







MESSAGE FROM OUR CEO

I am pleased to present White Cap's inaugural Sustainability Report: *Building Trust Through Our Commitments*. This overview of our priorities, performance, milestones, and ongoing commitments displays how we are working to create and enhance sustainable operations across our business. We believe these efforts will enable us to be the best partner for our customers, distributor for our suppliers, employer for our associates (employees), and a responsible company.

White Cap's service to our customers is founded on our promise of **Building Trust on Every Job**TM. For White Cap, this continual act of *Building Trust* is integral to all we do. As we grow as a company and our impact on the world around us increases, it is critical that we make sustainable, intentional business decisions informed by our **TRUSTED**^[1] values so we can operate as a responsible company.

For this reason, we have established the following commitments that we honor on behalf of our stakeholders: our customers, associates, supplier partners, lenders and bondholders, and the communities in which we operate.

- Our Commitment to Responsible Construction
- Our Commitment to Operational Integrity
- Our Commitment to Our People and Communities
- Our Commitment to Governance and Security

These commitments comprise White Cap's **Environmental, Social, and Governance** ("ESG") Program.

White Cap's ESG Program encapsulates all the work and decisions we make as we focus on reducing the environmental risks across our entire supply chain; creating a more socially conscious workplace that prioritizes associate, supplier, customer, and community relationships and understanding; and operating with integrity, transparency, equality, and respect.

White Cap is a leading distributor of specialty concrete accessories and construction products and services for professional contractors across the U.S. and Canada. We have a proven track record of above-market growth and expansion through our knowledgeable, solution-driven team. We offer diversified stocked and specialized products from our long-standing suppliers and serve every phase of the construction lifecycle.

White Cap plays an integral role in building North America's skyline, and we impact the future of the United States and Canada in multiple positive ways. This role carries with it a responsibility to lead in our industry with respect to ESG matters. We take this responsibility very seriously.

1 White Cap's TRUSTED values are Teamwork, Relentless, Unwavering, Service, Transparent, Experienced, and Dependable

During 2021, we achieved important milestones in driving our commitment to operational integrity and safety, our people and communities, governance, and responsible construction. At White Cap we have:

- Continued to prioritize the health and safety of our associates, customers, and supplier partners by evolving and flexing our operational protocol and real-time communication as the COVID-19 pandemic progressed
- Maintained our hazardous waste management program and developed plans to expand recycling to our full branch footprint
- Committed to effectively managing our energy usage and focusing on integrating renewable energy into our operations
- Instituted a Culture and Values Council committed to integrating diversity, equity, and inclusion ("DEI") into our culture
- Implemented a best-in-class workforce management tool to enhance human capital development and surveyed our associates on culture and engagement
- Maintained compliance with our Code of Conduct for suppliers and associates. These policies reflect our commitment to responsible sourcing and operating with integrity

I want to thank all our associates, customers, and communities who inspire us and partner with us to make this work a reality. You are what makes White Cap so special. You bring our **TRUSTED** values to life. Together as one team, there is no limit to the positive impact we can make, and I look forward to continuing to build a more sustainable future in a safe and ethical manner.

Sincerely,

JOHN STEGEMAN

Chief Executive Officer

Building Trust on Every Job™

"I want to thank all our associates, customers and communities who inspire us and partner with us to make this work a reality. Together as one team, there is no limit to the positive impact we can make to build a more sustainable future."

ABOUT WHITE CAP

White Cap is a leading distributor of specialty concrete accessories and construction products and services in the U.S. and Canada. We serve as a one-stop-shop providing necessary and hard-to-find construction products and supplies for professional contractors across non-residential, infrastructure, and residential markets.

OUR VISION

Set the standard of excellence in delivering industry-leading products, services, and expertise through our knowledgeable associates and seamless customer experience.

OUR MISSION

Earn the trust of our valued customers and relentlessly drive their success.

OUR VALUES

From ensuring customer satisfaction to giving back to our communities and supporting our associates, the White Cap **TRUSTED** values guide us in everything we do.

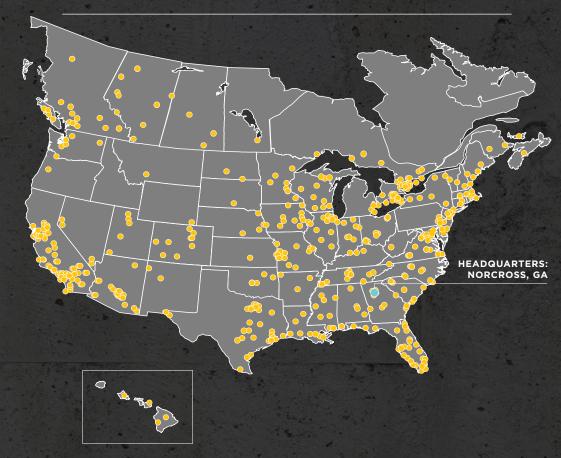
- T TEAMWORK
- R RELENTLESS
- **U** UNWAVERING
- **S** SERVICE
- T TRANSPARENT
- **E** EXPERIENCED
- **D** DEPENDABLE

BUSINESS MIX

GEOGRAPHIC FOOTPRINT







\$5.6B

~200k ~200k >9,000

FY'21 Sales[4]

Track record of above-market growth and expansion

Customer-Facing Locations

Distributed across major metros in 48 U.S. states and 8 Canadian provinces

Customers

General contractors/ subcontractors who require specialized products and services

Products Offered^[5]

"One-Stop-Shop" value proposition, serving full construction lifecycle

Knowledgeable Associates

Dedicated professionals in sales, operations, customer service, and support roles

- 2 Percentages may not add up to 100% due to rounding
- 3 Estimated end market exposure based on third-party consulting work, pro forma for acquisitions and divestitures
- 4 Pro forma for FY'21 acquisitions
- 5 Excludes special orders











~450



Outside Salespeople

Knowledgeable Associates

- Customer-centric sales force with 10+ years of experience supported by product sales specialist and knowledgeable branch associates
- Inside sales associates proactively manage customer relationships, support outside sales, and enable customer acquisition through outbound calling and customer onboarding to whitecap.com
- Counter sales associates provide knowledgeable will-call and retail service
- Dedicated product sales specialists provide technical expertise to our customers
- Solution-driven team with long-term customer relationships and expertise in commercial, industrial, institutional, residential, infrastructure, and repair and restoration projects

Stocked and Specialized SKUs^[1]

Diversified Products

- Strong "One-Stop-Shop" value proposition of approximately 200,000 SKUs
- Diversified product offering including site prep, building envelope, and fasteners, concrete chemicals and accessories, tools, safety, and consumables, steel reinforcing products, and wood products
- Serving the entire construction lifecycle from excavation to finishing, repair, and restoration
- Strong long-tenured strategic supplier partnerships
- Multiple suppliers for many products to support customer requirements

1 Excludes special orders

Customer-Facing Locations

Value-Added Services

- Broad North American presence with branch network of -450 customer-facing locations in 48 U.S. states and 8 Canadian provinces
- Rental capabilities for tilt-up construction, forming & shoring, and light equipment
- Rebar fabrication services at 30+ locations
- Partner with suppliers to provide technical solutions for our customers
- Same day / next day job site delivery with specialized fleet and customer serviceoriented drivers
- 2-hour ready will-call
- Material take-off, estimating, and engineering services
- Job site safety awareness training

OUR APPROACH TO ESG

White Cap is committed to building a more sustainable future and paving the way for ESG to be integrated into our industry. We define ourselves by how we operate and ESG is an extension of our values as a company and our commitments to stakeholders.

ESG is important to our entire organization, which is why the Nominating and Governance Committee of our Board of Directors has oversight responsibility for our ESG program. Internally, our ESG program is managed by an executive steering committee and implemented by a diverse set of functional teams, project managers, and subject matter experts.

White Cap's ESG scope is primarily focused on internal operations and product offerings that mitigate environmental impacts for suppliers and customers. We are also working to expand our scope to include additional stakeholders and broader ESG issues as our efforts evolve. White Cap created an Enterprise Risk Management ("ERM") Committee to evaluate risks that affect the business in the short and long term. Our ERM Committee has added ESG risks into our framework and is focused on integrating ESG into our business strategy.

White Cap's inaugural Sustainability Report structure is reflective of our commitments:

Responsible Construction, Operational Integrity, Our People and Communities, and Governance and Security. Each of these pillars represents a section in our report and is indicative of our approach to ESG at White Cap.

OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

White Cap is committed to the <u>United Nations</u> <u>Sustainable Development Goals</u> ("SDGs"), which serve as a call to action and a global blueprint for governments, businesses, and organizations working towards peace and prosperity for humanity and the planet. We have aligned the SDGs to our **TRUSTED** values and focused our efforts on the following SDGs:



Gender Equality: We have an **Unwavering** commitment to cultivate a diverse workforce and are focused on fostering an inclusive environment

that encourages everyone to build a fulfilling career in our industry.



Industry, Innovation and Infrastructure: White Cap offers **Dependable** products and strives to help our customers build resilient

infrastructure; approximately 25% of our products are sold to infrastructure projects. Additionally, we provide safety products and training at the job site along with products that reduce erosion and storm water runoff.



Reduced Inequalities: White Cap's Culture and Values Council, which is led by associates across business functions, drives inclusion initiatives

and creates plans to implement strategy throughout the business. Together, with *Teamwork*, we are increasing focus on our values and driving engagement with associates.



Sustainable Cities and Communities:

White Cap works towards building safer and healthier cities and communities every day. We prioritize

Service and maintain strong ties to our communities. White Cap engages with many nonprofits to volunteer our time and dedicate our capital. We also extend construction longevity by supplying high quality products and support job site safety through our safety category.



Responsible Consumption and Production: White Cap is *Relentless* in our pursuit of reducing our environmental impacts and

improving efficiency throughout all areas of the business. We are currently exploring alternative energy options at our facilities, and our hazardous waste and recycling programs divert harmful waste from landfills and allow us to responsibly manage our waste production.



Climate Action: White Cap takes responsibility to combat climate change and remains *Transparent* with respect to our impacts. We

have recently completed our first greenhouse gas ("GHG") inventory, which aided in understanding our climate impact and involved working with customers and suppliers to track emissions in our value chain. Several of our facilities have been retrofitted with energy-efficient LED lighting, and we are piloting the use of solar panel systems to improve our energy performance. White Cap supports disaster relief and mitigation through our business and product offerings.

MATERIALITY PROCESS

At White Cap, we strive to understand the unique perspectives of all our stakeholders. We performed our first Materiality Assessment in 2021 to capture stakeholder sentiments on ESG issues. Our ESG team created five surveys in partnership with functional teams to capture internal and external stakeholder voices. We gathered insights from our customers, suppliers, associates, and lenders and bondholders throughout this process.

The results of our Materiality Assessment identify ESG issues that are important for the long-term sustainability, growth, success, and industry excellence of White Cap's business. Each topic identified is considered material to White Cap. We allocate resources based on the results of this analysis and our internal strategy and will periodically refresh this analysis to keep track of our stakeholders' evolving priorities.



ESG TOPICS

- Renewables/Energy Efficiency
- Diversity, Equity, & Inclusion
- **Board Diversity**

Product Quality & Safety

"Green" Products

Water Usage

Total Rewards

Development and Engagement

Community Engagement

Executive Compensation

Data Security

Waste/Recycling

GHG Emissions

Supply Chain Optimization

Labor Relations

Climate Resilience

Supplier Diversity

Employee Safety

- Anti-Corruption

- - Responsible Sourcing
- Customer ESG Support

Supply Chain Transparency

Packaging Management

Alternative Building Materials

¹ Based on Senior Leadership Materiality Assessment surveys

² Based on Supplier, Lender and Bondholder, Associate, and Customer Materiality Assessment surveys

2021 HIGHLIGHTS

ESG PROGRAM DEVELOPMENT

- Established steering committee, functional committees, and program manager role to facilitate White Cap's ESG program
- Performed our first Materiality Assessment with four stakeholder groups (customers, suppliers, lenders and bondholders, associates)
- Formalized ESG oversight in the charter of the Nominating and Governance Committee
- Aligned ESG principles with White Cap's commitments and values

2021 CULTURE SURVEY RESULTS

- White Cap fosters an environment that allows all associates to be their authentic selves at work
- Associates feel the work they perform at White Cap is important. This
 is indicative of a strong cultural alignment with our White Cap Mission,
 Vision, and TRUSTED values
- Associates have strong personal ties to White Cap, indicating a sense of belonging, meaningful contribution, and engagement
- Associates know where and how to report any offensive behavior, harassment, or discrimination

CLIMATE CHANGE AND RESILIENCE

- Quantified Scope 1, Scope 2, and Scope 3 emissions for FY'21 with available data
- Incorporated climate risk into Enterprise Risk Management processes





PRODUCT

PRODUCT PORTFOLIO

SDG 9 SDG 11

White Cap prioritizes buying the highest quality products from the best brands with the highest standards in the industry. Our customers come to us because of this commitment. Our knowledgeable outside salesforce and close supplier partnerships help us recommend full solutions, including labor-saving products, to our customers.

White Cap offers a wide variety of products to support our customers' and suppliers' ESG goals and reduce climate and environmental impacts of construction.

Conserving Our Land and Resources

Conservation is a critical component to White Cap's and our customers' environmental goals. We have two major product groupings that are integral to this goal.

- Geosynthetics and Erosion Control
- Rebar

Geosynthetics and erosion control products, including geotextiles, erosion control blankets, and silt fencing, are vital to conserving land during construction projects and have the following benefits:

- Reduce runoff and help maintain soil integrity
- Control pollutants and prevent groundwater contamination
- Mitigate impact of construction on biodiversity
- Permit biogas, an alternative energy source, to be collected

Reinforcing steel, or rebar, is a critical component in construction, used to reinforce concrete and add stability to structures. Almost 100% of the rebar used in construction is made from recycled metals. Producing 1 ton of steel rebar would otherwise require 2,500 lbs of ore, 1,400 lbs of coal, and 120 lbs of limestone. The usage of recycled materials in steel rebar is recognized by LEED, which helps our customers working on "green" buildings achieve higher LEED certifications.^[1]

1 Source: Concrete Reinforcing Steel Institute

Protecting Our Air

As a long-time partner in the construction industry, we understand the effects of harmful particles and chemicals on our air quality. White Cap offers certain products that mitigate and prevent the release of harmful particles:

- Dust Containment: zipwalls, dust barrier kits, dust shields, etc.
- Silica Dust Containment: dust collectors, dust extraction units, etc.

White Cap also supports customers by offering low-/no-VOC solvents, thinners, coatings, and concrete sealers. Low-/no-VOC chemicals offer the following benefits:

- Improved air quality
- Improved performance and longer re-coat cycles
- Reduced rust penetration on edges
- Faster application times
- Non-flammable; easier storage requirements and fewer safety concerns

We actively work with our supplier partners to increase our offerings of these types of products as they become more in demand and construction job sites become more heavily regulated.

White Cap's specialists performed over 40,000 hours of job site safety training in 2021, including during OSHA's National Safety Stand Down Week, when we trained over 16,000 contractors at 160+ events nationwide.

Job Site Safety and Personal Protective Equipment ("PPE")

At White Cap, we view the safety of our associates and our customers as one of our highest priority ESG topics. We pride ourselves on being a market leader of job site safety products and continuously work to enhance our product offerings. Our safety category comprises three product groupings:

- Job Site Safety: heat stress prevention, fire prevention, first aid, gas cans, safety fences, etc.
- Fall Protection and Climbing: fall protection retractables, harnesses, step and extension ladders, edge protection / guardrails, anchors and connectors, etc.
- **PPE:** gloves, hard hats, safety glasses, safety vests, face shields and visors, coveralls, etc.

Environmentally Preferable Products ("EPP")

We are evaluating criteria to create an EPP portfolio that would comprise products bearing industry environmental certifications. We are also evaluating demand for certain alternate products that fit our commitment to responsible

construction, including fiberglass rebar, additional water-based chemicals, and additional battery-powered tools.

Customer Safety

We provide job site safety awareness training performed by certified specialists that we bring directly to our customers' place of work. This value-add comes at no charge to our customers, reflecting our dedication to integrating safety into all aspects of our business. White Cap's specialists performed over 40,000 hours of job site safety awareness training in FY'21, including during OSHA's National Safety Stand Down Week, where we trained over 16,000 contractors at 160+ events nationwide.

RESPONSIBLE SOURCING

White Cap is committed to working with suppliers and customers to create a safer, more responsible construction industry. Our coordination with these groups can multiply our impact, and we plan to expand our efforts with suppliers to mitigate emissions from production

processes, reduce packaging material, and source fewer products requiring scarce resources.

Through an increased awareness of products' lifecycles and our suppliers' operations, White Cap will deliver on our mission to be a **TRUSTED** partner of our people and planet.

Code of Ethics

White Cap emphasizes the importance of conducting business in a responsible manner. Our Code of Ethics for suppliers, contractors, and consultants details our expectations for these partners to comply with all applicable and controlling laws, rules, and regulations.

White Cap's Code of Ethics includes requirements with which all designated parties must comply. Some of these include:

- No Forced or Child Labor: Suppliers shall not use child, forced, or bonded labor subject to any form of coercion.
- Environment, Health, and Safety: Suppliers
 must provide a safe and healthy working
 environment in accordance with applicable
 laws to prevent accidents and injuries arising
 in the course of work.
- Environmental Requirements: We seek suppliers who share our commitment to mitigating environmental impact. Suppliers must abide by applicable environmental laws where they operate. For example, suppliers are expected to purchase wood and wood products originating from Certified, Well-Managed Forests™ whenever feasible and to promote the efficient and responsible use of wood and wood products.

- Conflict Minerals: White Cap is firmly committed to complying with the reporting obligations of section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, which endeavors to prevent the use of conflict minerals from benefitting armed groups in the Democratic Republic of Congo or an adjoining country. Furthermore, we are committed to responsible sourcing practices and ensuring continued transparency and corporate social responsibility throughout our supply chain. White Cap expects all suppliers manufacturing White Cap products to cooperate with White Cap's conflict minerals due diligence process.
- Responsible Sourcing: White Cap has long been focused on sourcing products in a socially and environmentally responsible manner, and we are committed to working with suppliers who share our commitment to sourcing responsibly.

White Cap is currently strengthening our Code of Ethics for suppliers and plans on constantly evolving our efforts to maintain and improve responsible sourcing.

SUPPLIER ESG

White Cap is not only committed to incorporating ESG into our organization, but we also strive to hold our suppliers to the same high standard. Our teams hold ongoing discussions of ESG issues with our suppliers and are working to update standards to which our suppliers must adhere. White Cap is holding conversations with suppliers on emerging product trends to increase transparency and knowledge-sharing. As our business grows, we are looking for opportunities to partner with the best suppliers and to build our distribution networks.

Tracking Supplier ESG Metrics

White Cap is working to track selected ESG metrics for our suppliers including GHG emissions and other environmental initiatives. We also plan to establish a scorecard that measures our suppliers' commitment to ESG, aids in our understanding of ESG impacts in our supply chain, and ultimately drives performance improvement.

While we source products from international suppliers, the majority of our purchases come from domestic suppliers, and as part of our community engagement, we have prioritized supporting our local economies.



Flock Freight

Flock Freight serves as one of our suppliers of inbound freight carriers and is a Certified **B Corporation** focused on eliminating waste and inefficiency in the freight industry through shared truckload shipping. The tech company offers a carbon neutral shipping option that it achieves by supporting offset projects. Flock Freight estimates that it saves about 15-40% of emissions through shared truckload shipping compared to traditional freight modes. We choose to partner with companies like Flock Freight to support local small businesses that share our commitment to building a better world to further incorporate ESG into our operations.



ENVIRONMENTAL

CLIMATE RESILIENCE

SDG 13

White Cap considers environmental sustainability to be a top priority. We have a responsibility to minimize our environmental impact. The results of the Conference of the Parties 26 spurred our urgency to take actions to offset climate change, and we are committed to doing our part to create a more sustainable future. We believe we have opportunities to mitigate climate change through our operations and product offerings.

White Cap is currently assessing the physical risk of climate events across our supply chain. We are working on documenting tools and actionable items connected to climate-related events, and we are solidifying our protocols that we will implement in the event of extreme weather events such as hurricanes, wildfires, or winter storms.

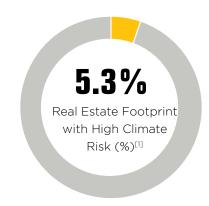
White Cap is developing an Environmental Management System aligned with ISO 14001. We are committed to incorporating environmental sustainability into our operations and are creating policies that reinforce our goal of mitigating our environmental impact.

Aligned with our commitment to fighting climate change, White Cap aims to reduce our GHG emissions. We aim to be *Transparent* stewards of the environment and play our part in the fight against climate change.

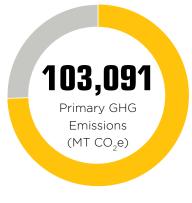
Commitment to Climate Safety

During the fall of 2021 in Carson, California there was a severe weather event, and our associates had a difficult time coming into work due to a river emitting hydrogen sulfide, a gas that causes negative health effects. We made sure to re-route our business operations and provide a safe way for associates to come to work. We met internally with Environmental, Health, and Safety ("EHS"). Human Resources ("HR"). Legal. and our Regional Vice President to ensure we were doing everything necessary to protect the safety of our team and conduct business safely. We began ventilating our facilities to mitigate any exposure to the hydrogen sulfide. This event is a strong example of our commitment to business continuity in a safe and sustainable manner. From this incident, we have developed a playbook to swiftly respond to future incidents.

Climate Data



1 Climate risks include sea level rise, wildfire, cold wave, heat wave, and flooding



Scope 1 (MT CO₂e)

76,969

Scope 2 (MT CO₂e)

26,122

ENERGY EFFICIENCY

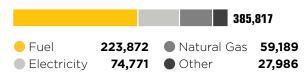
SDG 12

White Cap has invested in multiple projects and processes to reduce our emissions and overall energy usage. We have retrofitted a number of our facilities with energy-efficient LED lighting, and we are evaluating the use of solar panel systems. Our operations team also evaluates opportunities to source renewable energy in deregulated markets. We will continue to expand these initiatives to a broader portion of our real estate footprint.

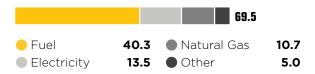
White Cap utilizes supply chain optimization practices to reduce fuel usage and telematics systems to reduce idle times. Our transportation team continually evaluates fuel reduction strategies and opportunities to utilize electric delivery vehicles and electric material handling equipment.

Energy Data

TOTAL ENERGY CONSUMPTION (mWh)



TOTAL ENERGY INTENSITY (mWh / \$M REVENUE)



WASTE MANAGEMENT

SDG 12

Part of our commitment to sustainability involves creating and implementing programs to responsibly manage our waste. White Cap operates a hazardous waste management and recycling program with the goal of diverting as much waste as possible away from landfills. We have single stream recycling at many of our facilities and are expanding that program to our entire branch network. Additionally, we are evaluating battery recycling programs for our facilities to service our internal customers and community needs.

Hazardous Waste

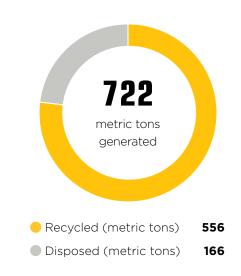
Hazardous waste is disposed of separately through our hazardous waste program, where expired, damaged, or unsellable chemicals are managed through Central Accumulation Areas. We divert most of our hazardous waste from dumpsters and landfills, and we cooperate with our suppliers and associates to properly dispose all chemical products. The EHS team also provides annual training to associates to reinforce the proper management and disposal of hazardous waste

Recycling

We aim to minimize waste through our Recycling Standard, which conserves valuable resources, supports our communities, and limits landfill consumption through waste reduction. Some of the policies we have begun to implement for this initiative include provisions for recyclables collection stations at our facilities, retention of an Authorized Recycling Contractor, and regularly scheduled pick-ups and transportation of recyclables.

Waste Data

Hazardous and chemical product waste generation managed by a third-party waste management company, and amount diverted from landfills:

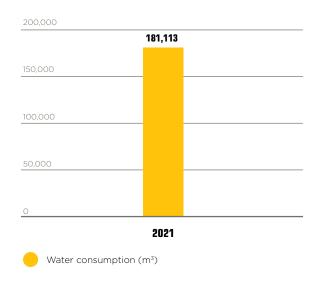


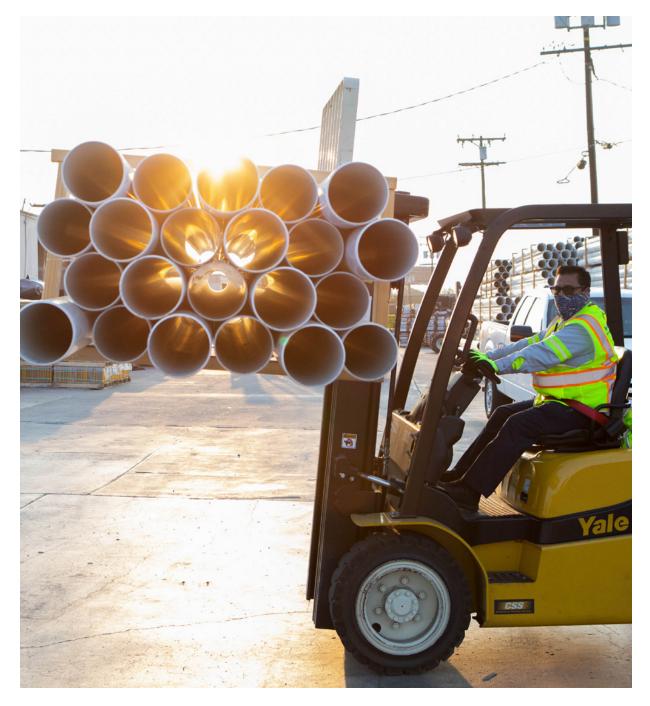
WATER

Although water stress impacts the completion of construction projects and thus our business, White Cap is not a significant consumer of water and water stress remains less significant to our internal operations. We plan on tracking our water consumption soon. We use water primarily for sanitary purposes.

White Cap has implemented a Storm Water Pollution Prevention policy to ensure that all our locations manage potential storm water pollutants and discharges in accordance with the Federal Clean Water Act and applicable local regulations.

Water Data







SOCIAL

DIVERSITY, EQUITY, AND INCLUSION

SDG 5 SDG 10

White Cap has an *Unwavering* commitment to create an inclusive environment for all associates, customers, and stakeholders. We are very fortunate to have so many talented individuals from different backgrounds who provide diversity in perspective and talent. DEI is integral to our success, and we strive to advance and highlight voices that have been historically underrepresented in our industry due to sex, gender identity, sexual orientation, age, race, or ethnicity.

Culture and Values Council

Using our **TRUSTED** values as our guide, White Cap provides unconscious bias training for leaders, builds inclusivity into leadership programming, partners with trade associations to support diverse customer bases, and has launched an associate-led Culture and Values Council to guide the creation and execution of future diversity and inclusion initiatives.

Our Culture and Values Council was created:

- To offer an environment for collaborative conversations that build lasting, sustainable culture and identify valuable initiatives that reinforce our TRUSTED values
- To elevate associate sentiment and themes to leadership from across the organization

This committee comprises a diverse group of associates across regions and functions and is led by a steering committee of senior leaders. The team meets regularly and is currently finalizing initiatives that will drive inclusion work within the business. Potential initiatives include:

- Engaging with our communities and giving back through volunteerism
- Offering an environment for collaborative conversations that reinforce our TRUSTED values; and
- Enhancing the culture experience for acquired companies as we integrate new associates
- Creating an inclusive culture through targeted employee-led resource groups

Inclusive Language Initiatives

White Cap has launched programs and initiatives that provide safety trainings in languages other than English to our customers around the U.S. and Canada. There is a growing population of customers whose first language is Spanish at the job sites we serve, and we are now providing safety trainings in Spanish to ensure the wellbeing of our Spanish-speaking contractors. Additionally, we have utilized our Instagram account, "Somos White Cap," to create content in Spanish to engage the Hispanic construction community and partner with minority-owned suppliers.

Our inclusive language activities have been recognized by the <u>National Hispanic</u> <u>Contractors Association</u> and the <u>Georgia</u> <u>Hispanic Construction Association</u>.

DIVERSITY SNAPSHOT[1][2] 42.7% 16.4% Total Workforce: Female Total Workforce: Racially / Ethnically Diverse MHITE CAP 25.6% 18.9% Leadership: Female^{[3][4]} Leadership: Racially / Ethnically Diverse^{[3][4]} 1 U.S. associates only 2 Excludes "Not Specified" associates 3 Leadership includes directors, senior directors, vice presidents, and executives 4 Excludes Ram Tool, acquired on December 1, 2021

Top Workplaces 2022 by the Atlanta Journal-Constitution

White Cap received the "Top Workplaces of 2022" honor by the Atlanta Journal-Constitution and ranks eighth in the Large Workplaces Category. This ranking is based on associate feedback gathered through an independent third-party focused on measuring cultural drivers critical to the success of organizations including alignment, execution, and connection.

Hispanic Community Construction Recognition

White Cap associate White Cap associate Valentina Arango, who serves as a Marketing Manager, was awarded the 2021 "Safety in Construction" award by Georgia Hispanic Construction Association (GHCA). GHCA is a nonprofit focused on serving the evolving needs of the Hispanic construction community in Georgia. This annual award is given to companies and individuals that display great commitment to excellence and safety and serve as role models in the Hispanic construction community.

Women in Construction Recognition

White Cap associate Adriana Perez, who serves as a Market Sales Specialist, was recognized as "Best Person for the Job" by the **National Association of Women in Construction** (NAWIC) in October of 2021. NAWIC is an organization with chapters throughout the U.S. that serve as a support network for women in the construction industry. This association provides women with the professional opportunities and tools to advance their skills and careers.



White Cap further celebrated women in construction through our involvement with the Atlanta Chapter of NAWIC. NAWIC hosted a "Hard Hats and High Heels Social" event which showcased industry-related work wear and PPE for women in a fashion show. White Cap's Maven Project, a specialized line of women's PPE, was modeled throughout the fashion show. White Cap also hosted a booth where our leaders handed

out branded merchandise to attendees and displayed the Maven Project PPE that was worn during the show.

These efforts resulted in White Cap's recognition as an industry leader due to our commitment to encouraging and supporting women in construction. We are constantly striving to create a more inclusive environment for women and promoting diversity throughout our business.



ASSOCIATE ENGAGEMENT AND DEVELOPMENT

At White Cap, our goal is to develop the skills and capabilities of our associates while we grow our business. The engagement and development of our *Experienced* associates are critical as we seek to deliver on our mission and vision. We strive to empower our people, who serve as the driving force behind our business.

White Cap provides necessary tools and support to develop the talent of our associates. We encourage all associates, no matter their background or education level, to prioritize development and career advancement. Our team includes many exceptional individuals who began their careers at White Cap in entry-level positions and have progressed to leadership and management roles.

We have created role-specific leadership training and personalized associate development programs for any career level. These programs and trainings include leadership skills training, job-specific training, safety training, and product knowledge training for our associates.

At White Cap, we know that **Transparent** conversations create personal and professional growth. We offer on-the-job mentoring and stretch opportunities for associates looking to expand their experiences through our leadership and associate development programs. White Cap associates also receive consistent feedback and coaching to improve their performance through our annual performance process, which includes regularly scheduled coaching and goal check-ins with managers.

Development Programs

White Cap is very proud of our flagship Career Development Program ("CDP"), which gives individuals the opportunity to gain diversified experience in Operations, Sales, and Leadership roles. CDP is integral to building a strong talent pipeline of future field leaders throughout White Cap and is a cross-functional program that develops entry level associates for future roles as successful leaders, accomplished outside sales professionals, and key operations personnel.

Surveys and Feedback

We believe it is imperative to collect feedback from our trusted associates on our culture and the areas where we can improve as an organization. We strive to listen to our associates, and we are frequently surveying our teams to collect constructive feedback. We conduct an annual Engagement Survey to help us stay apprised of the needs of our associates, and our recent Engagement Survey, the 2021 Culture Survey, highlighted some common themes:

- White Cap fosters an environment that allows all associates to be their authentic selves at work
- Associates feel the work they perform at White Cap is important. This is indicative of a strong cultural alignment with our White Cap Mission, Vision, and TRUSTED values
- Associates have a strong personal tie to White Cap, indicating a strong sense of belonging, contribution, and engagement
- Associates know where and how to report any offensive behavior, harassment, or discrimination

White Cap plans to continue to survey our organization on a regular basis and incorporate the feedback we receive into our corporate strategy.

ENGAGEMENT HIGHLIGHTS

White Cap offers more than

430

training courses to our

9,000+

associates and we continue to grow our course catalogue.

7.2 years

average tenure at White Cap

We want our associates to know that they are part of a team

39

associate net promoter score[1]

90.4% completion rate of our New Associate Orientation

Currently training over

400

associates new to White Cap or to people management in New Manager Orientation

Career Development Program (CDP)

75%

Retention Rate^[2]



² Retention rate applies to all participants over the past 5 years

COMMUNITY ENGAGEMENT

SDG 11

White Cap not only builds and values trust with our associates, but we also focus on establishing and creating trust within our communities through *Service*. At White Cap, our associates lead and participate in a variety of charitable activities including volunteering and fundraising within the communities where we operate.

Our Future

We believe we have a responsibility to invest in our future, which is why our primary national nonprofit partner is St. Jude Children's Research Hospital. We have partnered with St. Jude for over 10 years and believe their mission to be of utmost importance. Since its opening 50 years ago, St. Jude has changed the way the world treats and defeats childhood cancer and other life-threatening diseases.

Every year we participate in the St. Jude Walk/ Run and hold a nationwide Pin Up Campaign to raise funds for the children and families of St. Jude. We also hold local events to support St. Jude and have a payroll deduction program that allows associates to donate directly.



100 percent of all donations to the Helping Hand Fund go to associates in need.

Our Family

At White Cap, we treat our associates as family. For example, in late 2021, Kentucky experienced devastating storms and tornadoes that led to community destruction. Our Louisville, Kentucky team took immediate action and delivered products and supplies to affected communities, some of which included White Cap associates' families. Our associates prioritized encouraging suppliers and customers to donate products and first-aid kits to the community. White Cap associates truly embody our spirit of **TRUSTED** service.

Additionally, the White Cap Helping Hand Fund is an associate-funded and operated nonprofit that provides emergency financial assistance to associates and their dependents who may be experiencing financial difficulties due to uncontrollable events such as natural disasters, fire, injury, illness, medical crises, or death. Grants may also be made to assist with funeral costs or to provide basic necessities for the associate or a qualifying dependent where financial need is shown.

Our Friends

Finally, we are committed to giving back and strengthening the communities where we live and work to support our friends, who are the members of our local communities. Our service extends to our local communities in the form of volunteerism, on-site donation drives, and company product donations.

For example, in December of 2021 our Atlanta associates donated money, goods, and time to our local Toys for Tots and Atlanta Community Food Bank for those in need over the holiday season. Additionally, our local teams in Orange County, California helped raise more than \$65,000 for the Children's Hospital of Orange County in November 2021. You can read more stories of White Cap's work in the communities where we live and work in action at about.whitecap.com.

We raised a total of \$281,000 in 2021 alone for St. Jude Children's Research Hospital.



\$450,000

Corporate/total donations through White Cap in FY'21

ASSOCIATE HEALTH AND SAFETY

SDG 11

The health and safety of our associates is our highest priority. White Cap focuses on providing a safe work environment and ensuring all individuals are prepared to perform all necessary tasks. We strive to reduce health and safety risks through continuous improvement of our EHS management system.

EHS Management System

White Cap has implemented an EHS management system to ensure safety inspections are performed regularly and provide support for proper reporting of and corrective action on safety hazards, near-misses, and incidents. All incidents are investigated, and the implementation of corrective and preventative actions is documented and tracked.

White Cap is currently implementing a system that will streamline the process for reporting incidents and claims. This system will serve as a case management system to help track incident investigations and provide readily available metrics for various levels of management and leadership. This system is also focused on discovering the root cause of an incident and applying lessons learned to drive the creation of new, relevant trainings and policy adjustments.

Safety Standards

Our EHS team has implemented ten robust "Safety Standards" that are meant to protect all our associates and enforce our culture of keeping safety at our core. These standards include:

1



6



See Something Say Something — Safety is everyone's responsibility, so if you see a fellow associate working in an unsafe manner, warn and correct the issue.

Ę



2



Vehicle Travel — Vehicle operators must always look in the direction of travel without the distraction of cellphones or paperwork.

Machine Safety Devices — Machine operators

safety devices are in place for normal operation.

must ensure fixed and interlocked guards or

Lock-Out Tag-Out — Tampering with a

machine that is locked is strictly prohibited.

Suspended Loads — Walking under or near

a suspended load is strictly prohibited.

Personal Protective Equipment (PPE) — Appropriate PPE must be worn for warehouse, yard, fabrication, and delivery operations.

3



8



Seat Belts — Seatbelts must always be worn when operating any equipment.

4



Q



Zone of Safety — Vehicle operators and pedestrians must maintain a minimum distance from operating vehicles.

10



Three Points of Contact — Three points of contact must be used to mount and dismount all vehicles and ladders.

Machine Operation — Body parts shall not be placed in Point-of-Operation or in established Dangerous Work Zones unless following a written safe work procedure.



Trainings

White Cap also continually invests in preventative safety measures. We provide job-specific health and safety training to all associates upon hire and on an annual basis. Our training programs are continually evaluated and improved to reflect best practices.

Best Practices

Safety leaders at White Cap also utilize a "First Alert" process to highlight significant incident occurrences throughout the Company and share information with all operating locations, including lessons learned and potential best practices to prevent reoccurrence and to raise awareness. We also solicit feedback and improvement ideas directly from our associates through a Safety Engagement Survey.

COVID-19 Response

As part of our commitment to health and safety, we have prioritized the safety of our associates and communities during the COVID-19 pandemic. As an essential business providing critical construction supplies to keep our communities running, we immediately evolved our operational protocol with safety of our associates and customers as our top priority, using real-time communication to support the continuous changes as the pandemic progressed. This protocol includes as-needed guidance for face coverings, social distancing, and more, and remains in place today to keep our people safe.

METRIC	2021
Total OSHA Recordable Case Rate	2.89
Lost Time Incident Rate	0.91

17,500+

hours of EHS training for associates in FY'21

#1

3rd party job site safety awareness training provider[1]

1 Management estimate

Upcoming Initiatives

- Enhanced EHS field presence including a focused audit/assessment program to target fabrication operations and general EHS compliance and risk reduction, as well as the sharing of best practices and lessons-learned
- Exploring opportunities and initiatives to focus on soft-tissue, ergonomics related incidents and injuries (sprains, strains, etc.)
- Continue implementation and development of the core elements of a recognized environmental or EHS management system (e.g., ISO 14001)



GOVERNANCE

ANTI-CORRUPTION AND BUSINESS ETHICS

White Cap is proud of our commitment to operating with ethics and integrity. We uphold strict standards for business conduct, ethics, and governance. Our associates are governed by our Code of Business Conduct and Ethics, detailing policies designed to promote anti-corruption and competitive business practices. Associates are also required to complete compliance training upon hire and on an annual basis.

Code of Business Conduct and Ethics

White Cap's Code of Business Conduct and Ethics outlines our principles and guidelines for the way we operate. All of our associates are required to comply with our Code, and in 2021 we have >99% completion of our ethics training across our entire associate population.

Environmental, Health, and Safety

Our code details our commitment to protecting the environment and complying with applicable environmental laws, rules, and regulations. Our commitment to environmental protection extends beyond compliance through our efforts to promote recycling and conserve energy and natural resources. All associates must comply with all applicable environmental laws, and we encourage our associates to explore new ways to protect and preserve our environment.

Reporting Illegal or Unethical Behavior

White Cap encourages anyone to report any ethical concerns related to individual or company practices. Any associate who is aware of any illegal or unethical behavior or who believes that an applicable law, rule or regulation or this Code has been violated must promptly report the matter to his or her manager, the Legal Department, or other responsible party. Associates can raise concerns anonymously through White Cap's AlertLine secured website or by calling White Cap's AlertLine.

Associates who have concerns about White Cap's accounting practices, internal controls, or auditing matters should report his or her concerns through one of these same channels and in accordance with the Board of Directors Communications and Whistleblower Policy.

All associates may raise concerns anonymously and without fear of retaliation.

>99%

completion of ethics training across associate population



DATA SECURITY AND CYBERSECURITY

At White Cap, we know that the threat of cyber and data security breaches is ever evolving, so we prioritize investing in the protection of our data and privacy. We have implemented data management procedures to identify, classify, and inventory data and leverage processes that assist in the automated identification and classification of unstructured data stored in unauthorized file shares or transmitted via email or web. White Cap will continue investing in new processes and systems and partner with third parties to ensure the security of our data and the data entrusted to us by our trading partners.

White Cap has several policies, procedures, and tools in place to mitigate data breaches. We invest in robust insurance policies related to cyber-risks to protect our operations.

- White Cap follows the Center for Internet Security Top 20 Critical Security Controls to stop the most prevalent and dangerous cyber-threats of today
- White Cap pushes training on phishing emails to all associates on a quarterly basis
- White Cap has multi-factor authentication on all remote access technologies and critical applications to best prevent the threat of a cyber-attack

BOARD DEVELOPMENT AND DIVERSITY

White Cap's Board of Directors is dedicated to ethical, effective corporate governance. Our Board is responsible for the strategic direction of White Cap and fostering effective oversight of matters most critical to the business. The Board also promotes the long-term interests of stakeholders, strengthens management accountability, and helps build trust within our organization.

Our Board maintains the following standing committees to effectively provide oversight and guidance to White Cap:

- The Audit Committee oversees financial reporting and internal controls, compliance, risk assessment and management, and our internal and independent auditors.
 This committee is dedicated to ensuring the validity and accuracy of our financial statements and regulatory compliance.
- The Compensation Committee is responsible for executive and senior management compensation and has oversight responsibility for management development and succession planning in conjunction with our board and compensation risk management oversight.

This committee oversees various compensation programs and policies, including diversity, equity, and inclusion.

The Nominating and Governance
 Committee is responsible for identifying
 board members and recommending
 nominees to the board, overseeing the
 Company's ESG strategy and commitments,
 overseeing the Board evaluation, and taking
 a leadership role in shaping the Company's
 corporate governance.

White Cap's Board comprises 11 members

METRIC	PERCENTAGE
Independent	36%
Women	9%
Underrepresented Ethnicity	9%

ENTERPRISE RISK MANAGEMENT

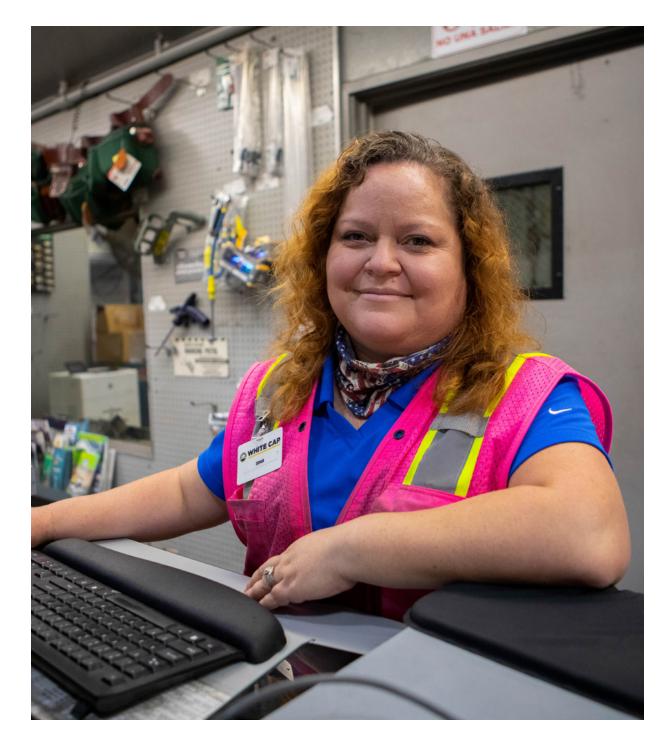
White Cap understands the need to manage and mitigate risk across our enterprise. We maintain a formal risk management framework managed by the Enterprise Risk Steering Committee ("ERSC"). This committee is led by our executive team and reports to the Board of Directors and Audit Committee. The ERSC meets four times annually focusing discussions on the following areas:

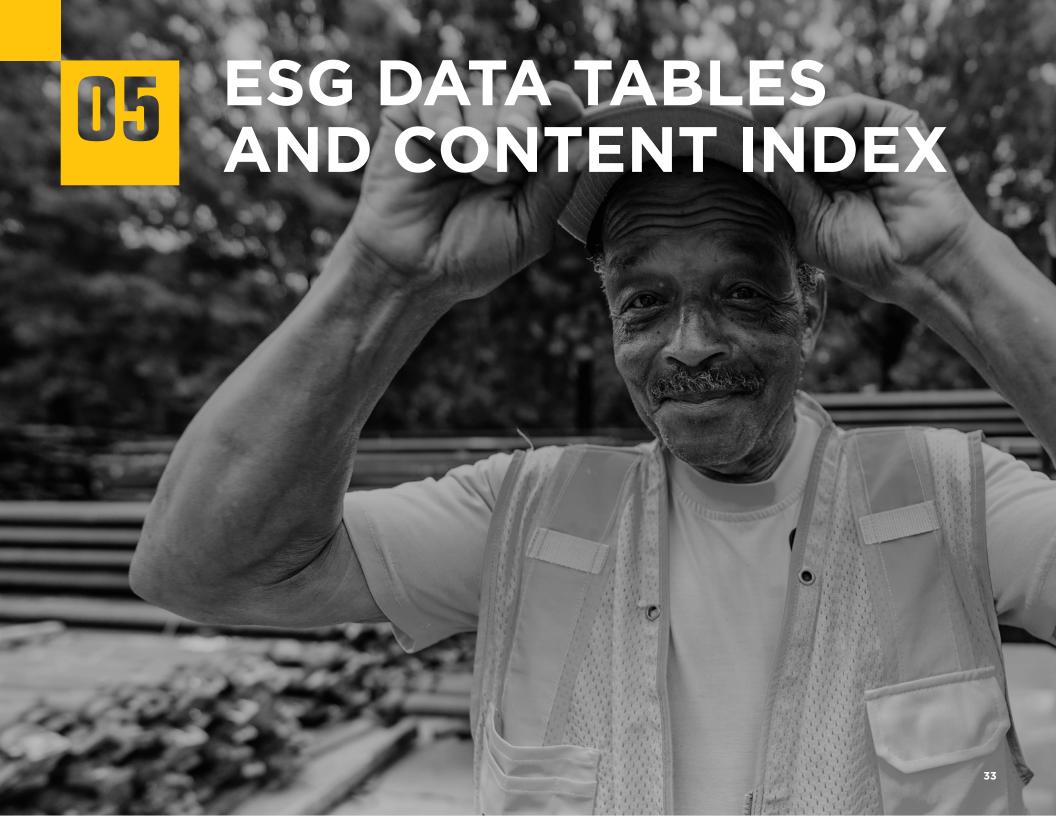
- Enterprise Risk Management program development
- Risk appetite alignment, key risk indicator monitoring, and risk treatment plan status
- Commodity, procurement, supply chain, and financial markets risk management
- Business resiliency

The achievement of our strategic goals and performance objectives requires a robust Enterprise Risk Management process. Our process comprises five key steps:

- 1. Risk identification
- 2. Risk assessment
- **3.** Risk response and treatment / risk exposure clarification
- **4.** Risk monitoring
- **5.** Risk-to-response portfolio reporting

Our ERM framework and analysis incorporate operational, financial, strategic, supply chain, information technology, cyber security, governance, legal, regulatory, human capital, safety, and sustainability risks. We will continue to identify, assess, and manage new risks as they arise.





DIVERSITY TABLES

White Cap Workforce Breakdown[1]

ETHNICITY	MALE	FEMALE	NOT SPECIFIED[4]	TOTAL
White	3073 (38.4%)	690 (8.6%)	2 (0.0%)	3765 (47.0%)
Hispanic or Latino	1325 (16.5%)	220 (2.7%)	1 (0.0%)	1546 (19.3%)
Black or African American	741 (9.2%)	120 (1.5%)	1 (0.0%)	862 (10.8%)
Asian	120 (1.5%)	41 (0.5%)	1 (0.0%)	162 (2.0%)
Two or More Races	108 (1.3%)	37 (0.5%)	1 (0.0%)	146 (1.8%)
Native Hawaiian or Other Pacific Islander	49 (0.6%)	11 (0.1%)	-	60 (0.7%)
American Indian or Alaska Native	24 (0.3%)	8 (0.1%)	-	32 (0.4%)
Not Specified ^[4]	1228 (15.3%)	182 (2.3%)	30 (0.4%)	1440 (18.0%)
Total	6668 (83.2%)	1309 (16.3%)	36 (0.4%)	8013

Leadership by Gender^{[1][2][3]}

			NOT	
METRIC	MALE	FEMALE	SPECIFIED ^[4]	TOTAL
Total	61 (74.4%)	21 (25.6%)	_	82

Leadership by Racial / Ethnic Diversity[1][2][3]

Total	60 (73.2%)	6 (7.3%)	2 (2.4%)	4 (4.9%)	2 (2.4%)	-	_	8 (9.8%)	82
METRIC	WHITE	LATINO	AMERICAN	ASIAN	MORE RACES	ISLANDER	NATIVE	SPECIFIED ^[4]	TOTAL
		HISPANIC OR	AFRICAN		TWO OR	OTHER PACIFIC	ALASKA	NOT	
			BLACK OR			HAWAIIAN OR	INDIAN OR		
						NATIVE	AMERICAN		

¹ U.S. associates only

 $^{\,2\,}$ Leadership includes directors, senior directors, vice presidents, and executives

³ Excludes Ram Tool, acquired on December 1, 2021

⁴ Not Specified indicates data is unavailable due to M&A additions or associates opting not to indicate

ENVIRONMENT

Climate Risk / Resilience

FY'21 103,091	
26,122	
18.6	
13.9	
4.7	
5,125,623	
5.3	

¹ MT = metric tons

Energy Consumption

METRIC	FY'21
Total Energy Consumption (mWh)	385,817
Fuel (mWh)	223,872
Electricity (mWh)	74,771
Natural Gas (mWh)	59,189
Other (mWh)	27,986
Total Energy Intensity (mWh / \$M revenue)	69.5
Fuel (mWh / \$M revenue)	40.3
Electricity (mWh / \$M revenue)	13.5
Natural Gas (mWh / \$M revenue)	10.7
Other (mWh / \$M revenue)	5.0

^{2 \$}M = millions of dollars

³ Climate risks include sea level rise, wildfire, cold wave, heat wave, and flooding

Waste and Water

FY'21 17,469	
722	
3.1	
11.8	
181,113	
32.6	

SOCIAL

Diversity, Equity, and Inclusion[1][2]

METRIC	FY'21
Workforce, percent women (%)	16.4
Leadership, percent women (%) ^{[3][4]}	25.6
Workforce, percent racially / ethnically diverse (%)	42.7
Leadership, percent racially / ethnically diverse (%)[2][3]	18.9

¹ U.S. associates only

Associate Safety

METRIC	FY'21
Total Recordable Incident Rate (TRIR)	2.89
Lost Time Incident Rate (LTIR)	0.91

² Excludes Non-Specified Associates

 $^{{\}tt 3}$ Leadership includes directors, senior directors, vice presidents, and executives

⁴ Excludes Ram Tool, acquired on December 1, 2021

Associate Development and Engagement

METRIC	FY'21
Associates in Leadership Training (#)	400
Associate Net Promoter Score	39
Average Associate Tenure (years)	7.2
Turnover Rate (%)[1]	19
Voluntary Turnover (%)	15
Involuntary Turnover (%)	4

¹ Company estimate

Community Engagement

METRIC	FY'21
Total Giving (\$000s) ^[1]	450

¹ Includes associate and company donations

GOVERNANCE

Ethics and Compliance

METRIC	FY'21
Associates Trained on Code of Conduct (%)	>99

Board Composition

METRIC	FY'21
Total # of Directors	11
Female Directors (%)	9.1
Racially and Ethnically Diverse Directors (%)	9.1
Independent Directors (%)	36.4

SASB INDEX

MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS

Sustainability Disclosure Topics & Accounting Metrics

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	WHITE CAP DISCLOSURE
Energy Management in Retail & Distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	CG-MR-130a.1	(1) 1,388,942 GJ
					(2) 19.4%
					(3) N/A
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	N/A	CG-MR-230a.1	See "Data Security & Cybersecurity" section
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected ^[1]	Quantitative	Number, Percentage (%)	CG-MR-230a.2	White Cap does not disclose this information
Labor Practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	Quantitative	Reporting currency, Percentage (%)	CG-MR-310a.1	White Cap does not disclose this information
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Quantitative	Rate	CG-MR-310a.2	(1) 15% (total company)
					(2) 4% (total company)
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations ^[2]	Quantitative	Reporting currency	CG-MR-310a.2	White Cap does not disclose this information

¹ Note to CG-MR-230a.2-Disclosure shall include a description of corrective actions implemented in response to data breaches.

² Note to CG-MR-310a.3-The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary loses.

ТОРІС	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	WHITE CAP DISCLOSURE
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees ^[3]	Quantitative	Percentage (%)	CG-MR-330a.1	See " <u>Diversity, Equity,</u> and Inclusion" section
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination ^[4]	Quantitative	Reporting currency	CG-MR-330a.2	White Cap does not disclose this information
Product Sourcing, Packaging & Marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Quantitative	Reporting currency	CG-MR-410a.1	White Cap is developing processes to quantify its revenue from these types of products.
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-MR-410a.2	See " <u>Hazardous Waste</u> " section
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	N/A	CG-MR-410a.3	N/A

³ Note to CG-MR-30a.1-The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.

Activity Metrics

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	WHITE CAP DISCLOSURE
Number of: (1) retail locations and (2) distribution centers	Quantitative	Number	CG-MR-000.A	(1) See "About White Cap" section
				(2) 5
Total area of: (1) retail space and (2) distribution centers	Quantitative	Square meters (m²)	CG-MR-000.B	(1) 1,110,000m ²
				(2) 27,000m ²

⁴ Note to CG-MR-30a.2-The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary loses.



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