	351
<b>Total</b>	<b>7,076</b>	<b>6,751</b>

\*Report totals represent North America and EMEA combined hazard and near-miss reports for both Wesco and Anixter prior to 2021 and for our combined Wesco organization from 2021 and moving forward.

Reporting varies year to year as trends arise, and focus areas are driven to the warehouse floors to improve performance. The pandemic response over the last two years has introduced changes to our locations such as increased documentation during COVID due to added protective measures and checklists for screening. Our systems are designed to capture both at-risk findings, as well as positive findings, for which we encourage a 4:1 coaching mentality (4 positives for each 1 constructive). For example, behavior reports increasing in 2021 was the result of greater recognition of our workers during the pandemic challenges. Wesco is focused on greater transparency in low-level, error precursor space, and the fact that our hazard/near miss reports out pace our recordable injuries at a nearly 10:1 scale reinforces the basic concepts of the injury pyramid.

### Site Inspections and Audits

Our global health and safety team conducts regular onsite location audits to ensure all health and safety requirements are being met. Workplace inspections are conducted by location management 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 observe work activities for safety hazards as part of their daily Safety GEMBA walks as a routine function of their daily activity.

### Health and Safety Training

We take very seriously our obligation to train and inform our employees and contractors to ensure their health and safety and to create a safe and healthy work environment. Training

each employee receives is based on global requirements, specific work duties, and level of existing skill and knowledge. Thorough safety training is conducted throughout a worker's tenure from orientation on the first day of work through monthly toolbox talks and through annual refreshers. 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 course content available to all employees in native languages to ensure adequate understanding. Other training channels include daily safety huddles, safety alerts, safety stand-downs, and monthly toolbox talks focused on a specific trend we're seeing or applicable safety topics.

In 2021 we set a key performance indicator to reach at least 45,000 training hours as an indication of our commitment to ensure our employee safety education. In 2021, Wesco employees completed more than 60,000 hours of health and safety training across the globe. This online learning management system is another tool adding to our overall safety training system. We are continuing to evolve the content and delivery systems with which we reinforce our culture of safety. We are working to combine our health and safety training with our new Passport training program with the help of the learning and development and marketing teams.

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.

### **Employee Engagement**

We recognize the importance of engaging our employees on health and safety issues. Their participation means they are fully involved in ensuring that they work without risk to their health and safety and that of their coworkers. We empower our employees to STOP whenever they feel there is an unsafe situation and ask for assistance from local management before performing a task with uncertainty.

Employees are encouraged to submit safety concerns to their supervisor, anonymously through a company ethics hotline, or through a dedicated email address without fear of reprisal. We encourage locations to form safety committees that meet monthly to ensure that each employee has comfort in multiple avenues for expressing concerns and improvement ideas. Committee membership includes representation from 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 one of the main channels through which health and safety incidents and near misses are assessed and corrected as required. Committee actions are tracked in a log, available for review, with opportunities for improvement reviewed for resolution in their monthly committee meetings.

### **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 2021, 24% of our recordable injuries were associated with manual material handling, and 18% were associated with slips, trips and falls.

Manual handling of material is fundamental to our core business, and unfortunately can lead to sprain/strain injuries as one of our more common injury types. To minimize these

strains and our locations have implemented innovative technologies, such as wearables. We began utilizing wearable technology in 2021, resulting in an average 39% reduction in hazards per hour related to manual work stressors. We've strategized for coming years to improve our education systems, format, and content to gear up and address these hazards even more. Even with this incremental progress, we require all warehouse employees to undergo targeted training on safe lifting techniques, ergonomically safe lifting limits, mechanical assistance, or team lift for heavy objects, all to limit manual material-handling risk and focus training and communication on the same.

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 and falls.

### Fleet Safety

With nearly 2,000 employees using cars or trucks for work at Wesco, fleet safety is another priority focus. Our car fleet consists of employees who travel more than 7,500 miles each year for Wesco-related travel. 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 deteriorate. We may revoke driving privileges if warranted. All drivers receive quarterly online safety training.

For our truck drivers, we conduct a motor vehicle record (MVR) search and 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 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. In mid-2020, truck fleet vehicles began installing a safety system that uses artificial intelligence to monitor and notify the driver of distracted driving behaviors. A dual forward- and driver-facing camera system monitors driver behavior and signals with an audible beep when a driver is distracted. It also monitors speeding, cornering, harsh breaking and other similar events. The system is part of our enhanced safety training to illustrate opportunities for improvement. Participating vehicles have seen a double-digit reduction in events, leading to fewer accidents and a safer fleet. Approximately 45% of our fleet vehicles are using this technology with plans to reach the full fleet within the next two years.

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.

In 2019 Wesco aligned with the National Association of Wholesale Distributors (NAW) metrics reporting accidents per million miles. An accident is counted only when a vehicle is towed from the scene, or an injury occurs. For incidents per million miles, we saw a 6% improvement in our North American car fleet since 2018. The truck fleet improved by almost 18% since 2019. Our introduction of AI technology contributed to the improvement.

INCIDENTS PER MILLION MILES		
	CAR FLEET	TRUCK FLEET
2019	7.50	5.34
2020	7.46	4.31
2021	7.25	4.36

<b>ACCIDENTS PER MILLION MILES*</b>		
	<b>CAR FLEET</b>	<b>TRUCK FLEET</b>
2019	1.10	0.90
2020*	1.76	0.58
2021	1.45	0.84

\*Increase as a result of the 2020 Anixter merger.

**Health and Safety for Customers and Suppliers**  
Our health and safety practices reach into our value chain. Before sending anyone to work on behalf of Wesco at a customer site, we conduct a risk assessment to identify and 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 all cases, we have qualified and accredited individuals 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 aim 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.

## **COVID-19 Response and Continued Employee Support**

Successfully navigating the COVID-19 pandemic required teams to stay nimble for regularly monitoring case levels, continually reviewing risk assessments, and tracking varying government guidance. We adjusted protocols, connected with business leaders weekly to discuss assessments, and dynamically planned our return to work and offices.

Operations maintained high standards for social distancing, face coverings, and hygiene in operating facilities. Overall, response and monitoring kept employee and organizational risk exposure low, essential operations going and facility spread controlled.

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.

## **Corporate Giving and Volunteerism**

Corporate giving and employee volunteerism is a vibrant part of the Wesco experience. Employees are actively engaged in local communities through fundraising, volunteering, contributing products, and performing local advocacy to address

local needs. Many of these initiatives include strategic partnerships with global organizations such as Habitat for Humanity and the American Red Cross. In 2022, we launched Wesco Cares, our new corporate philanthropy program, by making a \$5 million commitment to community partners.

Our approach to giving has three aspects: Volunteer Day Off, matching gifts and corporate giving.

### **Volunteer Day Off**

We encourage employees to volunteer in their community by providing one day of paid Volunteer Time Off per year. By connecting with and contributing to local charitable organizations, Wesco supports the development of strong, vibrant and diverse communities.

Wesco has a strong, ongoing engagement with Habitat for Humanity. In 2021 hundreds of employees volunteered at approximately 20 Habitat home building projects, including a women's only Habitat for Humanity build.

### **Corporate Giving**

In addition to the activity coordinated through our Business Resource Groups, our individual locations are encouraged to support at least two community activities annually.

Wesco Cares also supported a series of community programs through corporate giving or employee-organized efforts. We supported those impacted by the pandemic and other weather-related disasters; children's organizations such as Toys for Tots, St. Jude Children's Research Hospital, and the Down Syndrome Association. A few 2021 highlights include:

- Habitat for Humanity: Sponsored the Chicagoland Habitat for Humanity Hero Awards.

- Feeding America and The Global Food Banking Network: Conducted a coordinated employee-giving campaign and groups of employees packaged meals.
- Lynn Sage Breast Cancer Foundation: Conducted a fundraising campaign for breast cancer awareness.
- Desert Angel: Raised money for the non-profit Desert Angel, an organization providing care packages to U.S. Service members overseas.
- Kohl Children's Museum: Five-year supporter of Tinkering Tuesday program, providing teachers and their classes STEAM-based, scientifically sound educational programming through play. Supported fundraising campaign in lieu of gala that was not possible in the COVID environment.



#### Case Study

## **Local Community Engagement at Our Locations**

Our locations aim to be a part of their local area beyond providing products and services. Teams work with local charities and organizations to connect with the communities where we live, work and play.

Our International Transactions Group is based in Glenview, IL. In 2021, for a second year they took part in the USPS Operation Santa program. Participating employees matched their own giving ability with request letters from families in need and provide gifts. Gifts provided varied from warm clothing to toys. Beyond the items provided, the project lifted the holiday spirit for all involved.

Our office in Nanaimo, British Columbia is part of a community that experienced a record year of wildfires in 2021. Our teams conducted a fundraiser for forest fire relief coordinating donations from customers and vendors, providing a Wesco hat as a "thank you" for any donation over \$10. This community support response was done in addition to this branch's annual food drive at the holidays for the local food bank.

We understand that engaging in our communities makes a stronger Wesco community.



# Environment

## Environmental Management

**Energy**  
*Facilities*  
*Transportation Fleet*  
*Customer Impact*  
**Water**  
**Waste**  
**Emissions**

## Environmental Management

Wesco works to continually improve our environmental management by setting, meeting and stretching for new goals. It is a good business practice and adds a competitive advantage as we leverage our learnings into practices we then offer to our customers. More information on our sustainable client offerings is included in the Economic section of this report.

Our Global Environmental, Health, Safety and Sustainability Policy sets the foundation for our efforts. Elements of the policy are aligned with key provisions of the ISO 14001:2015 environmental management standards. It outlines accountability, direct program responsibilities, key performance indicators, and other metrics to track progress, and is carried out by the environmental compliance and sustainability team, who report progress to senior management. Our energy and environmental management plan follows the plan-do-check-act strategy.

We are working to reduce our environmental impact in the following areas: energy, emissions, waste and water. We track data on these topics at the location and global levels, with senior management regularly reviewing performance to identify gaps and issues and further refine our goals. We calculated baselines for the following, and these will be the starting point for our new 2030 Sustainability Goals:

Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 30% from a 2019 baseline by 2030, data reported includes the U.S., Canada and the U.K.

Reduce landfilled waste intensity by 15% across our U.S. and Canadian locations from a 2020 baseline by 2030.

Additionally, we have created baseline data for waste generation and recycling. Within this environmental management section, you will find our first reporting against these baselines.



Wesco has reduced total emissions and has targets in place for further reduction.

Wesco is piloting electric vehicles and is using industry-leading technology to eliminate wasteful miles and idling.



Wesco has reduced waste generated and waste to landfills and has increased waste recycled.



## Overall Energy Use

### Absolute (Millions of BTUs)

2019	609,443
2020*	1,114,931
2021**	1,197,207

### Intensity (BTUs per square foot)

2019	51,282
2020*	52,449
2021**	57,464

## Facility Energy Use

### Absolute (Millions of BTUs)

2019	480,772
2020*	763,115
2021**	849,900

### Intensity (BTUs per square foot)

2019	40,455
2020*	35,267
2021**	40,974

\* 2020 data includes the estimated energy and GHG emissions from Anixter operations for the full calendar year of 2020; the Anixter operations were acquired in June of 2020.

\*\* 2021 data includes actual and estimated energy consumption and GHG emissions from Anixter operations.

Increase in overall energy use metrics are believed to be due to increased working hours related to demand based on sales volume.

## Energy

Identifying new energy efficient practices is at the core of our business strategy. As a leading provider of products and services focused on energy efficiency, we are in a unique position to both minimize our energy consumption and that of our customers. A majority of the energy we use is for lighting, heating, and cooling our nearly 800 distribution centers, branches, and offices around the world. Adding to our energy consumption is a fleet of approximately 572 trucks and 1,408 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.

Wesco's primary energy sources for operations are vehicle fuel, natural gas and electricity. Intensity includes all types of energy consumed within the organization. Beginning in 2022, combined data is estimated based on actual Wesco data for buildings, and actuals for both companies for vehicle fuel consumption.

### Facilities

Approximately 90% of our facility portfolio is leased, which reduces our control over facility energy consumption 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. We now include energy-efficiency requirements in all new building leases. For the buildings we own, we implement various initiatives to improve our energy efficiency.

As a leading provider of solar solutions, we are committed to implementing this renewable energy source at the facilities we own, when feasible.

### Transportation Fleet

Our Fleet Efficiency Policy includes the use of fuel-efficient vehicles, determining the most efficient routes and idling restrictions. In 2021 we began a pilot with a small set of electric vehicles within our delivery fleet.

The policy also provides our teams guidance on practices that can reduce fossil fuel use and greenhouse gas emissions within their truck and car fleets. When purchasing new vehicles, we require an evaluation of the most fuel-efficient and alternative fuel, such as biodiesel and low carbon diesel. Branches are also encouraged to retire the least-efficient vehicles first and take steps to improve the efficiency of the remaining vehicles. Future action is planned to upfit existing equipment with regenerative braking systems.

At the end of 2021, 184 of our distribution centers and branches were using industry-leading route planning software to meet customer delivery dates and eliminate wasteful mileage. 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 target idling to reduce fuel usage, including anti-idling technology as part of our base vehicle specifications. We began installing advanced fleet management with idling tracking software in our fleet vehicles in 2020 and completed full fleet coverage in 2021. 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 are continuing a three-year transitioning plan to move 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. We continue to explore more efficient vehicles, including electric and alternative fuel cars, for this program.

FLEET FUEL EFFICIENCY		
	CARS	TRUCKS
2019*	23.6	10.3
2020*	22.3	10.8
2021	21.0	10.8

\* Combined individual company data

To address the decrease in MPG in our car fleet, Wesco is actively working on alternative fuel and electric vehicle options.

### Customer Impact

In addition to bringing environmental efficiency to our own operations, we help customers reduce their energy consumption with 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 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 monitor average or excessive water use in bathroom water heaters and ice makers. At our Lichfield, 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 more than 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 reels, and plastic, with minor waste produced by printer toner cartridges. We continually work to find opportunities to minimize each of these waste streams by applying lean principles. With waste generated, we work to identify any opportunity to reuse and recycle. Following are a few of those efforts:

- Cardboard: When making customer deliveries, we take back cardboard when possible and reuse boxes for deliveries. Any cardboard that cannot be used is recycled.
- Pallets/wood: We reuse, recycle, sell, or return good pallets to our suppliers.

- Wood reels: Where possible, we 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 2021 we began a partnership with a reel refurbishment company. Between our Houston and Dallas, Texas locations, we provided 194 tons of reels to be refurbished, diverting this waste away from landfills.
- Plastic: At our larger facilities, we recycle shrink wrap.
- Batteries: In our locations we recycled almost 20 tons of batteries.

Our locations and customers also have access to the lighting and electronic waste recycling services offered by third-party vendors. This waste includes lamps, batteries, ballasts, electronics and computer equipment. We continuously seek local companies that can recycle our mainstream recyclables when needed. While not substantial, our facilities 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 GENERATED			
METRIC TONS			
	WASTE GENERATED	WASTE RECYCLED	WASTE TO LANDFILL
2019*	20,633	5,859 (28.4%)	14,774 (71.6%)
2020*	19,629	6,101 (31.1%)	13,528 (68.9%)
2021	18,745	5,899 (31.5%)	12,845 (68.5%)

\* Combined data from previous report used.

## Emissions

The primary source of our Scope 1 and 2 greenhouse gas (GHG) emissions is attributed to the power and natural gas used by our facilities, which accounts for 71% of our total emissions. In 2021 we saw a 6.9% uptick in absolute overall energy use. Our analysis identified four large, high-use sites that drove over 50% of our natural gas increase, a significant contributor to the overall energy use. An operational assessment initially showed a tie to increased sales volumes and related additional shift work. In 2022 we are conducting a more in-depth analysis to identify better controls.

Despite these impacts, Wesco's overall GHG emissions were reduced by 1.4% in 2021. This reduction is primarily due to an increased renewable energy mix on the grid. Energy efficiency in our facilities continues to be a priority. In 2022 our facilities are implementing 25 lighting retrofit projects, have identified participation plans to purchase green power through utility green tariffs and include selected solar installations at our locations.

A secondary source of GHG emissions is from our truck and car fleet. The MPGs associated with Wesco's car fleet decreased due to the introduction of light duty trucks used to periodically deliver merchandise. Wesco's truck fleet-related emission stayed relatively flat. We have implemented policies and advanced technology to minimize the emissions impact of our fleet. In 2021 this included evaluation of

alternative fuel sources and an assessment of electric vehicle integration into our truck and sales fleet.

Our facilities are not manufacturing sites and only a small amount of our total emissions include GHG emissions from refrigerant leakage, propane-fueled forklifts, and diesel backup generators. The emissions were evaluated at less than 3% of our total facility emissions.

Our teams are consistently looking for new processes and practices to reduce our emissions and, in turn, offer those to our customers who look to us to help them do the same. 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.

Annually, we complete the CDP climate change questionnaire. [View our current and past reports.](#)

## 2030 goal

Reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 30% from a 2019 baseline by 2030, data reported includes the U.S., Canada, and the U.K.

### GHG EMISSIONS

	METRIC TONS OF CARBON DIOXIDE EQUIVALENTS PER THOUSAND SQUARE FEET		METRIC TONS OF CARBON DIOXIDE EQUIVALENTS	
	TOTAL INTENSITY	FACILITY INTENSITY	TOTAL EMISSIONS	CARBON OFFSETS
2019	4.9	3.0	57,683	0
2020*	3.9	2.7	85,425	3,636
2021	4.0	2.9	84,253	1,111

Total emissions include both facility and transportation emissions. 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 U.K. operations (locations not included are 10% of our global square footage). Total emissions do not include offset purchases.

\* First year with combined reporting following merger with Anixter.

### GHG EMISSIONS BY SOURCE

#### METRIC TONS OF CARBON DIOXIDE EQUIVALENTS

	ELECTRICITY	BUILDING FUELS	TRUCK FLEET	LEASED VEHICLES
2019	20,414	15,534	10,915	10,820
2020*	32,918	26,452	17,550	8,504
2021	31,051	28,846	16,185	7,639

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 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.

\* First year with combined reporting following merger with Anixter.



# Economic

## Sustainable Products and Services

### Products

*Wesco Transformation Services*

*Wesco Energy Solutions*

*Wesco Renewables*

*Government Partner Network*

### Supply Chain

*Supplier Sustainability*

*Supplier Diversity*

*Electronic Data Interchange*

*Lean Quality Management System*

## Sustainable Products and Services

Sustainability is more than an internal practice at Wesco. We are a strategic partner for our customers and suppliers supporting their growth, reducing their operating costs, and minimizing their environmental impacts through our products and services. We help our customers make progress in lighting efficiency, energy management, renewable energy, water and waste mitigation, and green procurement. We continue to invest in emerging technologies and expand our capabilities to remain an innovative leader and a forward-thinking resource to our customers.

### Products

We offer a wide range of sustainable products from the world's leading manufacturers and 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 our other mechanical products 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 and energy storage. These range from simple and cost-effective lighting and HVAC controls to advanced building automation and AI-driven monitoring equipment.
- Renewable energy products: We offer turnkey renewable energy solutions that include solar, EV charging, energy storage solutions, and micro-turbine wind.
- Sustainable Maintenance, Repair, and Operating (MRO) products: We have a broad range of sustainable MRO products to support green procurement goals.
- Workplace safety products: Through our Conney Safety and Hazmasters subsidiaries, we offer a full range of products and equipment designed to help keep people safe in the workplace.



Wesco energy improvement and renewables products and management solutions support our customers' shift to more sustainable operations.



Wesco is working with customers to upgrade and modernize providing sustainable solutions.



Wesco considers sustainability in its procurement and operational practices including consideration to waste and material recyclability.

### Wesco Transformation Services

Through Wesco's services, we provide customers a single access point to the products and services that can help them achieve their sustainability and organizational goals. We first identify a customer's desired future

## **2021 Wesco Energy Solutions Project Summary**

Projects Completed

**5,512**

Area Audited

**128M sq. ft.**

Customer Energy Savings

**275 kWh**

Carbon Dioxide Emissions Avoided

**245,755,380 kgCO<sup>2</sup>e**

Client Energy and Maintenance Savings

**\$51M**

Rebates Back to Customers

**\$3.3M**

state, then coordinate various Wesco teams and programs (for example, Wesco Lighting Solutions) 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 all or part of their procurement function to Wesco.

The sustainability benefits that our customers can gain through Wesco Transformation Services include reduced environmental impact, more efficient operations, and a streamlined supply chain.

### **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 customers 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 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 subcontractor, write grant proposals, coordinate securing rebates, handle the recycling of the old fixtures, and more. More information is available on our website [here](#).

### **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 are continually building upon our programs and supplier offerings to meet the needs of the industries we serve.



## Case Study

## Electrical & Electronic Solutions Case Study

### EES Lead

Nelson J. Squires, Executive Vice President  
and General Manager, Electrical & Electronic Solutions

### Customer Profile

One of our valued customers is one of the largest tire distributors on the continent offering automation tools and services for a large dealer network. In 2019, they were upgrading their lighting in 14 facilities to increase safety, gain flexibility and reduce energy consumption. One focus included LED turnkey retrofits with controls. Our teams worked together to respond to a public request for proposal. Wesco was chosen to complete this project and manage the available utility rebates, which was a major improvement to the ROI. The project was completed within three months and the customer was very satisfied with the results. In 2021, we expanded our relationship and have deployed EV charging stations at their corporate headquarters. Additionally, we are implementing multi-site solar and HVAC controls with IoT projects throughout various facilities. This customer has also requested future LED projects in the U.S. and Canada. Wesco has demonstrated to this customer that we are a strong partner to help them achieve their sustainability goals.

We partner with the world's industry-leading providers of solar products and solutions, including manufacturers of photovoltaic modules, inverters, racking, balance of systems and energy storage. 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. Within the automotive industry in particular, our continued partnerships with top suppliers in EV Charging and Storage Solutions have positioned us well as manufacturers accelerate the pace toward electrification.

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 everchanging 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 2021 we worked with our customers to install solar products with more than 221 million kilowatt-hours of renewable energy generating potential. This was a 10% increase in watts sold, a notable achievement attained despite COVID-19 related challenges.

The amount of greenhouse gas emissions avoided is equal to the emissions from:

- 54,406 tons of waste recycled instead of landfilled
- 5,959,277 incandescent lamps switched to LEDs

The emissions avoided also equaled the carbon sequestration of 2,599,855 million seedlings over 10 years and nearly 186,075 acres (75,000 hectares) of forest in one year.

### 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 persons with disabilities. Unfortunately,



## Utility & Broadband Solutions (UBS) shares best practices

### **UBS Lead:**

Jim Cameron, Executive Vice President and General Manager, Utility & Broadband Solutions

Natural disasters can come quickly and cause major damage to communities and their infrastructure. Wesco emergency response teams are available to mobilize and address impacts to power grids and communication networks by providing products, services, and operational and personnel support to our customers to accelerate service restoration efforts. Our experienced teams utilize our depth of resources, manufacturer relationships, operational expertise, and our national inventory across our North American footprint to make certain our customers can rebuild quickly, safely and effectively.

In August 2020, Hurricane Laura devastated communities through Texas and Louisiana with 150 mph winds and flooding rains. In addition to the substantial damage to homes and businesses, there was unprecedented damage to the region's electrical transmission and distribution systems. Wesco employees were quick to respond as we dispatched personnel from across the country in accordance with our storm protocols to support our customers in their efforts to rebuild critical electrical infrastructure. Wesco provided personnel support at customer locations for over 60 days — managing inventory, staffing material staging areas, delivering materials, and providing operational and personnel support. In addition, our sourcing and purchasing teams worked tirelessly before and after the storm providing data management services, expediting materials, identifying product substitutions, and coordinating critical deliveries. The Wesco team was integrally engaged with our customers throughout the event to help them accelerate restoring power to the communities they serve.

Our teams regrouped after this project and in 2021 released case studies sharing best practices in pre-planning and response in hopes to better prepare communities bracing for natural disasters. When it comes to disaster recovery, supply chain management is essential. Having the right partner can help your business develop a strong emergency management plan that addresses inventory planning, operational support, safety, training, and post-storm reclamation procedures to ensure you are able to restore vital services as quickly as possible.

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 Wesco small and disadvantaged business customers (defined as businesses at least 51% is owned by one or more individuals who are socially and/or economically disadvantaged) to help them secure government business. Using our contacts and knowledge of government procurement we help 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 other business arrangements 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 GPN partner members including customers, vendors, suppliers, and Wesco experts for educational workshops on government procurement practices, networking opportunities, and charity fundraising to benefit a selected cause. Due to the ongoing pandemic, we were unable to hold the GPN Summit in 2021, but are in the process of returning to an in-person event for 2022.

## Supply Chain

Our supply chain mission statement prioritizes safety, sustainability and supplier diversity. It is a business imperative that Wesco remains a supplier of choice for our customers. Our Executive Vice President of Global Supply Chain and Operations provides quarterly updates to our Board of Directors on the health and sustainability of our supply chain.

We purchase products from a diverse group of suppliers who are located predominantly in North America and manufacture products around the world. Wesco's product portfolio spans the following categories:



## Wesco Supply Chain & Operations

**Supply Chain Lead:** Hemant Porwal, Executive Vice President Supply Chain & Operations

We are proud to deliver comprehensive and innovative supply chain solutions while supporting small and diverse businesses. Over the last two years, Wesco increased our portfolio of vetted, third-party-certified diverse partners to support our supplier diversity priorities and promote supplier diversity efforts at an enterprise level.

One of Wesco's strategic priorities is to drive socioeconomic growth and inclusion by fostering long-term partnerships with our customers through a robust, diverse supply chain. Our Supply Chain and Operations team has led this strategy and focus within our organization, working to shift perceptions of supplier diversity from "checking the box" to "the right and smart thing to do." We have also actively worked to help our associates understand that supplier diversity provides the company with a competitive advantage and supports the communities where we live, work and play.

Wesco has set a goal to grow diversity spend by 10%, and we are actively working toward achieving this goal. We defined a baseline of diverse partner spend, developed a strategy to grow spend through enterprise collaboration, and networked with diversity councils and partners to grow our base of vetted, diverse suppliers. We have also engaged with organizations that have developed supplier diversity programs to learn best practices.

- In 2021 one of our supplier partners, Duquesne Light Company, presented Wesco with a Supplier Diversity Excellence

award, which celebrates a high-performing supplier that shows a strong commitment to supplier diversity.

- Wesco established two new roles supporting supplier diversity, including a Director of Supplier Diversity and Director of Supplier Diversity and Sourcing Solutions.
- In 2021 Wesco became a corporate member of the National Minority Supplier Diversity Council (NMSDC) a national network of 1,450 of America's top companies as well as universities, hospitals, and other institutions with supply-chain needs. The NMSDC's mission is to connect corporate members with qualified minority-owned suppliers of all sizes — Minority Business Enterprises (MBEs) — that meet a high standard of excellence. Our membership drives awareness to Wesco's Supplier Diversity Solutions through networking opportunities and by giving us access to an online database of MBEs.
- Wesco has conducted internal roadshows with our sales and sourcing teams to introduce our new supplier diversity team and facilitate collaboration. In November 2021, we conducted our first Supplier Diversity Summit, inviting five diversity partners to present their organization, products and services to our sales teams. We are currently planning two additional summits in 2022.

- Communications and Networking;
- Power Generation;
- Electrical and Lighting;
- Security;
- MRO and Safety;
- Automation; and
- Renewable Energy.

### 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 their operations. Our Tele-Tip Hotline is available for employees, suppliers, and outside parties to report any unethical conduct in our supply chain.



#### Employee Highlight

## Kai Oputa, Director, Supplier Diversity Sourcing Solutions

Active volunteerism for the advancement of equality is a lifelong commitment and a driving passion of Kai Oputa. At Wesco, her passion aligns with her work. As the Director of Supplier Diversity and Sourcing Solutions, Ms. Oputa works to expand our network of diverse suppliers. This unique position acts as a partner to our suppliers and identifies areas of growth and opportunity for their own success, in turn also creating a more successful network of suppliers for Wesco.

#### Quote from Kai

"My children inspire me to be a strong advocate for diversity and inclusion. To paraphrase the words of Dr. Martin Luther King, Jr., I am determined they will grow up and be judged by the content of their character and not the color of their skin. For this reason, I am so excited and honored to champion Wesco's commitment to inclusion and diversity within our workforce, workplace and marketplace."

Supporting Supplier Diversity is owning one's social responsibility to contribute to the growth and advancement of ALL communities in which we live, work and serve. We gain a competitive edge when we allow ourselves to benefit from the innovation and thoughtful leadership of diverse individuals and organizations.

I see limitless potential when I look into my children's eyes... because as a leader for supplier diversity, I am doing my part to ensure their light is never dimmed by the color of their skin while ensuring they have every opportunity to shine from their talents and personal efforts."

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 included in the survey cover 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 low scoring suppliers to help them advance their sustainability efforts. In 2021 we received responses to the survey representing over \$5.6 billion in spend. This represents some of what we learning:

- 61% currently track some part of their Scope 3 emissions
- 56% use the GRI Framework
- 72% publicly report their GHG emissions via CDP
- 94% provide diversity training to their employees
- 78% track Supplier Diversity metrics

#### Supplier Diversity

We are dedicated to building an authentic and engaging culture of inclusion, diversity, awareness, understanding, and cultural competence across our organization and among our business partners. Wesco is committed to growing the Supplier Diversity Network in size and spend. In 2021 our Diversity Vendor program supported sales exceeding \$579 million\*.

Through our supplier diversity initiatives, we are taking action to increase the representation of businesses owned by women, minorities, veterans, disabled veterans, and the LGBTQ+ community. We have dedicated resources to support the growth of our network of diverse suppliers and align with our customer's demands for valued and verified diversity partners. These efforts are headed by our Directors of Global Sustainability, Supplier Diversity and Indirect Procurement.

\* All self and third-party certified Minority, Women, Veteran, Disabled, Disadvantaged, 8(a), HUBZone, LGBTQ+, Alaskan Native and Small business enterprises validated through third-party organization

In 2021 we defined our mission, goals, and strategy surrounding supplier diversity. Our supply chain diversity team will increase our portfolio of vetted, third-party diverse suppliers across the enterprise. We aim to drive growth and inclusion by fostering long-term partnership with our customers through a robust and diverse supply chain, while delivering our comprehensive and proven technology solutions. We aim to support small and diverse businesses throughout our supply chain operations.

As part of our effort to drive supplier diversity spend, we are 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 identifies, connects us with, and onboard diverse suppliers. This tool provides a clearer sight into our network of diverse suppliers to actively track metrics in meeting our growth goals.

In addition to driving diversity within our own supply chain, we work to increase business opportunities for our customers who are small, diverse companies. Through our Government Partner Network and 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. In 2021 our Diversity Alliance Program supported sales totaling approximately \$228 million\*.

We also hold an annual networking event for Government Partner Network (GPN) members, our government team, and key Wesco suppliers to explore potential and other business arrangements to compete for government opportunities more effectively. Additional information about GPN is available in the Sustainable Products and Services section.

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\* All self and third-party certified Minority, Women, Veteran, Disabled, Disadvantaged, 8(a), HUBZone, LGBTQ+, Alaskan Native and Small business enterprises validated through third-party organization

### **Electronic Data Interchange**

In 2021 we engaged with approximately 1,750 supplier partners and approximately 2,750 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 \$5.2 billion of customer and supplier invoices in 2021.

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

### **Lean Quality Management System**

The Wesco Lean Quality Management System (LQMS) provides global support to all business divisions and segments through a variety of services by the global quality team. A commitment to continuously improving our processes and maintaining the best quality practices underlines our focus on being the key player in the market as well as meeting or exceeding our customers' expectations. The following is a list of tools and offerings that support our QMS:

- Global Quality Manual
- Quality Procedures
- Standard Operating Procedures
- New Business and Onsite Customer Audit Support
- Global on-site training and support for LQMS functions
- Continuous employee education in LQMS best practices
- Certification or compliance to ISO 9001:2015 and other such standards
- Electronic notification and mandatory staff training on policy and procedure changes

There are 334 global locations currently under the Wesco LQMS umbrella.



# Governance

Corporate Governance  
Enterprise Risk Management  
Board of Directors  
Board Demographic Highlights  
Ethics and Compliance  
Data Privacy and Cybersecurity

## Corporate Governance

Wesco is committed to sound business practices and effective corporate governance and believes it is the cornerstone to ESG strategy across the company. We foster a culture of integrity, accountability and transparency. We place a high value on ensuring that we operate according to ethical principles in everything that we do at all levels of the business. Our Board of Directors oversees and works together with our executive officers to ensure they are acting in the best interest of our stockholders. Board members are guided by our Code of Business Conduct, Corporate Governance Guidelines, Committee charters, 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
- Compensation Committee
- Executive Committee
- Nominating and Governance Committee

## Enterprise Risk Management

Our Board of Directors offers deep experience with risk oversight and management. Wesco leverages these skills through the enterprise risk management process that actively engages our directors in assessing the risks and opportunities facing our company. The internal audit department participates in the Enterprise Risk Management (ERM) process and performs audits and reviews of emerging risks that may impact the company. We also use a leading consulting firm to support our ERM efforts. The Board receives a full update annually as well as ongoing information on the most critical risks and risk mitigation plans. Our ESG management teams also report to the Board annually on the status of our ESG programs and sustainability goals progress.

A list of salient risk factors (including ESG-related risks) can be found in our [2021 Annual Report](#).

## Board of Directors



**John J. Engel**  
Chairman, President,  
and Chief Executive Officer  
Wesco International



**Anne M. Cooney**  
Former President, Process  
Industries & Drives Division  
Siemens Industry, Inc.



**Matthew J. Espo**  
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.



**Sundaram Nagarajan**  
President and Chief  
Executive Officer of Nordson  
Corporation



**Steven A. Raymond**  
Former Chairman and  
Chief Executive Officer  
Tech Data Corporation



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



**Easwaran Sundaram**  
Operating Executive  
Tailwind Capital



**Laura K. Thompson**  
Former Executive Vice  
President and Chief  
Financial Officer  
The Goodyear Tire &  
Rubber Company

### Board Demographics Highlights

Board Members who are diverse in terms of gender, race or ethnicity

**50%**

The Board's goal is to be 50% or more diverse.

Female Board Members

**20%**

Independent board members

**90%**

Independent committee members

**100%**

## Ethics and Compliance

We maintain our reputation as a fair, honest, and ethical company, 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. Annually, employees are mandated to acknowledge that they have received, read, and will comply with the Code of Business Ethics and Conduct.

As we continue to grow and develop our business, we are committed to our core organizational focus on ethics. It is the responsibility of our Vice President and Chief Ethics and Compliance Officer, with support from our internal Executive Ethics Committee and legal department, to enforce our compliance program and drive its various components.

The list below provides an overview of our company policies. Additional information on policy purpose, scope, procedures, guidelines, responsibilities, and resources can be found in the linked policies and on the Wesco website. Any 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.

## Data Privacy and Cybersecurity

Cybersecurity and protection of our data is a top priority across the entire organization and in our engagements with our customers. We take a comprehensive approach to securing our data and business systems from attack, compromise or loss. This includes the combination of leading technologies, policies, and procedures, and a 7X24 Cybersecurity Operations team monitoring our environment for signs of attack and responding in real-time. Wesco is working toward ISO 27001:2013

POLICY	OVERVIEW
<a href="#">Code of Business Ethics and Conduct</a>	Designed to assist our employees and officers in complying with the laws and ethical principles that govern our business conduct, the Code of Business Ethics and Conduct demonstrates our commitment to our ethics and values in everything we do.
<a href="#">Code of Principles for Senior Financial Executives</a>	In addition to the Code of Business Ethics and Conduct, our CEO, CFO, and Corporate Controller abide by heightened ethical standards with regards to handling company finances.
<a href="#">Global Anti-Bribery and Corruption Policy</a>	Wesco complies with all applicable laws and regulations in our region(s) of operation and maintains a zero-tolerance approach to bribery and other forms of corruption. This policy outlines Wesco's expectation surrounding this issue, including oversight, third-party due diligence, discipline, training and communication, reporting and investigations, risk assessments and periodic policy review.
<a href="#">Human Rights Policy</a>	Wesco is committed to ensuring that all employees are treated with dignity and respect by providing all employees a safe, clean, and healthy workplace. Wesco does not tolerate harassment or discrimination and works to ensure equal opportunity for all employees. More information on this policy can be found in the Social section of this report.
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, approximately every three years. It also conducts special investigations to help enforce the Code of Business Ethics and Conduct.
<a href="#">Nonretaliation (Whistleblower) Policy</a>	The Whistleblower Policy is designed to establish guidelines to deal with employees involved in the disclosure of wrongdoing. Additionally, this policy sets forth a process regarding reported acts of wrongdoing and provides for protection against retaliation. In support of our Whistleblower Policy, we offer a confidential Tele-Tip Hotline for employees and outside parties to report issues of concern regarding workplace activities or business practices in their local language. All calls or emails to the hotline are anonymous and can be placed 24 hours a day, seven days a week. Each issue is received and escalated to the proper individual.
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 included in both our <a href="#">Code of Business Ethics and Conduct</a> and <a href="#">Supplier Code of Conduct</a>
Data Privacy	See the Data Privacy and Cyber Security Section of this report for more information surrounding Wesco's approach to Data Privacy and Security
Diverse Business Contracting Compliance Policy	We are committed to supporting the growth and development of qualified minority, women, and disadvantaged business enterprises (MWDBEs). 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.
<a href="#">Supplier Code of Conduct</a>	We hold our suppliers to our high ethical standards. Our <a href="#">Supplier Code of Conduct</a> sets forth our global expectations in a variety of areas, including human rights and business ethics and integrity.

registration, which is anticipated for 2022. The ISO 27001:2013 standard is a widely accepted set of information security management controls governed and developed by the International Organization for Standardization (ISO). 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. Wesco's BitSight Security Rating is at the top of our industry. BitSight Security Ratings are the most widely used ratings solution on the market, with a higher rating indicating better cybersecurity performance. Our Data Privacy and Cybersecurity program includes the following components:

- Policies
- First class security technology
- Partner engagements
- Risk Assessments of intelligence feeds and vulnerabilities
- Prevention and detection exercises
- Response and recovery plans
- Mandatory employee training and education
- Cyber liability insurance coverage

With these security measures in place, we did not experience any material data breaches in 2021.

## About This Report

Unless otherwise stated, this report covers activities, data, and initiatives from our fiscal year 2021.

The topics covered in this report are those that we have determined to be material to our business and stakeholders, as noted on [page 7](#). In doing so, we have aligned our reporting with the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) standards for the Consumer Goods—Multiline and Specialty Retailers and Distributors industry, as well as the Task Force on Climate-related Financial Disclosures (TCFD). We also regularly engage with our investors, employees, customers, regulators, ratings agencies, and others on ESG and business issues.

Additional information about Wesco can be found in our public financial filings—including our [annual report](#) and [proxy filings](#)—as well as on the Security and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov) or on the Investors page of our website at [www.wesco.com](http://www.wesco.com).

Wesco plans to report annually as we continue to monitor, measure, and deepen our ESG initiatives and disclosures.

## Assurance

We did not seek third-party assurance for this report; however, we will consider doing so for future reporting. The information and data contained in this report was vetted by internal subject matter experts on the various ESG topics included in this report.

## Contact Us

We appreciate and welcome feedback on our ESG initiatives and reporting and invite you to contact Mike Brown, Vice President of Global Supply Chain via email at [Sustainability@wesco.com](mailto:Sustainability@wesco.com).

# Awards and Recognition

### Supply Chain Awards:

- [Supply and Demand Chain Executive: Top Supply Chain Projects](#)
- [Duquesne Light Co.: Supplier Diversity Excellence](#)
- [MDM: Top Electrical, Data, and Security Distributor \(#1\)](#)
- [Industrial Distribution: Big 50 List \(#7\)](#)
- [PSNI: Overall Best Distributor Award](#)

### Innovation and Excellence Awards:

- [Business Intelligence Group: 2021 BIG Innovation Award \(Solar INSTA-REEL\)](#)
- [Business Transformation 150 \(A. Khurana\)](#)
- [FORTUNE World's Most Admired Companies \(#3 among Diversified Wholesalers\)](#)
- [Belden: "We Reach for Greatness"](#)
- [Incentive Marketing Assn.: Excellence in Employee Incentive Awards: Best Reward and Recognition Program](#)
- [FORTUNE 500 List \(#245\)](#)
- [Forbes: World's Best Employers \(#728\)](#)
- [Tech Inclusion Conference Top 100 CIOs \(A. Khurana\)](#)
- [tED Magazine: 30 under 35 \(D. Tozi\)](#)

### Diversity and Inclusion Awards:

- [Forbes: America's Best Employers for Women \(#182\)](#)
- [Bloomberg: 2021 Gender-Equality Index, listed since 2019](#)
- [MDM: Women in Distribution \(R. Chen\)](#)

### Sustainability Awards:

- 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
- [Barron's 2021 100 Most Sustainable Companies, #78](#)

# 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
<b>Organizational Profile</b>		
102-1	Name of the organization	Wesco International, Inc.
102-2	Activities, brands, products, and services	<p><a href="#">Product and Service Portfolio</a></p> <p>See <a href="#">Wesco Business Segments on page 3</a></p> <p>Automation Electrical Maintenance Repair and Operations</p> <p>Broadband Communications</p> <p>Electronics</p> <p>Renewables</p> <p>Data Communications</p> <p>Lighting</p> <p>Safety</p> <p>Wire, Cable and Conduit</p> <p>Sustainable Products and Services:</p> <ul style="list-style-type: none"> <li>• Energy efficient products</li> <li>• Energy management products</li> <li>• Renewable energy products</li> <li>• Sustainable MRO products</li> <li>• Workplace safety products</li> </ul>
102-3	Location of headquarters	Pittsburgh, Pennsylvania, USA
102-4	Location of operations	<a href="#">Branch Locator</a>
102-5	Ownership and legal form	Wesco International is a publicly traded (NYSE: WCC) Fortune 500 holding company.
102-6	Markets served	<p><a href="#">Product and Service Portfolio</a></p> <p>Automation Electrical Maintenance Repair and Operations</p> <p>Broadband Communications</p> <p>Electronics</p> <p>Renewables</p> <p>Data Communications</p> <p>Lighting</p> <p>Safety</p> <p>Security</p> <p>Wire, Cable and Conduit</p>
102-7	Scale of the organization	See <a href="#">Annual Report</a>
102-8	Information on employees and other workers	See <a href="#">People on page 11</a>

<b>GRI 102 GENERAL DISCLOSURES 2016</b>		
<b>DISCLOSURE</b>	<b>DESCRIPTION</b>	<b>LOCATION</b>
102-9	Supply chain	See <a href="#">Supply Chain on page 7</a>
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 United Nations Global Compact United Nations Sustainable Development Goals
102-13	Membership of associations	We are members of several industry groups to share our knowledge and expertise and learn from our peers and ensure that we are present and participating in the communities in which we live. We are members of the following organizations: <ul style="list-style-type: none"> <li>• Allegheny Conference on Community Development</li> <li>• Electric Utility Industry Sustainable Supply Chain Alliance</li> <li>• Institute of Supply Management</li> <li>• National Association of Electrical Distributors</li> <li>• National Association of Manufacturers</li> <li>• National Association of Wholesaler-Distributors</li> <li>• Responsible Business Alliance</li> <li>• United Nations Global Compact</li> </ul>
<b>Strategy</b>		
102-14	Statement from senior decision-maker	See <a href="#">Our Commitment on page 2</a>
102-15	Key impacts, risks, and opportunities	See <a href="#">Sustainability Approach on page 5</a> and <a href="#">Enterprise Risk Management on page 45</a> <a href="#">2021 10-K "Risk Factors"</a>
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	<a href="#">Wesco Guidelines, Charters and Policies</a>
102-17	Mechanisms for advice and concerns about ethics	See <a href="#">Ethics and Compliance on page 46</a>
<b>Governance</b>		
102-18	Governance structure	See <a href="#">Governance on page 45</a>
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	See <a href="#">Governance on page 45</a> <a href="#">2022 Proxy Statement</a> Directors and Officers Board Committees
102-23	Chair of the highest governance body	<a href="#">2022 Proxy Statement, page 8</a>
102-24	Nominating and selecting the highest governance body	<a href="#">Nominating and Governance Committee</a>
102-25	Conflicts of interest	<a href="#">Code of Business Ethics and Conduct</a>
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.

<b>GRI 102 GENERAL DISCLOSURES 2016</b>		
<b>DISCLOSURE</b>	<b>DESCRIPTION</b>	<b>LOCATION</b>
102-27	Collective knowledge of highest governance body	<a href="#">Corporate Governance Guidelines</a>
102-28	Evaluating the highest governance body's performance	<a href="#">Corporate Governance Guidelines</a>
102-29	Identifying and managing economic, environmental, and social impacts	See <a href="#">Corporate Governance on page 45</a> 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	See <a href="#">Enterprise Risk Management on page 45</a> Our ESG management teams report to the board annually on the status of our ESG programs and sustainability goals progress.
102-32	Highest governance body's role in sustainability reporting	The chairman of the board reviews the sustainability report.
102-33	Communicating critical concerns	<a href="#">Contact Our Board</a>
102-35	Remuneration policies 2021	<a href="#">2022 Proxy statement, page 33–47</a>
102-36	Process for determining remuneration	<a href="#">2022 Proxy statement, page 33–47</a>
102-37	Stakeholders' involvement in remuneration	<a href="#">2022 Proxy statement, page 33–47</a>
102-38	Annual total compensation ratio	<a href="#">2022 Proxy statement, page 60</a>
102-39	Percentage increase in annual total compensation ratio	157 to 1
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	<a href="#">2022 Proxy statement, page 22</a> Employees Customers Suppliers Stockholders Communities
102-41	Collective bargaining agreements	2% of our employees were covered by a collective bargaining agreement in 2020.
102-42	Identifying and selecting stakeholders	See <a href="#">Reporting and Materiality on page 6</a>
102-43	Approach to stakeholder engagement	See <a href="#">Reporting and Materiality on page 6</a>
102-44	Key topics and concerns raised	See <a href="#">Reporting and Materiality on page 6</a>
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	2021 Annual Report (Exhibit 21.1 on page 76)
102-46	Defining report content and topic	See <a href="#">Reporting and Materiality on page 6</a> For this report, we relied on the following inputs: <ul style="list-style-type: none"><li>• Customer surveys of our sustainability progress;</li><li>• Employee surveys and other feedback mechanisms;</li><li>• Feedback from customers, employees, suppliers, nongovernmental organizations and other stakeholders on prior sustainability reports;</li><li>• Topics evaluated by external ranking organizations, such as CDP and EcoVadis;</li><li>• Insight from our senior leaders;</li><li>• Our enterprise risk management process;</li><li>• Applicable government regulations; and</li><li>• Priorities of industry associations in which we participate.</li></ul>

<b>GRI 102 GENERAL DISCLOSURES 2016</b>		
<b>DISCLOSURE</b>	<b>DESCRIPTION</b>	<b>LOCATION</b>
102-47	List of material topics	See <a href="#">Reporting and Materiality on page 6</a> Supply chain, Energy Waste, Emissions, Health and Safety
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	2022
102-51	Date of most recent report	2021
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	See <a href="#">Reporting and Materiality on page 6</a> The 2021 Wesco Sustainability Report follows the core option of the Global Reporting Initiative's Standards.
<b>Material Topics</b>		
102-55	GRI content index	See <a href="#">Global Reporting Initiative Content Index on page 49</a>
102-56	External assurance	We did not seek third-party assurance for this report. The information and data contained in this report have been vetted by internal and external audit 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.
<b>GRI 204: Procurement Practices 2016</b>		
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.
<b>GRI 302: Energy 2016</b>		
302-1	Energy consumption within the organization	See <a href="#">page 31</a>
302-3	Energy intensity	See <a href="#">page 31</a>
302-4	Reduction of energy consumption	See <a href="#">page 31</a>
302-5	Reductions in energy requirements of products and services	See <a href="#">Sustainable Products and Services on page 37</a>  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.
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) Greenhouse Gas (GHG) emissions	See <a href="#">Page 35</a>
305-2	Energy indirect (Scope 2) GHG emissions	See <a href="#">Page 35</a>
305-4	GHG emissions intensity	See <a href="#">Page 35</a>
305-5	Reduction of GHG emissions	See <a href="#">Page 35</a>
<b>GRI 306: Effluents and Waste 2016</b>		
306-2	Waste by type and disposal method	See <a href="#">Page 35</a>
306-3	Significant spills	We had zero significant spills in 2021.

**GRI 102 GENERAL DISCLOSURES 2016**

<b>DISCLOSURE</b>	<b>DESCRIPTION</b>	<b>LOCATION</b>
<b>GRI 403: Occupational Health and Safety 2018</b>		
403-1	Occupational health and safety management system	See <a href="#">Health and Safety on page 21</a>
403-2	Hazard identification, risk assessment, and incident investigation	See <a href="#">Health and Safety on page 21</a>
403-3	Occupational health services	See <a href="#">Health and Safety on page 21</a>
403-4	Worker participation, consultation, and communication on occupational health and safety	See <a href="#">Health and Safety on page 21</a>
403-5	Worker training on occupational health and safety	See <a href="#">Health and Safety on page 21</a>
403-6	Promotion of worker health	See <a href="#">Health and Safety on page 21</a>
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See <a href="#">Health and Safety on page 21</a>
403-8	Workers covered by an occupational health and safety management system	See <a href="#">Health and Safety on page 21</a> The Occupational Health and Safety System covers all employees, contractors and others working on behalf of Wesco
403-9	Work-related injuries	See <a href="#">Health and Safety on page 21</a>
403-10	Work-related ill health	See <a href="#">Health and Safety on page 21</a>

# Sustainability Accounting Standards Board Content Index

CODE	ACCOUNTING METRIC	CATEGORY/ UNIT OF MEASURE	DATA
<b>Energy Management in Retail and Distribution</b>			
CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative: Gigajoules (GJ), Percentage (%)	(1) 886,667.5 GJ (2) 37% (3) 0%, Wesco has several solar installations, totaling less than 1%
<b>Data Security</b>			
CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Discussion and Analysis	See <a href="#">Data Privacy and Cybersecurity on page 46</a>
CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Quantitative: Number, Percentage (%)	(1) 0 (2) 0 % (3) 0
<b>Labor Practices</b>			
CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	Quantitative: Reporting Currency, Percentage (%)	Wesco does not disclose this information
CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Quantitative: Rate	(1) 15.8% (2) 5.4%
CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative: Reporting Currency	Legal proceedings are reported in our 2021 annual report, Item 3
<b>Workforce Diversity and Inclusion</b>			
CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Quantitative: Percentage (%)	(1) (2) See <a href="#">2021 Employee Demographic Data on page 16</a>
CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative: Reporting currency	Legal proceedings are reported in our 2021 annual report, Item 3
<b>Product Sourcing, Packaging and Marketing</b>			
CG-MR-410a.1	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative: Reporting Currency	Wesco does not disclose this information

CODE	ACCOUNTING METRIC	CATEGORY/ UNIT OF MEASURE	DATA
CG-MR-410a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	<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><b>Management and Supervisory Responsibilities</b> 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><b>Employees HSE Responsibilities</b> Employees must follow the outlined procedures for chemical management and inform management of any changes or concerns. 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><b>Chemical Hazard Evaluation</b> 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><b>Labeling Systems</b> 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><b>Safety Data Sheets</b> Data sheets for each chemical used onsite are obtained from the manufacturer or distributor and made available to all employees.</p> <p><b>Training</b> Employees are trained upon initial assignment and on a periodic basis thereafter regarding the chemicals used in the workplace.</p>
CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	<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 Metrics			
CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	Quantitative: Number	(1) 0 (2) 781
CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	Quantitative: Square meters (m <sup>2</sup> )	(1) 0 (2) 2,153,499

# Task Force on Climate-Related Financial Disclosure (TCFD) Framework

DISCLOSURE	ACCOUNTING METRIC
<b>Governance</b>	
Describe the board's oversight of climate-related risks and opportunities	The Board of Directors receives a report on material ESG topics, including climate-related topics, at least on an annual basis. As discussed previously on page 5 of this report, the Nominating and Governance Committee provides oversight on ESG strategy and risks. This oversight includes reviewing climate-related strategies and progress against emissions reduction targets. The Committee meets at least twice a year and reports out to the full board at each regular meeting.
Describe management's role in assessing and managing climate-related risks and opportunities	<p>The CEO reviews Wesco's climate and sustainability programs, goals, and progress on at least an annual basis. Wesco's climate change strategy is managed by Wesco's Sustainability Team, which reports to Wesco's Executive Vice President—Supply Chain and Operations who is a direct report to the CEO and serves as the liaison with executive officers regarding sustainability initiatives.</p> <p>The Senior Director—Global Environmental, Health, Safety, and Sustainability, in collaboration with relevant business units, provides the daily management of climate change initiatives against Wesco's stated goals. Wesco uses software platforms to manage and track energy and fuel consumption, which aids in our compilation of data and provides valuable insight into how we manage our climate impact.</p> <p>Wesco has a management team that oversees the Enterprise Risk Management (ERM) process and is led by the SVP, Treasurer and the Head of Internal Audit. It includes at least 15 members representing business units and functional groups throughout the organization. Various team members rotate every two years to ensure a variety of risks and perspectives are considered in the process. Further, management provides an annual in-depth review of the ERM process and top risks to the Board.</p>
	More information on Wesco's climate initiatives and structure can be found on <a href="#">pages 5–9</a> .
<b>Strategy</b>	
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	<p>Wesco's substantive risks, including climate-related risks, are generally outlined in the Risk Factors section of the Form 10-K and include the impact of severe weather or natural disasters (including as a result of climate change) on IT operations, distribution centers, Wesco's supply chain, transportation partners, and Wesco's employees. These impacts could become more severe in the long-term as the frequency and intensity of natural disasters and other severe weather events increases due to climate change.</p> <p>We also monitor the cost of compliance with evolving global laws and regulations relating to climate change and its impacts. The focus on climate issues by regulatory bodies globally could pose a risk if those regulatory bodies do not agree on the scope of requirements and the standard of how to report climate-related risks, or if complying with new regulations creates additional financial obligations. For example, a regulatory price on carbon could increase operating expenditures and manufacturing costs in the supply chain.</p> <p>Wesco has also identified climate-related opportunities that include expanding its offerings of energy efficiency products and renewable energy products. As attention and interest grow for climate mitigation solutions, Wesco is well positioned to grow our business in these energy efficiency and renewable energy technologies and projects.</p> <p>The movement toward energy efficient facilities is another opportunity that can decrease our operating costs and increase our reputation as customers may see Wesco as an energy efficient partner.</p>

DISCLOSURE	ACCOUNTING METRIC
Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	<p>Wesco has worked with its suppliers to identify low-carbon and energy-efficient products and services, and to articulate the energy efficiency and carbon reduction potential of its goods and services to its global customers. These products are well positioned to become an even more important part of our business in the future. Wesco is also evaluating the energy efficiency of its own facilities and identifying efficiency measures and sharing best practices to then pass these improvements through to customers.</p> <p>Wesco has conducted sustainability surveys among its top suppliers, and this information has helped inform Wesco's supplier engagement strategy.</p> <p>Wesco also works to address climate change through measuring, disclosing, and mitigating its greenhouse gas emissions. These efforts allow us to identify and implement energy and resource efficiency opportunities and strategies.</p> <p>Wesco considers potential disruptions due to weather in our operational strategy, and has mitigation plans in place for our distribution centers including:</p> <ul style="list-style-type: none"> <li>• Designing the configuration of facilities to reduce the consequences of disasters</li> <li>• Maintaining insurance for our facilities against disasters</li> <li>• Designing contingency plans</li> </ul> <p>Wesco will be working towards understanding future climate-related risks under different RCP climate scenarios, considering widely-accepted public resources, including IPCC and FEMA models, and intends to disclose the results of that analysis next year.</p>
Risk Management	
Describe the organization's processes for identifying and assessing climate-related risks	<p>Wesco annually reviews environmental programs, policies, and data, including energy consumption and greenhouse gas emissions, to identify opportunities to improve efficiency and reduce emissions. At the asset level, Wesco works with branch management to identify improvement opportunities at facilities and the performance of delivery vehicles, which includes smart fleet technology.</p> <p>When a supply chain risk arises, Wesco creates an automated survey which is sent out to the supplier base to understand the relevant risk of each supplier. Based on responses, Wesco assigns a relative risk to each supplier.</p> <p>Every two years, the management team conducting the ERM review performs a comprehensive review of potential risks with an update in the intervening year. During this process, potential risks are evaluated and rated on velocity, severity, and probability to be placed on a heat map. Mitigation availability is also considered in the evaluation. Department heads are responsible for the identification and escalation of potential risks within their department on an ongoing basis.</p>
Describe the organization's processes for managing climate-related risk	<p>Wesco has a field-tested emergency action plan that is designed to provide guidance to employees and management to ensure the safety of Wesco employees during a natural disaster and in response to the aftermath. This is coupled with a business continuity plan that seeks to reduce disruptions to business activities. Wesco is in the process of adopting more systematic contingency planning for each facility, which are in varying stages of development and execution.</p> <p>Further, Wesco assesses the risks of the supply base. Our supplier relations teams have regular communications with suppliers to understand their current threat level. For higher risk suppliers, this may entail more frequent communications. In addition, Wesco works with its suppliers on a regular basis to identify new products and services that can improve its customers' energy efficiency and help them reduce greenhouse gas emissions.</p>
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	<p>Wesco's ERM process works with business leaders of key business units to outline a strategic plan of how to minimize identified risks.</p> <p>Contingency planning considers risks impacting the availability of materials globally. A few exceptions exist for unique inventory. Locations identified as at high risk due to the potential for natural disasters or location along transportation routes take specialized steps and have higher levels of insurance coverage in case of incident.</p> <p>A climate-specific risk assessment is currently underway and is expected to be reported as part of our annual ESG update in 2023.</p>
Metrics and Targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<p>We disclose waste and energy metrics on <a href="#">pages 32–35</a> of this report. We are actively working to reduce our environmental and climate impact.</p> <p>In addition, Wesco offers a wide range of energy efficient products and services, as discussed on <a href="#">pages 37–39</a>. We see these product and service offerings as an essential element of our business strategy to meet the increasing needs and emphasis on a sustainable economy.</p>

DISCLOSURE	ACCOUNTING METRIC
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	<p><b>Scope 1:</b> 53,202.91 metric tons CO2e</p> <p><b>Scope 2 (location based):</b> 31,050.56 metric tons CO2e</p> <p><b>Scope 3:</b> Waste generated in operations: 4,378.61 tCO2e</p> <p>Wesco uses the EPA's WARM model to estimate lifecycle GHG emissions associated with landfilled waste. Wesco uses this calculation in part to continue to drive progress in its waste diversion rate, identifying new waste streams and third-party partners to reuse and recycle potential waste streams from Wesco operations (especially cardboard, wood pallets, plastic wrap, and packaging materials).</p> <p><b>Business travel:</b> 4,028.3 tCO2e</p> <p>Wesco's third-party travel partner calculates the annual GHG impact of Wesco's air, rail, and rental car use. Wesco has a 30% absolute reduction target for Scopes 1 and 2 greenhouse gas (GHG) emissions from a 2019 baseline with a target year of 2030. Further, we have additional environmental goals discussed on <a href="#">page 9</a>.</p>
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	





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Wesco International (NYSE: WCC) builds, connects, powers and protects the world. Headquartered in Pittsburgh, Pennsylvania, Wesco is a FORTUNE 500® company with more than \$18 billion in annual sales and a leading provider of business-to-business distribution, logistics services and supply chain solutions. 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, partners with the industry's premier suppliers, and serves thousands of customers around the world, including more than 90% of FORTUNE 100® companies. With nearly 1,500,000 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 branches, warehouses and sales offices in more than 50 countries, providing a local presence for customers and a global network to serve multi-location businesses and multi-national corporations.

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