Ethics Guide for Suppliers, Contractors, and Consultants

White Cap Supply Holdings, Inc., and its affiliates, subsidiaries, and divisions (“White Cap”), strive to conduct business in a responsible manner. As we expand our business activities domestically and abroad, it is important to preserve our collective commitment to this Ethics Guide (this “Guide”). Accordingly, White Cap will only do business with suppliers, contractors, and consultants (collectively, “suppliers”) who comply with applicable and controlling laws, rules, and regulations (collectively, “applicable laws”).

White Cap not only expects all suppliers to comply with applicable laws, but also to comply, at a minimum, with standards of business conduct consistent with those set forth in this Guide. Further, suppliers must ensure their employees and sub-suppliers, and any other parties involved in the execution of White Cap work, similarly comply with applicable laws and the standards set forth in this Guide. All suppliers must demonstrate compliance with these requirements at the request of White Cap and may be called upon to certify in writing they meet or exceed the expectations described in this Guide. Violation of applicable law or this Guide may be deemed by White Cap to be a material breach by supplier of its agreement with White Cap, and White Cap may elect to terminate without liability to White Cap any pending purchase order or agreement with supplier.

White Cap may, in its sole discretion, conduct periodic Corporate Social Responsibility (CSR) audits at supplier locations. Upon request of White Cap, supplier will facilitate CSR audits of sub-suppliers. Conducting or failing to conduct a CSR audit will not relieve supplier of its contractual obligations to White Cap, including without limitation its obligations hereunder. Supplier must obtain White Cap’s prior written approval before making any changes to the supplier’s company/factory or manufacturing location to the extent such change potentially impacts the expectations set forth in this Guide.

White Cap expects the following, without limitation, from its suppliers:

1. CORPORATE SOCIAL RESPONSIBILITY.

   a. Facility Access. Suppliers must provide White Cap with reasonable access to supplier representatives to conduct audits of supplier facilities. This includes access to the facility, employees or contractors, and any documentation necessary to complete the audit.

   b. Age Requirements. Suppliers shall not use child labor. White Cap expects suppliers to hire employees who meet the local minimum age requirements, but under no circumstances should workers be employed under the age of 14 even if permitted by applicable law. If a supplier apprentice program exists, such program must be in compliance with all conditions as outlined under applicable laws.

   c. No Forced Labor. Employment must be voluntary. Suppliers shall not use forced, bonded or indentured labor, or labor subject to any form of coercion.

   d. No Fraud. Suppliers must ensure all factory records, timecards, and other information maintained at facilities accurately reflect production conditions.

   e. Wage and Work Hours. Suppliers must have a system in place to verify and accurately record payroll, deductions and the hours worked by employees. Suppliers must comply with all applicable wage and compensation requirements as defined under national, provincial, or other applicable labor laws for regular work, overtime, maximum hours, piece rates, and other elements of compensation and employee benefits.

   f. Non Discrimination. Employment should be based solely on a person’s abilities and not personal characteristics. This should include, but not be limited to, hiring, salary, benefits, advancement, discipline, or termination. White Cap requires its suppliers to treat their employees with respect and dignity. Suppliers must provide a work environment free of physical punishment in any form.

   g. Environment, Health, and Safety. White Cap requires its suppliers to provide a safe and healthy working environment in accordance with applicable laws so as to prevent accidents and injuries arising in the course of work.

   Suppliers offering residential facilities must ensure these facilities also provide their inhabitants with a safe and healthy living arrangement, in accordance with all applicable laws and regulations. Suppliers are expected to provide appropriate personal protective equipment for jobs that require exposure to hazardous work conditions.

   Suppliers must also maintain and comply with applicable environmental permits and ensure that waste is stored, managed, and disposed of in accordance with all applicable laws and regulations.
h. Emergency Planning. Emergency exits from factory and dormitory facilities must be kept unlocked and free of obstructions and be of sufficient quantity and access to ensure employee safety.

i. Freedom of Expression and Association. Facilities must recognize applicable laws regarding the right to affiliate with lawful organizations without interference.

j. Audits of Specific Suppliers. Suppliers of White Cap private label or branded products, or suppliers whose White Cap scope represents 50% or more of a supplier's revenues, may be subject to unannounced site assessments. All White Cap CSR audits will be conducted taking into consideration applicable laws as well as White Cap standards.

k. Corrective Action. If a supplier involved in the manufacture of merchandise for White Cap is not in compliance with applicable laws or this Guide, the supplier must take appropriate corrective actions to correct such non-compliance within a timeframe specified by White Cap, and demonstrate that it has adopted appropriate measures to prevent its recurrence thereafter. Failure to do so may result in immediate termination of the relationship with such supplier.

2. ENVIRONMENTAL REQUIREMENTS. White Cap seeks suppliers who share White Cap's commitment to environmental excellence. Suppliers must abide by applicable environmental laws where they operate. 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.

3. CERTAIN LEGAL REQUIREMENTS.

a. Supplier Buying Agreement. Suppliers must comply with the supplier buying agreement and related terms and conditions between White Cap and supplier, which include without limitation, compliance with all applicable laws, rules and regulations.

b. Patents, Trademarks, and Copyrights. Suppliers may not infringe on any patent, trademark, copyright, or other intellectual property of any third party, or that of White Cap's, and must take appropriate safeguards to ensure compliance with the foregoing.

c. Country of Origin. Suppliers must ensure that all merchandise is accurately marked or labeled with its country of origin in compliance with the laws of the country of manufacture and the countries in which the products White Cap purchases are to be sold. Suppliers must also ensure that any origin declarations or certifications provided are accurate and complete and that records substantiating the origin are maintained and available.

d. Interpretation of Standards. White Cap retains the sole and exclusive right to interpret and enforce the standards within this Guide. Compliance with these standards will not confer any contract, agreement, or other right or expectancy on the supplier or any guarantee or commitment by White Cap.

e. Collusion. Suppliers may not exchange or share pricing, cost, or other competitive information, or engage in any other collusive conduct with any other supplier or bidder of White Cap.

f. Anti-Bribery. Suppliers must comply with applicable laws pertaining to prohibitions on all forms of bribery, including bribery of foreign officials. Further, suppliers may not engage, directly or indirectly, in acts that would be deemed a violation of the U.S. Foreign Corrupt Practices Act (the “FCPA”) if such acts were committed by a party subject to the FCPA. Accordingly, a supplier may not offer or give anything of value to a foreign official, a foreign political party official, a foreign political party or a candidate for foreign political office that might be considered a bribe. To the extent permitted by applicable laws and regulations, suppliers may make certain permissible payments under the FCPA – expediting or facilitating payments, gifts and entertainment, political contributions, and charitable contributions – only with the prior written approval of a White Cap Vice President. Such approval shall not relieve supplier from responsibility should supplier’s actions be deemed inconsistent with any applicable law.

Suppliers must make accurate and complete entries in their records and follow generally accepted accounting procedures as required by local law. Suppliers may not make any false or misleading entries on their books and records.

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 DRC and surrounding countries. Furthermore, White Cap is committed to responsible sourcing practices and ensuring continued transparency and corporate social responsibility throughout its supply chain.
White Cap has long been focused on sourcing product in a socially and environmentally responsible manner, and we are committed to working with vendors who share our commitment to sourcing responsibly. White Cap expects all vendors manufacturing White Cap products to cooperate with White Cap's conflict minerals due diligence process.

White Cap takes its responsibilities under the conflict minerals laws very seriously, and failure by Suppliers to comply with the laws and White Cap's requests for information may result in corrective action requests or White Cap's termination of its business relationship with the supplier.

4. **GIFT POLICY.** White Cap seeks to conduct its business in accordance with the highest business standards. In regard to gifts, White Cap expects suppliers, in their dealings with White Cap associates, to adhere to White Cap’s Gift Policy. Suppliers may not, directly or indirectly, offer anything of value, including without limitation cash, entertainment, or employment, to any White Cap employee, except for promotional items such as inexpensive pens, mugs, hats, t-shirts, or calendars bearing the supplier's name, or other gifts of nominal value. The foregoing exception for promotional items of nominal value notwithstanding, suppliers are strongly discouraged to make, or offer to make, any gift to White Cap or any of its associates. This policy is in place to reduce the supplier's cost, lower White Cap's cost, and ensure that all decisions are made about suppliers are above reproach.

5. **CONFLICTS OF INTEREST.** Under White Cap’s Code of Business Conduct and Ethics, all White Cap associates are forewarned about avoiding conflicts of interest.

A conflict of interest occurs when an individual’s private interest interferes in any way – or even appears to interfere – with the interests of White Cap. As conflicting loyalties impair an associate’s ability to make objective decisions, conflicts of interest must be avoided.

A conflict of interest can result from, but is not limited to, certain relationships between an associate and a customer, supplier, competitor, family member, or even a friend.

A conflict exists when the parties to the relationship give or receive – or even appear to give or receive – unfair advantages or preferential treatment.

Conflicts of interest also arise when an associate or a member of his or her family receives improper personal benefits as a result of his or her position with the company. Having such a conflict arouses suspicion about an associate's integrity and can cause damage to the reputation of White Cap.

White Cap expects all suppliers to be aware of this policy and avoid contributing to a conflict of interest or the appearance of a conflict of interest. Any involvement by a supplier in any conflict may be grounds for a termination of the business relationship with the supplier.

6. **SUPPLY CHAIN SECURITY.** White Cap requires that its suppliers ensure that processes and procedures are in place to keep unauthorized items from being introduced into shipments destined for White Cap or its customers. As a result, all suppliers doing business with White Cap must implement a sound plan to enhance security procedures. Suppliers should have a written security procedure plan in place – customized to the supplier's size, structure and security risks – addressing the following for factory/warehouses:

- Physical Security
- Access Controls
- Procedural Security
- Personnel Security
- Education and Training Awareness
- Information Technology Security
- Container Inspection and Seal Security

More detailed guidance on expectations for each of these areas can be found at the following web site: [https://www.cbp.gov/border-security/ports-entry/cargo-security](https://www.cbp.gov/border-security/ports-entry/cargo-security)

White Cap reserves the right to review the supplier's/facility's security plan and implementation at each factory/warehouse from which merchandise is shipped. Suppliers will jeopardize their relationship with White Cap if they have inadequate security measures at the facilities used for White Cap production.

7. **EVASION AND CODE CHANGES.** Suppliers may not use sub-suppliers or other third parties to evade applicable laws or any of the standards set forth in this Guide. Further, the standards set forth in this Guide are subject to modification at White Cap’s discretion. White Cap will endeavor to provide supplier reasonable notice of any such modifications.

Ethics Guide, October 19, 2020
8. **HOW TO RAISE AN ETHICS CONCERN.** Each White Cap supplier must timely inform White Cap of any ethics concern involving or affecting White Cap, even if the concern does not involve supplier. Suppliers must also provide reasonable assistance to White Cap in investigating concerns involving supplier and White Cap. Suppliers are encouraged to raise concerns with White Cap management, including without limitation, Category Management Vice President, White Cap Finance, or such other senior associate at White Cap supplier feels comfortable contacting, or by visiting or calling White Cap's confidential AlertLine at whitecap.ethicspoint.com or (844) 330-7090. White Cap prohibits retaliation against any party who raises an ethics concern in good faith.

Acknowledgment

The undersigned hereby acknowledges that it has read and understands the White Cap Ethics Guide for Suppliers, Contractors, and Consultants, and agrees to abide by its terms.

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Supplier Name

By:_________________________

Name:________________________

Title:________________________

Date:________________________