

	<b>POLICY AND PROCEDURES</b>	<b>SUPPLY CHAIN TRANSPARENCY POLICY</b>
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**SUPPLY CHAIN TRANSPARENCY**

**OVERVIEW**

GS Operating, LLC dba Gexpro Services, GS Operating Hungary, LLC dba Gexpro Services, and any related subsidiaries, affiliates, or business units (“Gexpro Services”) are hereinafter individually or collectively referred to as the “Company”.

This Compliance Procedure describes Gexpro Services’ efforts to ensure that slavery and human trafficking do not occur in our direct supply chain for tangible goods offered for sale and is made pursuant to **Section 54 of the UK Modern Slavery Act 2015** and the **California Transparency in Supply Chains Act 2010**.

Gexpro Services has a substantial number of suppliers globally that span across our six vertical business segments. Our supply chain is multi-tiered and sourced from more than 2,500 suppliers globally. Gexpro Services actively seeks to do business with Suppliers that are industry leaders, strategic partners and financially stable, and share the Company’s focus on doing business responsibly. An important part of this shared commitment is ensuring that suppliers in the Gexpro Services supply chain do not use slave labor or engage in human trafficking. Several Key governance processes and supporting policies guide our actions accordingly.

**ETHICS GUIDE**

The Gexpro Services Ethics Guide applies to all employees, contractors, temporary, or contingent workers of the Company and sets forth the key ethical principles and behaviors, establishes procedures for employees to raise questions or concerns, encourages employees to raise or make an alert on serious or unacceptable behaviors or requests and sets forth the behaviors that allow Gexpro Services employees to anticipate difficulties and find the right answer to demanding situations. Gexpro Services expects its trading partners and Suppliers to refer to the ethical principles recognized by Gexpro Services and respect human rights, fundamental freedoms, the environment and the health and safety of individuals.

**SUPPLIER CODE OF CONDUCT**

Gexpro Services believes in conducting business with honesty and integrity, treating all people with dignity and respect, supporting our communities and honoring the laws, regulations and treaties of the countries in which we operate. Gexpro Services strives to select reputable business partners who conduct their business in a manner that demonstrates the same commitment to high ethical standards, safe and healthy working environments, protection of human rights and dignity, protection of the environment, and compliance with the law. The Gexpro Services Code of Conduct for Suppliers, Contractors, and Vendors outlines our expectations regarding the workplace standards and business practices of our suppliers, their parent entities, subsidiaries, affiliates, subcontractors and others who are within their supply chain. The expectations contained in this Code are factors essential to our decision whether to enter new or extend existing business relationships. Each supplier is responsible for ensuring that its employees, representatives, and subcontractors understand and comply with this Code. Gexpro Services suppliers are required to adhere to and certify compliance with the Supplier Code as a condition of doing business. The Ethics Guide and Supplier Code of Conduct are integrated into policies, procedures and plans to ensure awareness and understanding of requirements. Gexpro Services’ Supplier Code of Conduct specifically prohibits suppliers from using child or forced labor of any kind.

**VERIFICATION**

Gexpro Services evaluates actual and potential suppliers according to a risk-based strategy. Risks related to human trafficking and slavery in the supply chain are addressed through setting clear expectations for suppliers and ensuring conformance by Suppliers with the Supplier Code of Conduct through inclusion of Labor Standard requirements in our standard Terms and Conditions of Purchase. Suppliers are required to further separately review and accept the requirements contained within

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Supplier Code of Conduct as condition of doing business and as part of the supplier setup process. Gexpro Services has established a Supplier Assessment as part of the supplier setup process that includes articles of Social Accountability. Items related to Child or Forced Labor are an automatic disapproval. In cases where we are alerted to a risk of non-compliance with the Supplier Code of Conduct, we will investigate and address such risk appropriately.

**SUPPLIER AUDITS**

Supplier compliance is monitored by supplier self-assessments, Company personnel visits and third-party audits, depending on their risk profile. Under our standard Terms of Purchase, Gexpro Services requires granting of audit rights at our supplier’s location. Surveillance audits and monitoring are typically not limited to human trafficking or slavery, but also include other areas of social responsibility, finance, quality, environment, safety, operations, or security. And while Gexpro Services regularly audits its suppliers for a variety of reasons, typically those audits are not performed solely to determine compliance with the prohibition against slave labor or human trafficking. If necessary, Gexpro Services may choose to engage third parties to perform site assessments, including compliance with human trafficking or slave labor laws. Gexpro Services will promptly and thoroughly investigate any claims or indications that a supplier may be engaging in human trafficking or slave labor or is otherwise not complying with the Supplier Code of Conduct, and reserves the right to terminate a supplier relationship if a serious non-compliance is discovered (such as child or forced labor) or if other non-compliance continues.

**CERTIFICATION**

The Gexpro Services Supplier Code of Conduct states that Suppliers must uphold the human rights of workers and treat them with dignity and respect. Suppliers must not use or engage in any indentured or forced labor, slavery or servitude, or human trafficking. Under the Code, suppliers’ personnel and operations are required to operate in full compliance with the laws of their respective countries and with all other applicable laws, rules, and regulations. Suppliers must ensure that products, services and shipments adhere to all applicable international trade compliance laws, rules, and regulations, and our Supplier Code of Conduct requirements. Gexpro Services suppliers are required to adhere to and certify compliance with the Supplier Code as a condition of doing business and ensure their own suppliers and subcontractors to comply with standards of conduct equivalent to the provisions of the Gexpro Services Supplier Code of Conduct.

**INTERNAL ACCOUNTABILITY**

Accountability related to human rights, modern slavery and human trafficking risks is established by the Gexpro Services Ethics Guide and Supplier Code of Conduct. In addition, Gexpro Services has enacted rigorous governance and risk management processes in order to identify and mitigate a broad spectrum of supply chain risks. Gexpro Services has established a universal email address, [Ethics@gexproservices.com](mailto:Ethics@gexproservices.com), for the reporting of any ethical concern or potential or actual legal violation. Any person, including employees and suppliers, may openly or anonymously ask a question or report through this channel or by contacting any Company Compliance Resource. If we learn of any allegations of slavery or trafficking, we will promptly investigate and act to remediate the situation, which could include necessary actions up to termination of involved parties.

**TRAINING**

As Ethics is a cornerstone of Gexpro Services’ values-based culture, all employees are trained annually on the requirements defined in the Ethics Guide and Code of Conduct, which includes specific content on recognizing and mitigating risks of slavery and human trafficking.

If you have questions or concerns about dealings or interactions with suppliers, promptly contact your manager or any Company Compliance Resource or via email at [Ethics@gexproservices.com](mailto:Ethics@gexproservices.com).

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