Wesco Canada Entities

Forced Labour in Canadian Supply Chains

Annual Report 2023

This joint report for the 2023 fiscal reporting year covers affiliates Wesco Distribution Canada LP, Anixter Canada Inc., Anixter Power Solutions Canada Inc, and Hazmasters Inc. (together "Wesco Canada" or the "Wesco Canada Entities") further to Bill S-211, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (the "Act").

Section 1 – Compliance with Section 11 of the Act

a. <u>Structure, activities, and supply chains</u>

The Wesco Canada Entities operate across Canada and consist of:

- Wesco Distribution Canada LP (854646270), by its general partner Wesco Distribution Canada GP Inc., a partnership.
- Anixter Canada Inc. (100217397), a corporation
- Anixter Power Solutions Canada Inc. (119425072), a corporation
- Hazmasters Inc. (140525650), a corporation

The Wesco Canada Entities are wholly owned subsidiaries of Wesco International Inc. ("Wesco International"), a leading global distributor of communications, safety & security solutions, electrical & electronic solutions and utility & broadband solutions based in Pittsburgh, Pennsylvania. Wesco International conducts its business in four regions, North America, the Caribbean and Latin America, Asia-Pacific and Europe, and the Middle East and Africa. As a global organization, Wesco International and its affiliates help build, connect, power and protect the world. We promote responsible commercial practices at every level of our business and are committed to conducting our business ethically, honestly and in a lawful manner. Wesco International and its subsidiaries have approximately 19900 employees globally with the Wesco Canada Entities employing approximately 3125 individuals. To learn more about our business, visit www.wesco.com.

Wesco Canada's key suppliers are manufacturers and other distributors of network infrastructure, security & safety solutions, electrical & electronic solutions and utility & broadband solutions products. Wesco Canada distributes a wide variety of goods procured from our suppliers. To learn more about the many products that Wesco Canada distributes visit www.buy.wesco.ca. Wesco Canada does not extract, process or manufacture any goods. We endeavor to build long-term relationships with our suppliers in order to ensure that products in our inventory have been sourced in an ethical and lawful manner.

We also procure products and services from other vendors to run our business, such as IT, security, legal, financial services providers, customs brokers, freight forwarders, commission agents and others.

Wesco International's compliance efforts and activities are managed by the Wesco Ethics and Compliance Office, which is led by Wesco International's Chief Ethics and Compliance Officer. The Wesco Ethics and Compliance Office oversees the compliance obligations of Wesco Canada, including Wesco Canada's efforts to prevent the presence of forced and child labour in our supply chain and our own business.

b. Policies and due diligence processes

Wesco Canada's commitment to an ethical and socially responsible approach to doing business includes but is not limited to implementing and enforcing global policies such as:

- <u>Code of Business Conduct</u>
- Human Rights Principles
- Business Partner Anticorruption Policy
- <u>Supplier Code of Conduct</u>
- <u>Conflict Minerals Policy</u>
- <u>Authorized Product and Anti-Counterfeiting Policy Statement</u>
- Global Environmental, Health, Safety and Sustainability Statement

These policies apply internally and externally to Wesco. Our internal policies include the Code of Business Conduct, which applies globally and is designed to assist us in complying with the laws and ethical principles that govern our business conduct. Among other things, the Code of Business Conduct states that we prohibit the use of forced or otherwise illegal labour and human trafficking, that we do not use child or forced labour in our own operations, and that we do not condone the exploitation, physical punishment, abuse, trafficking or involuntary servitude of children or others throughout our supply chain.

Suppliers and business partners are held to high ethical standards by our expectation that they abide by our policies. At the time of onboarding, suppliers are required to provide a signed attestation of compliance with our Supplier Code of Conduct. In addition, in our standard supplier contracts, we require our suppliers to comply with all applicable laws and with our Supplier Code of Conduct. The Supplier Code of Conduct, among other things, prohibits forced labor and child labour and requires our suppliers to source products only from third parties who uphold similar standards of integrity and ethical compliance as set forth in the Supplier Code of Conduct.

To support such programs, Wesco Canada, supported through Wesco International where necessary, has teams of internal advisors and experts whose primary focus is on compliance and corporate responsibility, such as internal audit, trade compliance, legal, human resources, environmental, sustainability and health and safety. We will also call on external experts as needed. Using the combination of our programs and the support of internal experts, Wesco Canada ensures its commitment to an ethical and socially responsible approach to doing business at all relevant times.

Wesco International is a participant in the United Nations Global Compact, the world's largest corporate sustainability initiative. You can find our 2023 Corporate Sustainability Report, which describes our actions to continually improve the integration of the Global Compact and its principles into our business <u>here</u>. The report outlines our efforts and commitment to environmental, social and governance sustainability and sets out our human rights overview.

We also operate a <u>Business Integrity Line</u>, available online or by phone to anyone for the submission of anonymous reports (where permitted by local law) of violations of our policies or the law. The Business Integrity Line is operated by an independent third party and supported by our Global Anti Retaliation Policy that ensures that the whistleblower is appropriately protected.

c. Forced labour and child labour risks

New suppliers are required to undergo standard onboarding which includes due diligence regarding the supplier's business practices and a requirement for the supplier to sign on to our Supplier Code of Conduct. Wesco Canada has identified certain higher-risk countries or categories of service. Business partners that represent a greater compliance risk are required to complete our business partner qualification process.

Wesco Canada's business partner qualification process includes a due diligence screening of new or renewing business partners who will be performing services for or acting on our behalf. High-risk countries are typically identified as (A) any country with a rating of Tier 2 or more in the previous year's Trafficking in Persons Report issued by the Department of State of the United States; or (B) any country with a Corruption Perceptions Index (CPI) score of 40 or less on the previous year's index issued by Transparency International. In addition, any business partner recommended for additional screening by a Wesco Canada or Wesco International employee can be subject to the business partner qualification process.

Our internal processes include continuous monitoring of some of our approved business partners who have been identified as higher risk and ongoing improvement of those internal processes to identify risks of forced or child labour in our supply chains. We evaluate business partner compliance with the principles set out in our Supplier Code of Conduct in various ways including surveys, site visits or third-party audits.

d. <u>Remediation measures</u>

Because of the fulsome due diligence measures in place, to the best of our knowledge Wesco Canada does not work with business partners who use forced labour or child labour and remediation measures have not been necessary.

e. <u>Remediation of loss of income</u>

Wesco Canada does not have any information to indicate that vulnerable families have experienced loss of income as a result of steps Wesco Canada has taken to eliminate forced labour or child labour risks in its supply chain.

f. <u>Training</u>

All Wesco Canada employees receive training and are required to certify that they comply with the Code of Business Conduct annually. This is in addition to targeted live training that is provided throughout the year. In light of the Act coming into force, mandatory training specifically in relation to the Act and Wesco Canada's policies and processes around the prevention of forced and child labour has been undertaken in 2024 and will be reflected in our 2024 financial year report.

g. Assessment effectiveness

The effectiveness of our programs can be measured through our company wide reporting processes which are supported throughout our organization by internal and external resources including but not limited to

audit, trade compliance, legal, human resources, environmental, sustainability and health and safety teams.

All our compliance programs, including our efforts to combat forced and child labour, are overseen and enforced by executive management. The strategic plan and day-to-day operations of our compliance programs are the responsibilities of the Wesco International Chief Ethics and Compliance Officer and the Wesco International compliance team which includes regional compliance officers. On at least a quarterly basis, the Chief Ethics and Compliance Officer informs the Wesco International Executive Compliance Committee, consisting of the Wesco International Chief Executive Officer, Chief Financial Officer, Chief Human Resources Officer, General Counsel and Vice President of Internal Audit, of the status of compliance activities, Business Integrity Line reports received, and investigations conducted. The Chief Ethics and Compliance Officer also provides program updates and investigation reports to the Audit Committee of the Wesco International Board of Directors during its regular meetings.

Section 2 - Reporting in Other Jurisdictions

Wesco Canada's affiliated entities also report in compliance with the United Kingdom *Forced Labour Act*, and the Australia *Forced Labour Act*.

Section 3 - Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

M. 5-Brian Begg

Director Wesco Distribution Canada LP, Anixter Canada Inc., Anixter Power Solutions Canada Inc., and Hazmasters

Date: May 28, 2024

Inc.

I have authority to bind Wesco Distribution Canada LP, Anixter Canada Inc., Anixter Power Solutions Canada Inc., and Hazmasters Inc.