



# Wesco International Investor Day

September 7, 2022



# Forward-Looking Statements

All statements made herein that are not historical facts should be considered as forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. These statements include, but are not limited to, statements regarding the expected benefits and costs of the transaction between Wesco and Anixter International Inc., including anticipated future financial and operating results, synergies, accretion and growth rates, and the combined company's plans, objectives, expectations and intentions, statements that address the combined company's expected future business and financial performance, statements regarding the execution of the company's growth strategy, statements regarding future merger and acquisition activity, statements regarding capital deployment plans, including, without limitation, the return of capital to shareholders and plans to declare and pay dividends, and other statements identified by words such as "anticipate," "plan," "believe," "estimate," "intend," "expect," "project," "will" and similar words, phrases or expressions. These forward-looking statements are based on current expectations and beliefs of Wesco's management, as well as assumptions made by, and information currently available to, Wesco's management, current market trends and market conditions and involve risks and uncertainties, many of which are outside of Wesco's and Wesco's management's control, and which may cause actual results to differ materially from those contained in forward-looking statements. The details of any dividend declaration, including the amount of such dividend and the timing and establishment of the record and payment dates, will be determined by the company's Board of Directors. The decision of whether to pay dividends and the amount of any such dividends will be based on the company's financial position, results of operations, cash flows, capital requirements, business conditions, the requirements of applicable law, and any other factors the Board of Directors may deem relevant. Accordingly, you should not place undue reliance on such statements.

Those risks, uncertainties and assumptions include the risk of any unexpected costs or expenses resulting from the transaction, the risk that the transaction could have an adverse effect on the ability of the combined company to retain customers and retain and hire key personnel and maintain relationships with its suppliers, customers and other business relationships and on its operating results and business generally, or the risk that problems may arise in successfully integrating the businesses of the companies, which may result in the combined company not operating as effectively and efficiently as expected, the risk that the combined company may be unable to achieve synergies or other anticipated benefits of the transaction or it may take longer than expected to achieve those synergies or benefits, the risk that the leverage of the company may be higher than anticipated, the impact of natural disasters (including as a result of climate change), health epidemics, pandemics and other outbreaks, such as the ongoing COVID-19 pandemic, supply chain disruptions, and the impact of Russia's invasion of Ukraine, including the impact of sanctions or other actions taken by the U.S. or other countries, the increased risk of cyber incidents and exacerbation of key materials shortages, inflationary cost pressures, material cost increases, demand volatility, and logistics and capacity constraints, which may have a material adverse effect on the combined company's business, results of operations and financial condition, and other important factors that could cause actual results to differ materially from those projected. All such factors are difficult to predict and are beyond the company's control. Additional factors that could cause results to differ materially from those described above can be found in Wesco's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and Wesco's other reports filed with the U.S. Securities and Exchange Commission ("SEC").

## **Non-GAAP Measures**

In addition to the financial information provided in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP"), this presentation includes certain non-GAAP financial measures. These financial measures include workday adjusted sales growth, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, adjusted EBITDA margin, financial leverage, free cash flow, adjusted income from operations, adjusted other income, net, adjusted provision for income taxes, adjusted income before income taxes, adjusted net income, adjusted net income attributable to Wesco International, Inc., adjusted net income attributable to common stockholders, and adjusted earnings per diluted share. The Company believes that these non-GAAP measures are useful to investors as they provide a better understanding of our financial condition and results of operations on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude items impacting comparability of results such as merger-related and integration costs, and the related income tax effect of such items, allowing investors to more easily compare the Company's financial performance from period to period. Management does not use these non-GAAP financial measures for any purpose other than the reasons stated above.





# Today's Agenda

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## Accelerating Our Value Creation Engine

**John Engel** – Chairman, President and Chief Executive Officer

## Providing End-to-End Supply Chain Solutions

Communications & Security Solutions (CSS)

**Bill Geary** – Executive Vice President and General Manager, CSS

Utility & Broadband Solutions (UBS)

**Jim Cameron** – Executive Vice President and General Manager, UBS

Electrical & Electronic Solutions (EES)

**Nelson Squires** – Executive Vice President and General Manager, EES

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10:00 – 11:05

11:05 – 11:20 Break

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## Building World-Class Operations, Digital and Talent Capabilities

Supply Chain & Operations

**Hemant Porwal** – Executive Vice President, Supply Chain and Operations

IT and Digital Transformation

**Akash Khurana** – Executive Vice President and Chief Information and Digital Officer

Our Talent Ecosystem

**Chris Wolf** – Executive Vice President and Chief Human Resources Officer

11:20 – 12:15

## Driving Superior Financial Returns

**Dave Schulz** – Executive Vice President and Chief Financial Officer

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12:15 – 1:00 Q&A

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1:00 – 2:00 Lunch

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**Ingenuity delivered.**



**Ingenuity delivered.**

# **Accelerating Our Value Creation Engine**

**John Engel**

Chairman, President and Chief Executive Officer

# The New Wesco

## Our Vision

Be the best tech-enabled supply chain solutions provider in the world.

**Our Mission** We build, connect, power and protect the world.

### Our Core5 Values

Our **people** are our greatest asset.

One **team**.

Always strive to be the **best**.

**Innovation**.

**Winning** with customers and suppliers.

## Our Foundational Strategies

**Extend our leading scale and value proposition.**

**Further develop** the organization and our culture of excellence.

**Digitalize and transform** the business.



# Key Messages

## Created Fortune 200 Industry Leader with Global Scale

- Transformational combination of Wesco + Anixter exceeding expectations
- Broadest portfolio in the industry and largest channel partner for our key suppliers
- Step function increase in cash generation and enterprise value creation

## Uniquely Well Positioned for the Next Decade and Beyond

- Leading player in a consolidating industry
- Secular growth trends drive above-market growth
- Global scale and improved business mix into faster growth and higher margin end-markets

## Digital Transformation Enables Even Faster Share Gain and Margin Expansion

- Investing in digital to drive competitive advantage
- Unlocking power of our big data to further drive sales and margin
- Digital investments building new capabilities



**The new Wesco...a global leader...bigger, stronger and faster**

# Experienced Management Team



**John Engel**  
Chairman, President and  
Chief Executive Officer



**Jim Cameron**  
EVP and GM  
UBS



**Bill Geary**  
EVP and GM  
CSS



**Akash Khurana**  
EVP and Chief Information  
and Digital Officer



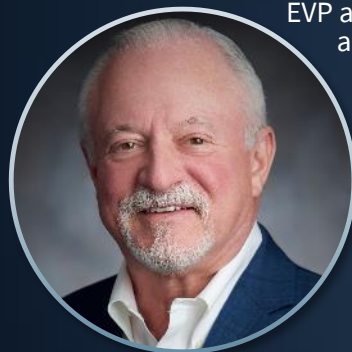
**Diane Lazzaris**  
EVP, General Counsel and  
Corporate Secretary



**Hemant Porwal**  
EVP, Supply Chain  
and Operations



**Dave Schulz**  
EVP and Chief  
Financial Officer



**Nelson Squires**  
EVP and GM  
EES



**Kim Warne**  
Senior Vice President and  
Chief Marketing Officer



**Chris Wolf**  
EVP and Chief Human  
Resources Officer





# Wesco Overview

- Leading global provider of business-to-business distribution, logistics services and supply chain solutions
- Leading value proposition consisting of 1.5 million products, an expanding portfolio of services, and complete supply chain solutions
- Serving majority of Fortune 500 companies as well as commercial and industrial businesses, contractors, government agencies, institutions, utilities, and telecommunications providers

**Substantial Scale With  
Leading Industry Position and  
Global Capabilities**

**\$20B**  
Sales

**50+**  
Countries

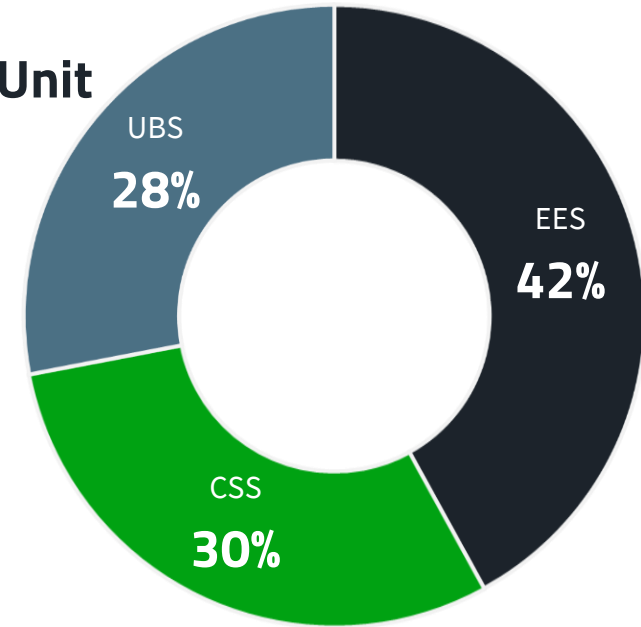
**~800**  
Locations

**#1**  
In North  
America

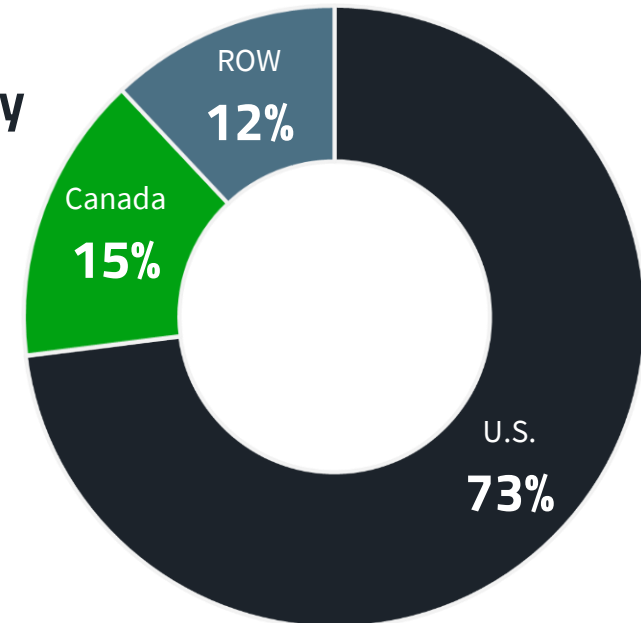


Note: Sales amounts are on a trailing twelve-month basis (TTM)  
Source: 2022 MDM Top Distributors List

## Sales By Business Unit



## Sales By Geography



# Value Creation Engine

## Five Components of Our Growth Compounding Enterprise

### 5 Upsized Cash Flow Supports Strategic Objectives

- Accelerating growth and margin expansion
- Investing for above-market growth
- Increasing shareholder returns

### 4 Margin Expansion

- Value-based pricing
- Benefits of scale and operating cost leverage
- Digitalization of our business and value chain

### 3 Operational and Supply Chain Excellence

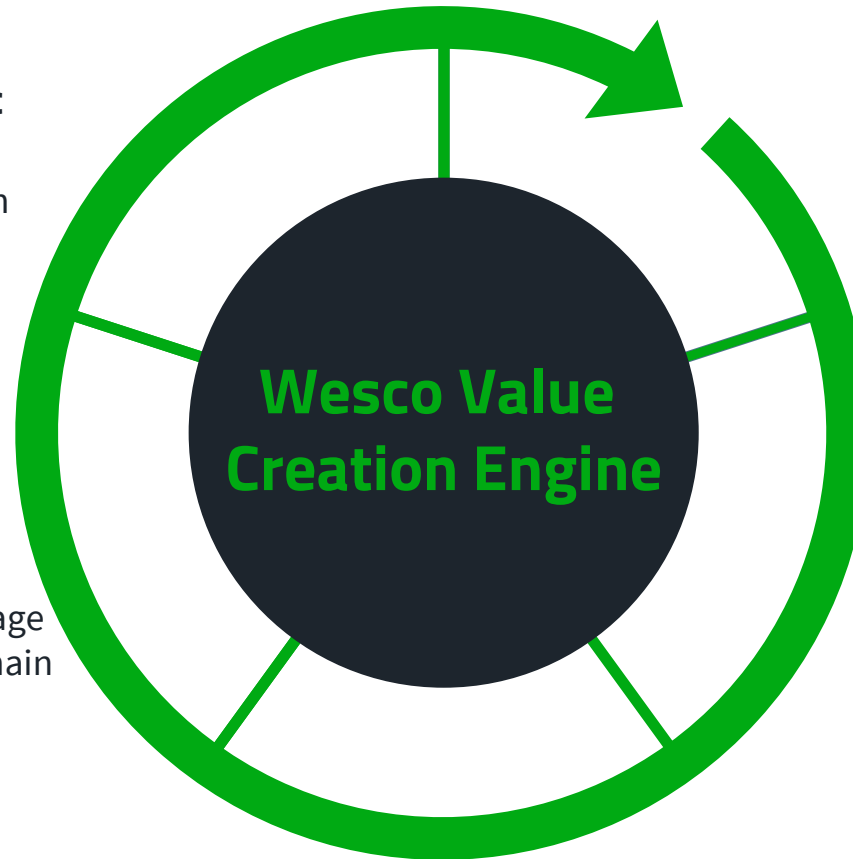
- Proven integration and synergy-capture capabilities
- Margin improvement and productivity programs
- Continuous improvement culture founded on lean principles

### 1 Positioned In the Right End-Markets

- Three leading global business units
- Exposure to attractive secular trends
- Increasing infrastructure investments

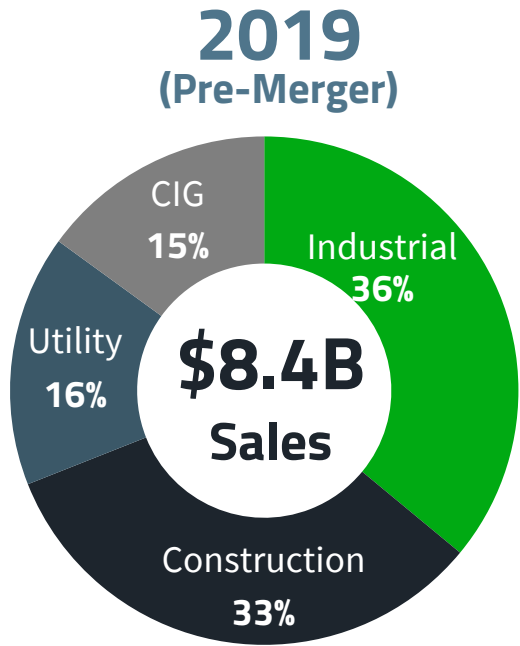
### 2 Driving Market Outperformance

- Leading player with substantial scale
- Cross-selling driving share capture
- Ongoing industry consolidation

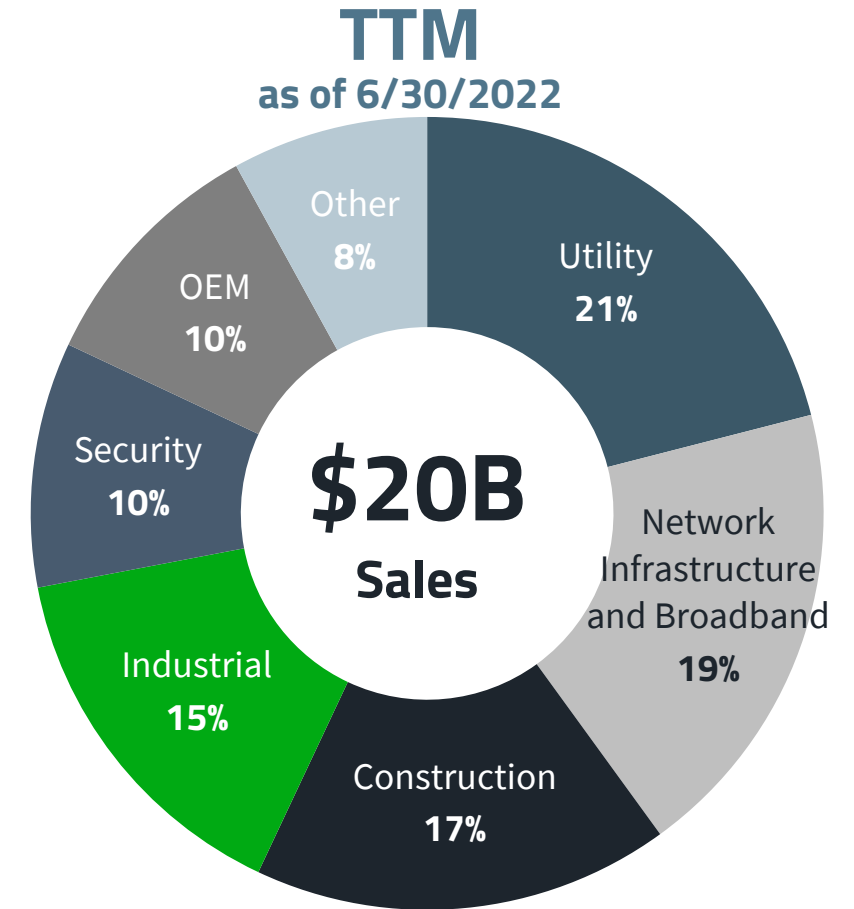


# Value Creation of the New Wesco

More Resilient and Ideally Positioned for Secular Growth Trends



- **Mix-shifted into higher-growth, higher margin end-markets**
- **Created three balanced SBUs with diverse end-market exposure**
- **Positioned the combined enterprise to accelerate growth driven by:**
  - Secular growth trends + global supply chain trends
  - Infrastructure investment needs
  - Share gains and continued industry consolidation



**Fundamental mix-shift into a higher growth company**

# Attractive Long-Term Growth Drivers

## Secular Growth Trends



Electrification



Automation and IoT



Green Energy and Grid Modernization



24/7 Connectivity and Security



Supply Chain Consolidation and Relocation to North America



Digitalization

## Increasing Public Sector Investment



U.S. Infrastructure Bills



Rural Digital Opportunity Fund (RDOF)



Canada Broadband Investments



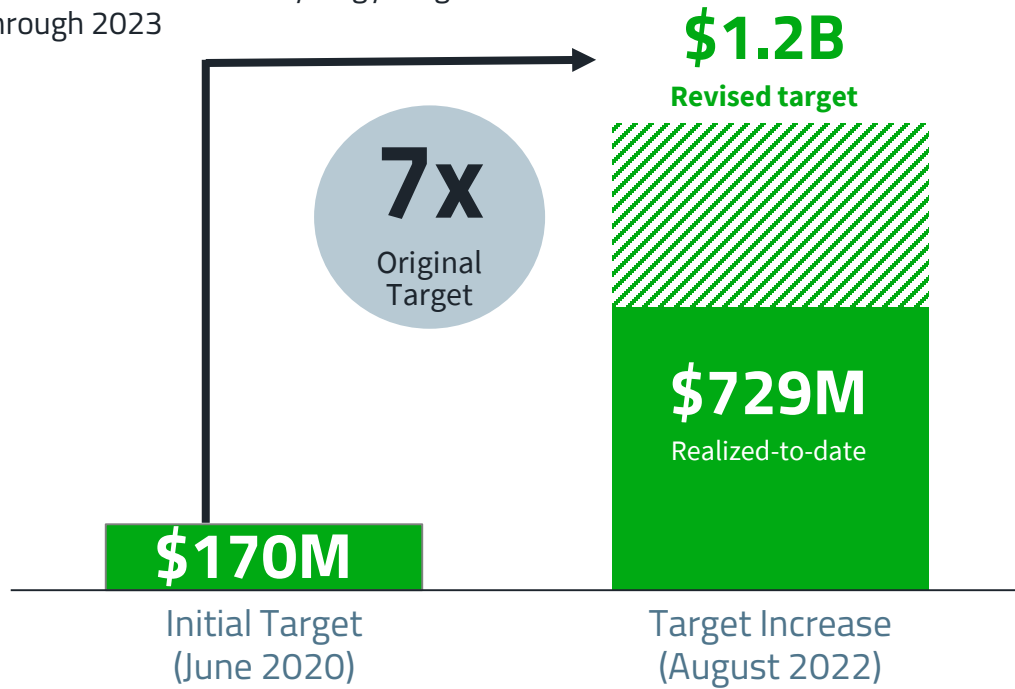
Public-Private Partnerships for Smart Cities

## Wesco's Uniquely Strong Position

- Leading Portfolio of Products, Services, and Solutions
- Leading Positions in All Business Units
- Global Footprint and Capabilities
- Digital Investments and Unlocking the Value of Our Big Data
- Accelerating Consolidation Across the Value Chain

# Cross-Sell Driving Market Outperformance

Cumulative Cross-Sell Synergy Target Through 2023



**Enormous opportunity to cross-sell to our customers and drive share gains**



Electrical Distribution and Controls



Wire and Cable Solutions



Network Infrastructure and Security



Substation and Grid Solutions



Balance of Electrical System



MRO Supplies and Safety



Services

## Cross Sell Driven By:



- Minimal overlap between legacy customers
- Highly complementary products and services
- Salesforce training and incentives
- Application of “big data”

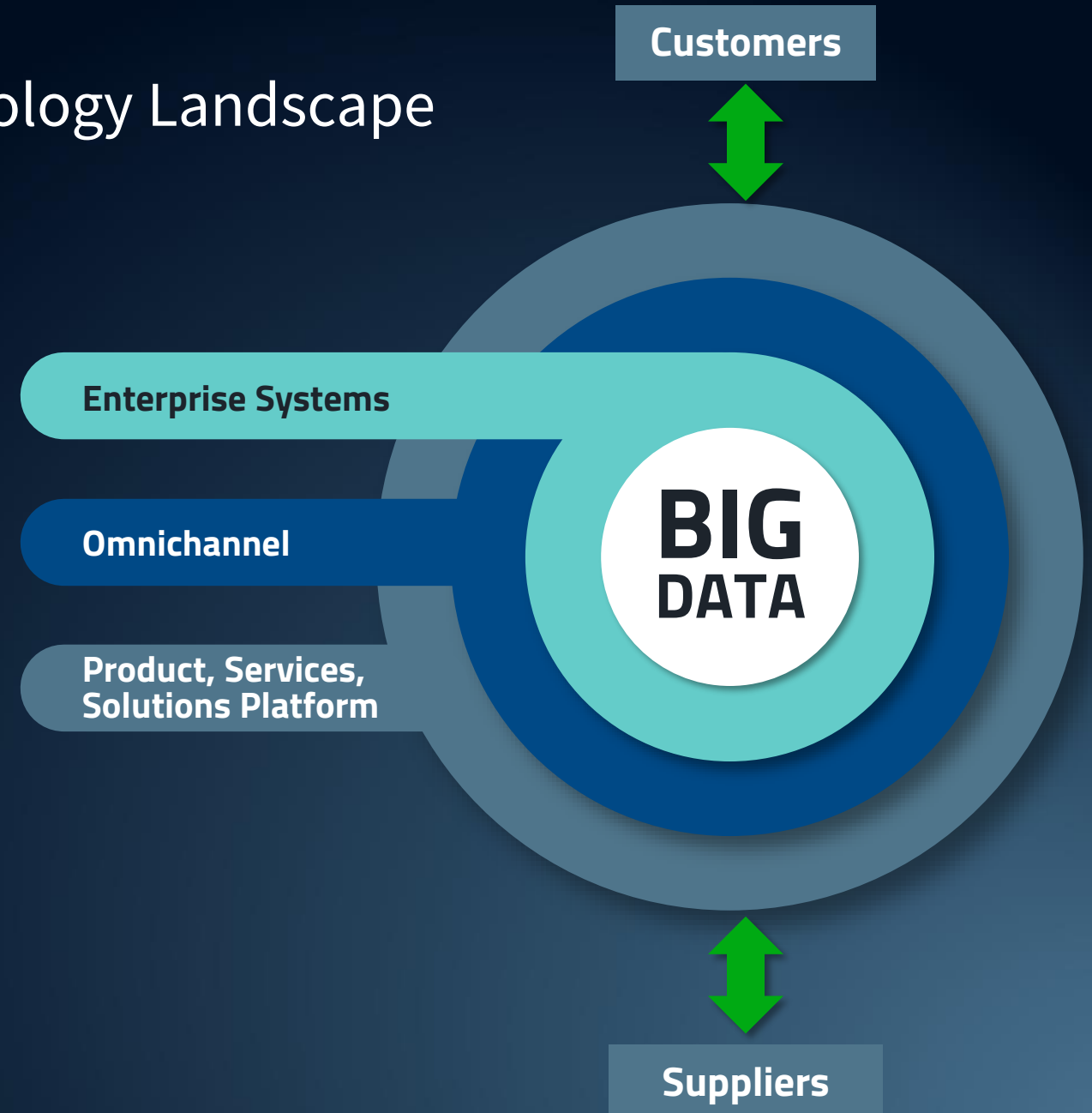
# Our Digital Transformation

## Innovating Across Our Entire Technology Landscape

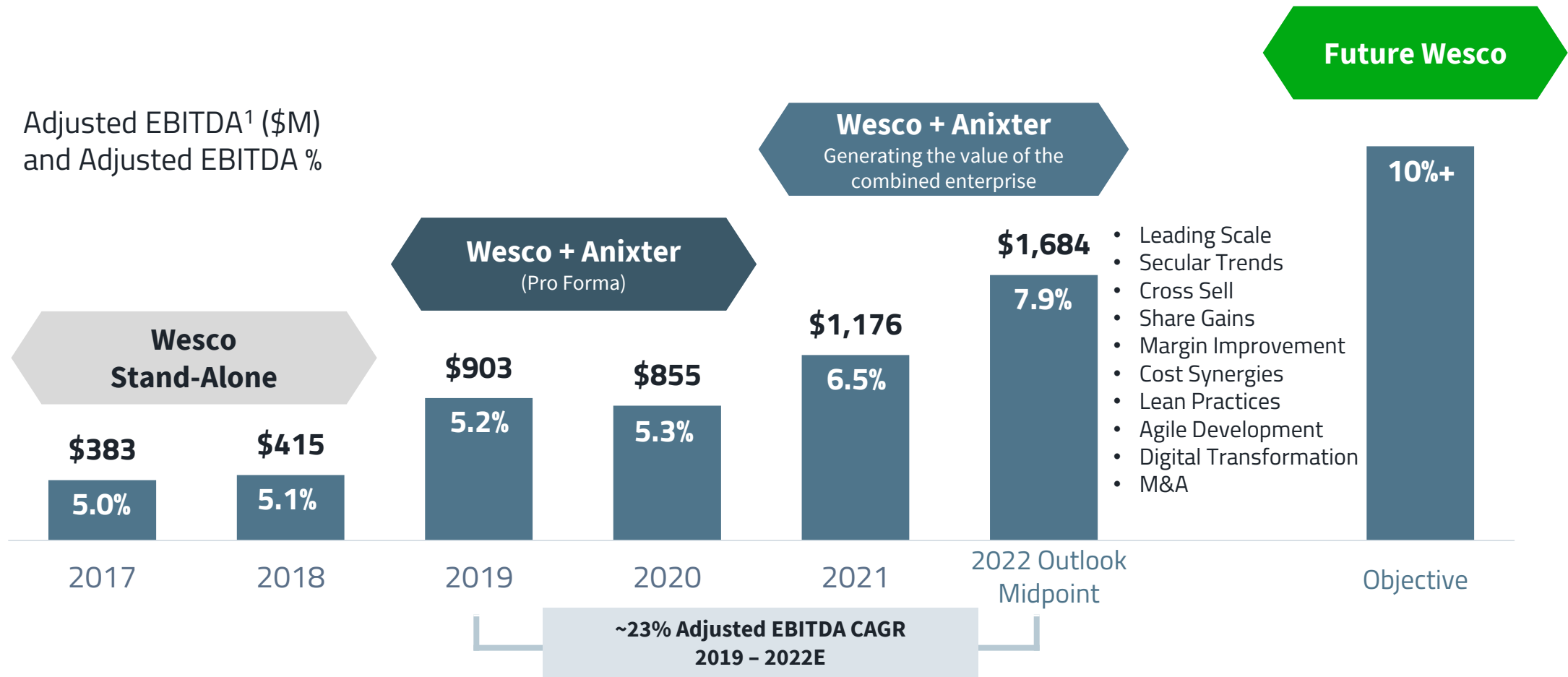
### Digital Transformation Well Underway

- New technology stack and digital IT architecture
- Not a monolithic ERP implementation
- Best in class digital applications, products and services are integrated in proprietary architecture
- World-class data lake houses our “big data”
- Improved business processes and customer and supplier solutions being built leveraging AI/ML applications and our big data

**Digitally transforming our company**



# Transformational Combination of Wesco + Anixter



**Delivering superior financial results**



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.

# Upsized Cash Generation Drives Strategy and Enriches Shareholders

## Increasing Returns Through Capital Deployment

### Invest for Above Market Growth

Organic growth opportunities

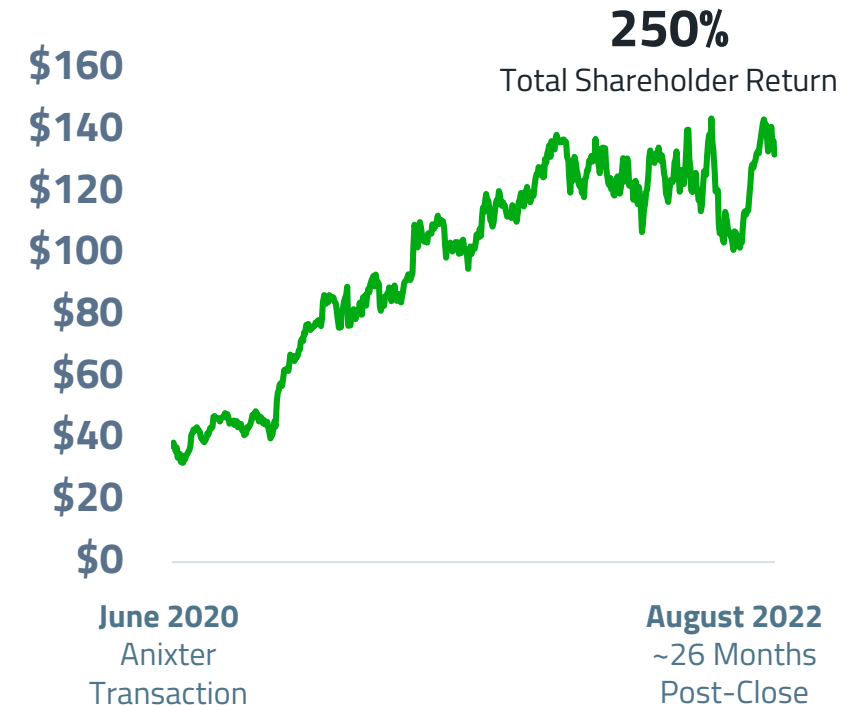
M&A to further accelerate growth

### Increase Return of Capital to Shareholders

\$1 billion share repurchase authorization

Initiate common stock dividend in 2023 of ~\$1.50 per share<sup>1</sup>

## WCC Share Price



**Upsized cash generation to \$3.5 - \$4.5 billion over the next five years**



<sup>1</sup> ~\$1.50 annualized cash dividend rate; subject to Board approval in early 2023



# Why Invest in the New Wesco

- **Fortune 200 B2B Supply Chain Solutions Leader**
  - Global capabilities and leading scale
  - Higher growth and higher margin end-markets
  - Cross-sell combined with attractive long-term secular growth trends
- **Strategy Delivers Above-Market Growth**
  - Share gains
  - Margin expansion
  - Double-digit profit growth
- **Increased Cash Generation and Enterprise Value Creation**
  - Investments in digitalization to accelerate gains
  - Increasing return of capital to shareholders (buyback plus dividend)
  - Expanding balance sheet capacity supports M&A ambitions

**The new Wesco is focused on delivering superior results and achieving a premium multiple**





**Ingenuity delivered.**

# **Communications & Security Solutions**

**Bill Geary**

Executive Vice President and General Manager, CSS

# CSS Overview

- › Deliver comprehensive solutions that provide 24/7/365 connectivity
- › Enable security and safety in commercial buildings, data centers and infrastructure around the world
- › World-class global accounts program and supply chain services model

## Global Scale and Capabilities

**\$6.0B**  
Sales

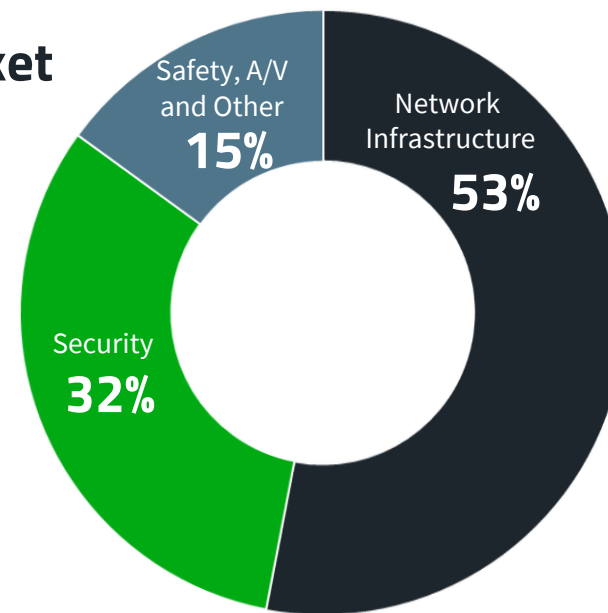
**50+**  
Countries

**Leading**  
Global Distributor  
of Network  
Infrastructure  
Solutions

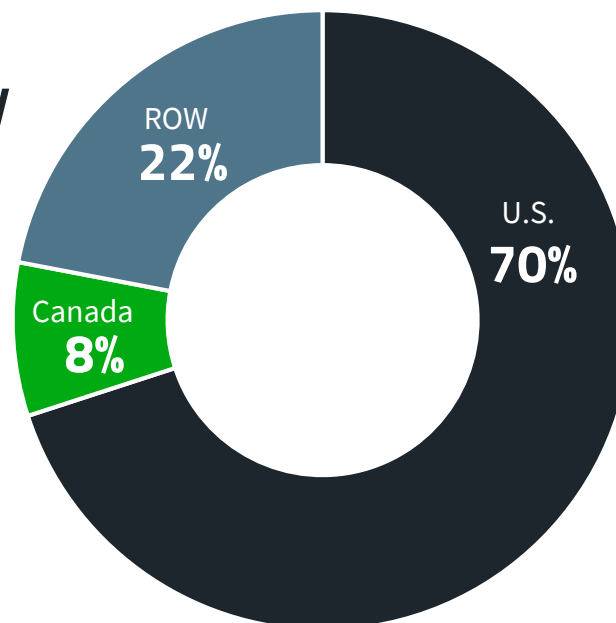


Note: all references to sales are trailing twelve months (TTM)

## Sales By End-Market



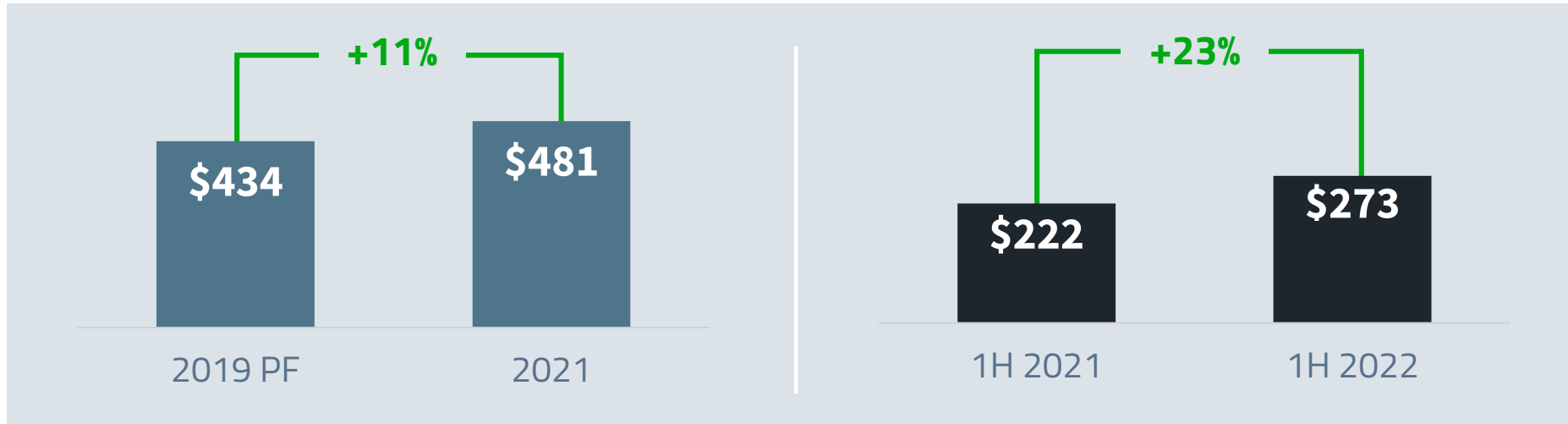
## Sales By Geography



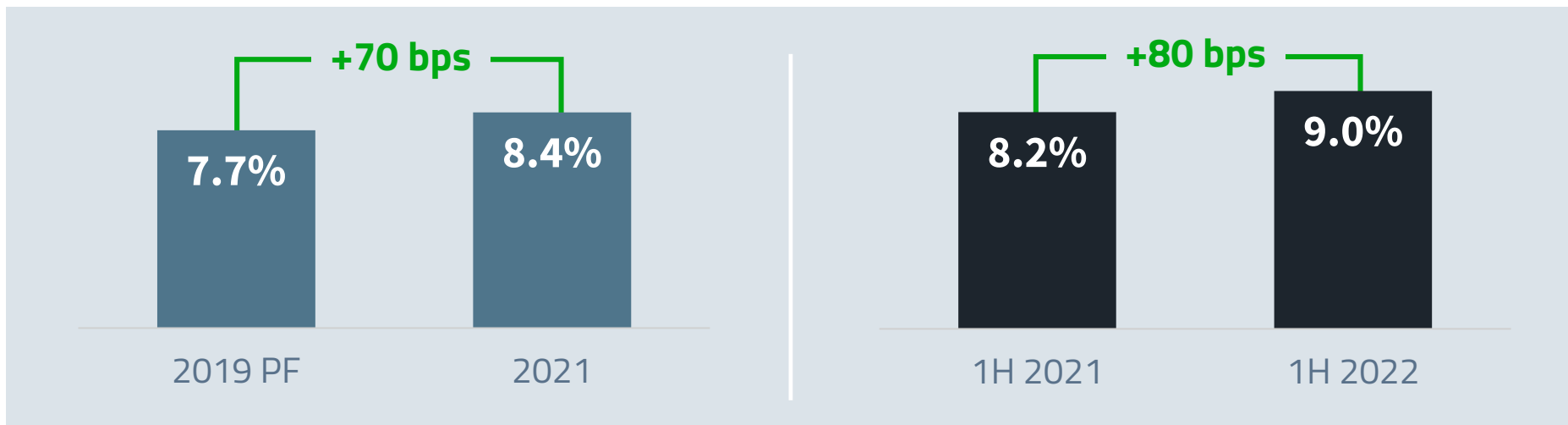
# CSS Segment Performance

## Strong Profit Growth and Margin Expansion Since 2019

Adjusted  
EBITDA<sup>1</sup> (\$M)



Adjusted  
EBITDA<sup>1</sup> Margin



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.

# CSS Addressable Markets and Trends

## Annual Addressable Markets



## Secular Trends

Automation and IoT

24/7 Connectivity and Security

- 5G, Private LTE
- Remote Collaboration and Hybrid Work

Supply Chain Relocation to North America

Digitalization



# Secular Trends Driving Data Center Growth and Connectivity

24/7/365  
Connectivity

+

Accelerating Data  
Consumption

+

Increasing Adoption  
of Cloud

=

Demand for Data Storage  
and Management

Automation and Smart  
Anything Everywhere

AI, IoT, Machine Learning

5G and Bandwidth Demand

Cloud Adoption and  
Migration

Virtual Collaboration &  
Remote Working

Connected Devices &  
Smart Devices

Processing, Storing and Managing Large  
Volumes of Data Driving Data Center Growth

Increased  
Data



**21% CAGR**  
Total Data Center Volume  
2021 - 2026



**Greater than  
Historical  
Growth**

Creating  
opportunities for  
sustainable and  
profitable sales  
growth

**3x or 26% CAGR**

Internet traffic growth from  
2017 to 2022

**40+ Billion**

Number of IoT connected devices  
in 2023; Up 3x versus 2018

**11% CAGR**

Growth of video conferencing  
market through 2025



# Acquiring a Leading Global Hyperscale Data Center Company

**\$380M**  
in TTM\* Sales

**900+**  
Total Employees

**25**  
Countries Served



Elevating Technology Globally

## Solutions

### Data Center

- Cloud
- Edge
- Colocations

### Workplace Productivity

- End-User Computing
- Applications
- Audio and Video Solutions

### Secure Connectivity

- Local Area Network
- Wireless Network
- Service Provider



\*As of 06/30/2022

# Customer Segment Focus and Specialization

## Contractors and Integrators

- Network, Security and Electrical Contractors
- Specialty Contractors: Professional A/V, Wireless, Door Locking Hardware
- Global Systems Integrators
- Emerging Channels

## Technology and Telecommunications

- Data Center and Cloud Services
- Global Service Providers
- Regional Telecom Contractors

## Government and Public Services

- Public Transportation
- Education
- Federal Government
- State Government

## Other Key Vertical Markets

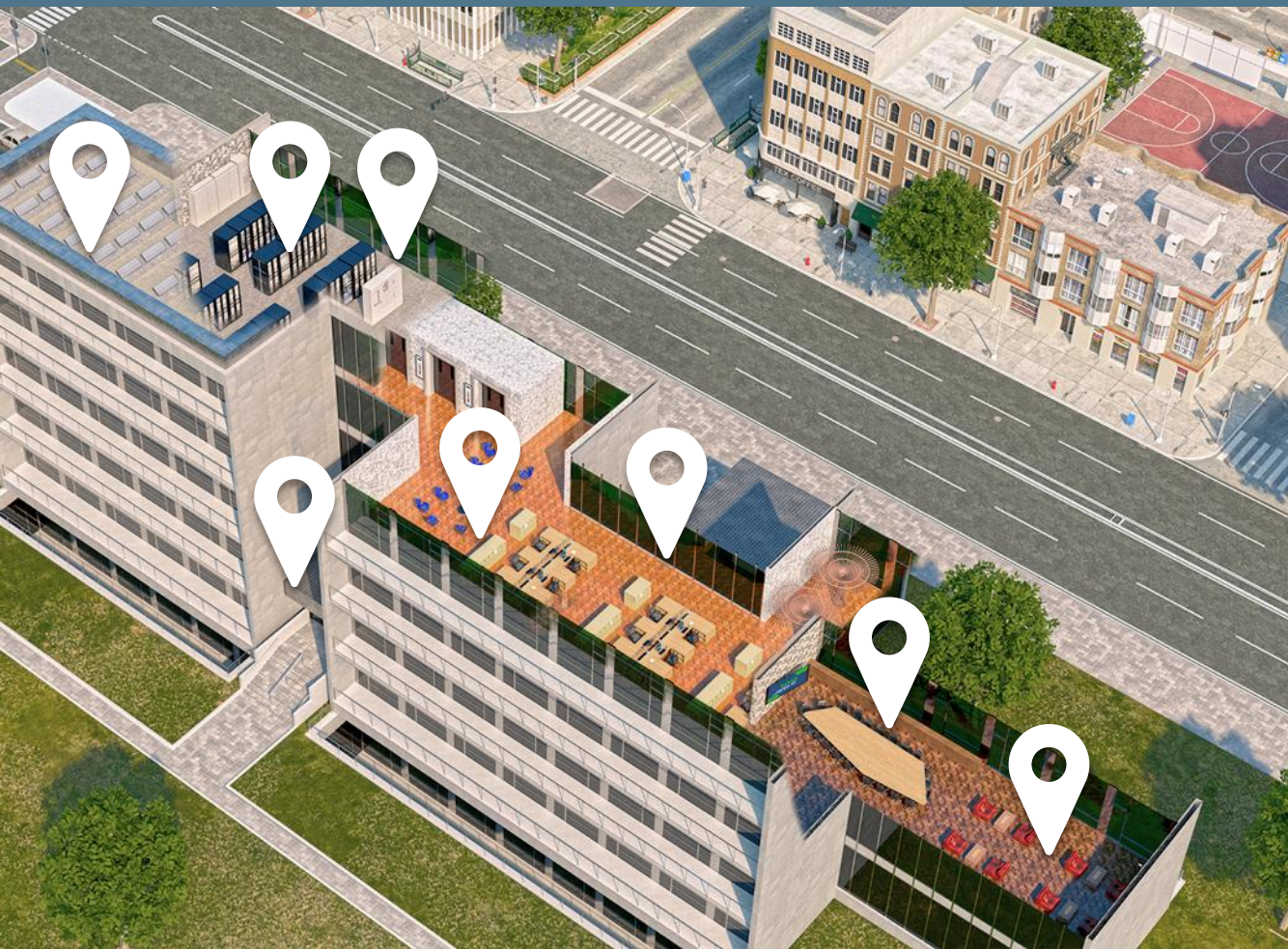
- Financial Institutions
- Retail
- Healthcare
- Industrial
- Entertainment
- Oil and Gas
- Food and Beverage
- Hospitality
- Pharmaceutical

**World-class global accounts program and supply chain services model**



# Commercial Building Solutions

## Providing a Safe, Secure and Collaborative Environment



### Products, Services and Solutions

#### Network Infrastructure

- Copper cabling
- Optical fiber cabling
- Racks and enclosures
- Cable management and pathways
- Network switches and transceivers
- PoE midspans and injectors
- UPS systems
- Rack PDUs
- Building entrance protection
- Grounding and bonding

#### Electrical Infrastructure

- Switch gear
- Medium voltage cable and terminations
- Low voltage cable and terminations

#### Physical Security

- Video surveillance
- Access control
- Intrusion protection
- Fire and life safety
- Door locking hardware
- Biometrics
- DVR, NVR and storage
- Emergency call stations
- Intercoms, sound and paging
- Pedestals and kiosks
- Video displays

#### Professional A/V

- Audio
- Video
- Digital signage
- Unified communications and collaboration
- Mass notification
- Command and control
- Automation
- Sound reinforcement

#### Wireless Technologies

- WiFi
- Point-to-point
- Point to multi-point
- Distributed antennae systems

#### Energy Solutions

- Lighting
- EV charging
- Solar

#### IoT Solutions

- Utility grade infrastructure
- Building automation and control
- Sensors and monitoring
- Servers and gateways
- SaaS
- Analytics

# Data Center Solutions

## Solutions for Every Environment and Phase of Development



### Products, Services and Solutions

#### Electrical Infrastructure

- Medium-voltage cable
- Medium-voltage term kits
- Building wire
- Cable tray
- Term kits
- Lighting
- Grounding
- Bare copper
- Flexible battery cable
- Conduit
- Lugs and connectors

#### Power Substation

- Transformers
- Circuit protection
- Switch gear
- Control house equipment
- Automated switches

#### Network Infrastructure

- Copper and fiber cabling systems
- High-speed interconnects
- Racks and enclosures
- Cable management and pathways
- Grounding and bonding
- WiFi
- Switches and routers
- PoE switches and injectors
- Media converters
- KVM and console management
- Tools and test equipment

#### Professional A/V

- Audio
- Video
- Digital signage
- Unified communications and collaboration
- Mass notification
- Command and control
- Sound reinforcement

#### Security Solutions

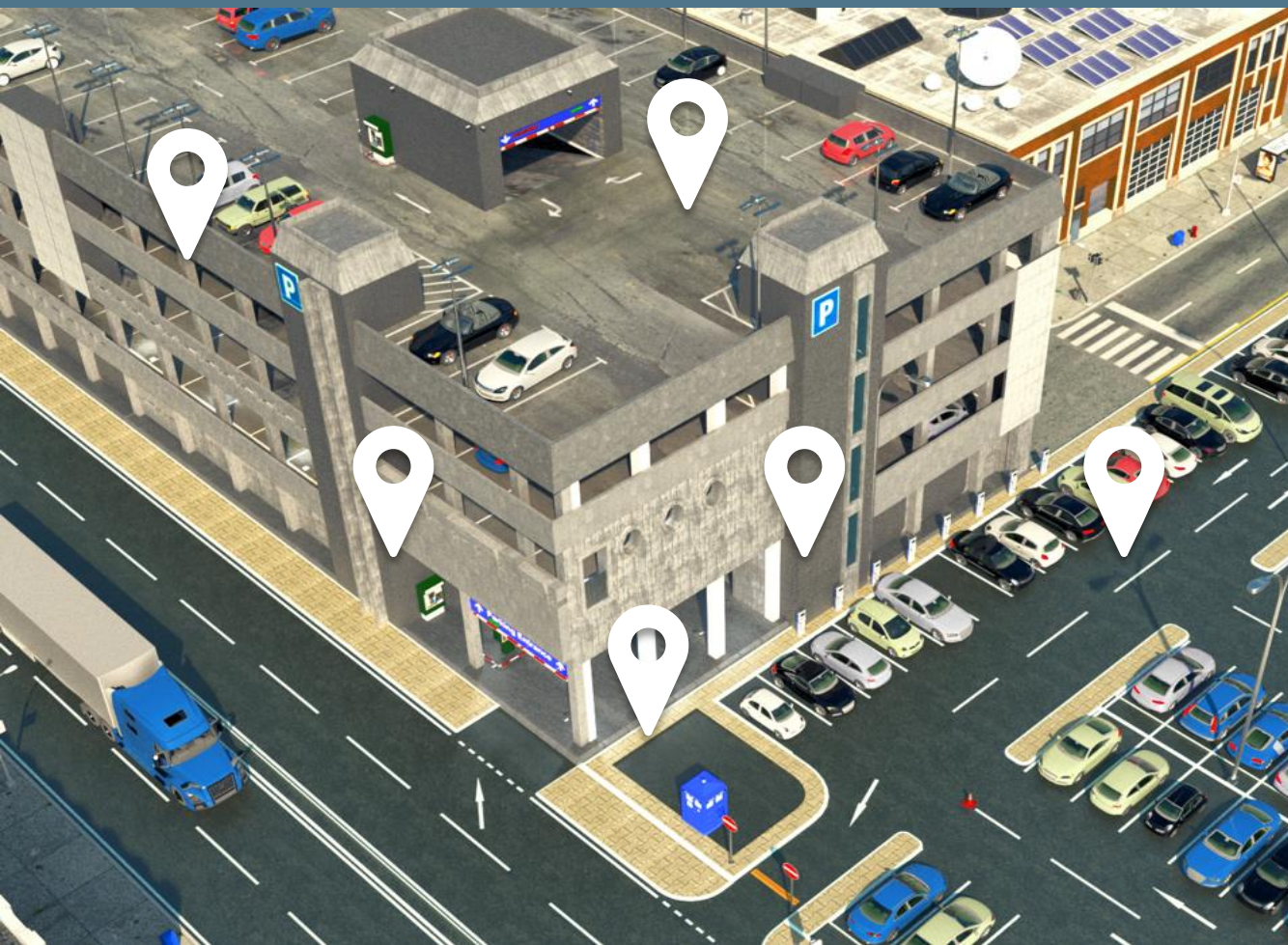
- Access control
- Asset tracking
- Cabinet electronic locking
- Video surveillance
- Perimeter detection
- Intercom, sound and paging
- Security consoles
- Video displays

#### Power and Thermal Solutions

- Rack PDUs
- UPS systems
- Power busway
- Surge protection
- Thermal management
- Hot and cold aisle containment
- High airflow dispersion Floor tiles
- Network monitoring
- Environmental monitoring

# Parking Facility Solutions

## Ensuring Security, Safety and Efficiencies



### Products, Services and Solutions

#### Energy Solutions

- Lighting
- EV charging
- Solar
- Sensors

#### Physical Security

- Video surveillance
- Access control
- Emergency call stations
- Intercoms, sound and paging
- Kiosks
- Digital signage

#### Wireless Technologies

- WiFi
- Point-to-point
- Point to multi-point
- Distributed antennae systems

#### Network Infrastructure

- Copper cabling
- Optical fiber cabling
- Powered optical fiber
- Enclosures
- Network switches
- PoE injectors
- Uninterruptible power supplies

#### Supply Chain Solutions

- Sourcing
- Inventory management
- Product enhancement and packaging
- Global logistics
- e-Commerce

# Demand Creation Sales Engine

## Preferred Partner Ecosystem

Enhance end user value by leveraging global partner network

## End User Business Drivers

Create end user value based on their unique business needs

## Wesco Differentiators

Maximize end user value by applying power of new Wesco business model



# Global Resource Alignment

Strategic Global Customer



Enterprise Account Manager

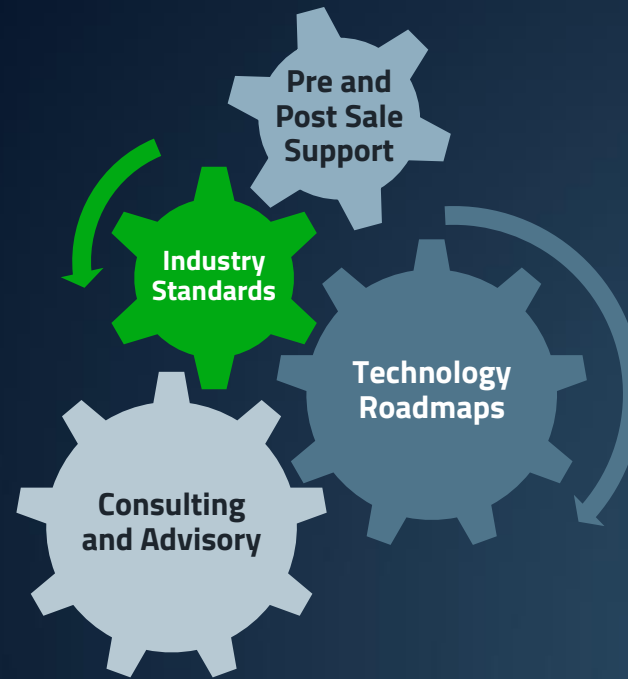
Global Sales Operations

Contracts	Program Management	Financial	Operations	Partner Coordination
<ul style="list-style-type: none"> <li>• Legal</li> <li>• Global contracts</li> <li>• Preferred T&amp;Cs</li> <li>• Compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Local sales teams</li> <li>• Global transactions</li> <li>• Implementation</li> <li>• Technical resources</li> </ul>	<ul style="list-style-type: none"> <li>• Finance</li> <li>• Credit</li> <li>• Business management</li> <li>• e-Commerce</li> </ul>	<ul style="list-style-type: none"> <li>• Supply chain</li> <li>• Inventory team</li> <li>• Transportation</li> <li>• Warehousing</li> </ul>	<ul style="list-style-type: none"> <li>• Suppliers</li> <li>• Integrators</li> <li>• Contractors</li> <li>• Consultants</li> </ul>

- Global Partner**
- Dedicated program team
  - Single point of contact
  - Global sales operation
  - Technical expertise
  - Channel partnerships
  - Reporting capabilities
  - Integrated solution
  - Pricing methodology
  - Preferred terms and conditions

# Technical Support, Consulting and Advisory Services (TSS)

Customers leverage our global technical resources to deliver dynamic solutions that drive innovation and deliver differentiated value



## Global Expertise

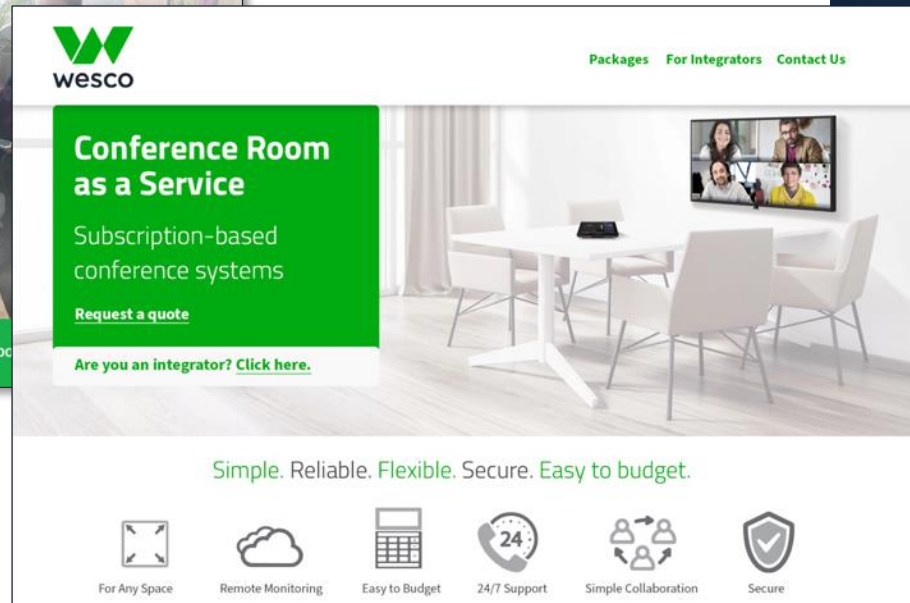
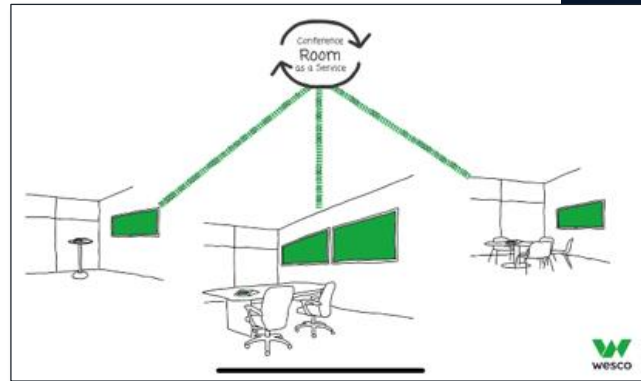
- Connected devices and IoT
- Data centers
- Physical security
- Network infrastructure
- Wireless
- Professional A/V

## Consulting and Advisory Services

- Solution and application engineering
- Bill of material generation
- Conceptual drawings
- Codes and standards interpretation
- Installation recommendations and technology testing / validation
- Education and training

# Digital Capabilities

## Conference Room as a Service



## First "as a Service" Solution

- Co-developed between digital and commercial teams
- Provides subscription-based model
- Includes remote monitoring and 24/7 support
- Currently available in the U.S. and Canada

Visit  
[wescoconferencerooms.com](https://wescoconferencerooms.com)  
to learn more



# Synergy Growth Highlight

## State Broadband Initiative

### Overview of win

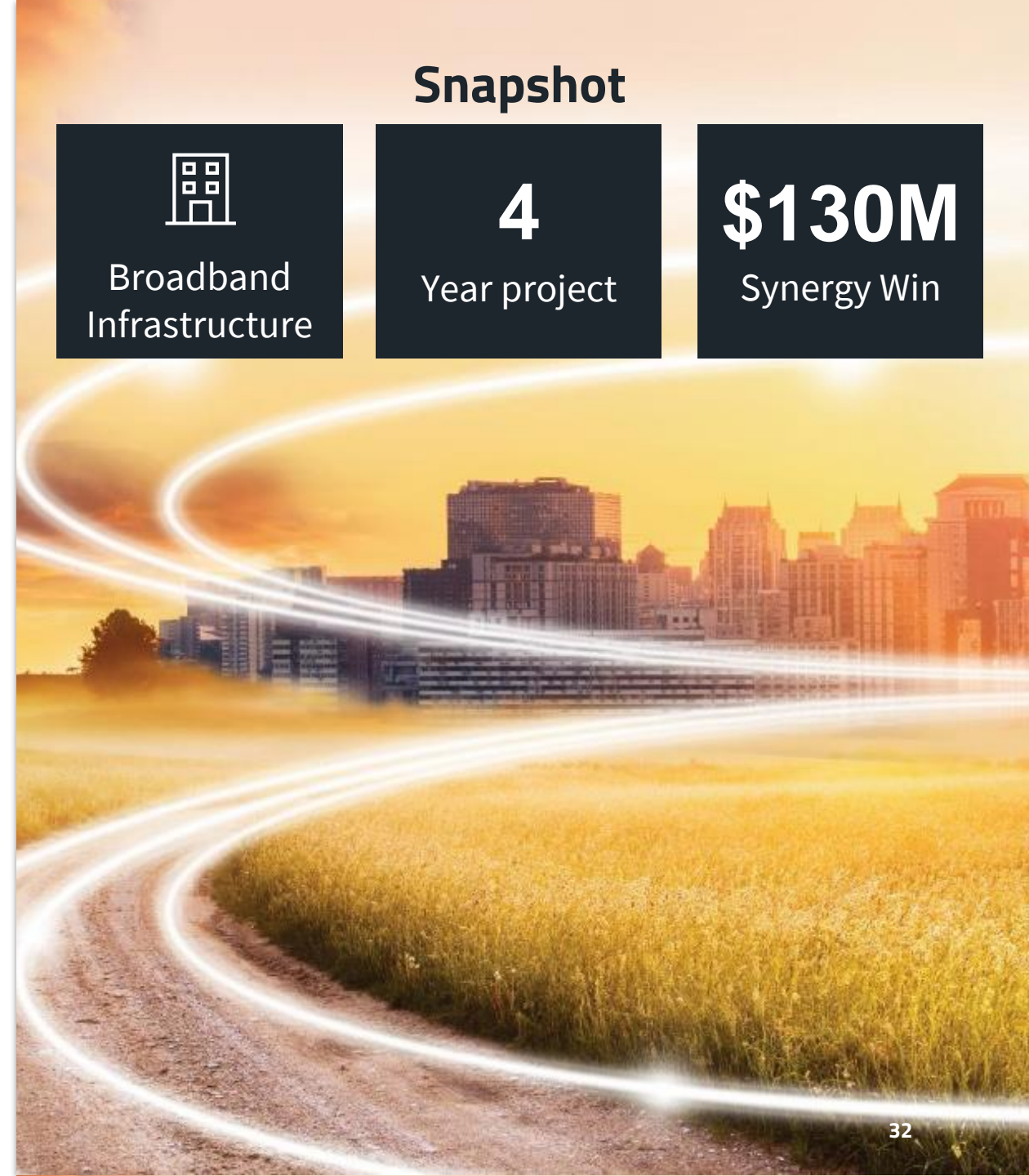
- **Customer:** State Municipality
- **Project:** Broadband Initiative
- CSS offered excellent service and supply availability
- State department of transportation led the technical specifications and implementation while the state department of technology provided bid qualification and contract award
- Shipments will begin Q1 of 2023

### Key synergy drivers

- Collaborated with UBS, technical support services, and Wesco government team to fully understand the bid scope
- Leverage broad warehouse network

### Other information

- Utilize legacy Wesco and legacy Anixter warehouse facilities





# A Connected Future

- CSS is a global business unit and a leading solutions provider of network infrastructure, security and in-building wireless products
- Well positioned to continue participating in secular growth trends driving increased data consumption, 24/7/365 connectivity and cloud computing
- Our global capabilities are highly valued by multi-national accounts that demand global supply chain integrity and a seamless customer experience around the world



**Ingenuity delivered.**

# **Utility & Broadband Solutions**

**Jim Cameron**

Executive Vice President and General Manager, UBS

# UBS Overview

- › Supply chain management, services and solutions for investor-owned utilities, public power companies, and municipalities, as well as global service providers, wireless providers, broadband operators and the contractors that service these customers
- › Provide grid and network modernization, hardening, renewable deployments, smart technologies
- › Complete solutions for global service providers, broadband and wireless customers

## Industry Leading Position and Value Proposition

**\$5.6B**

Sales

**15**

Countries

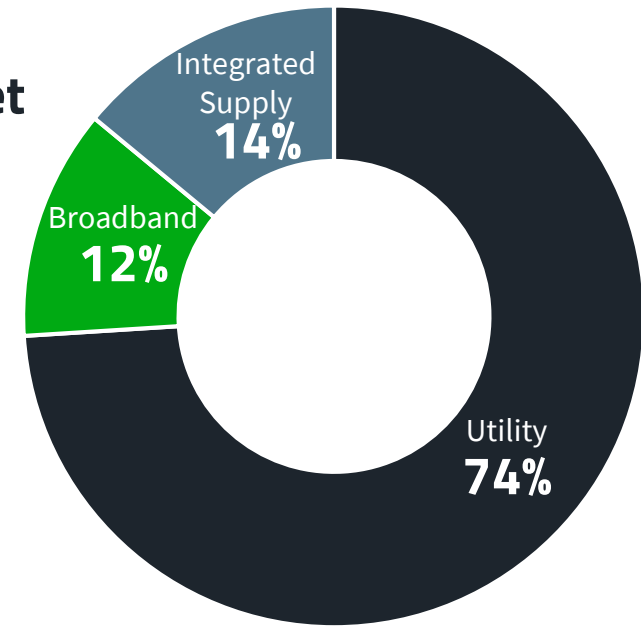
**Leading**

Utility and Broadband  
Distributor in NA

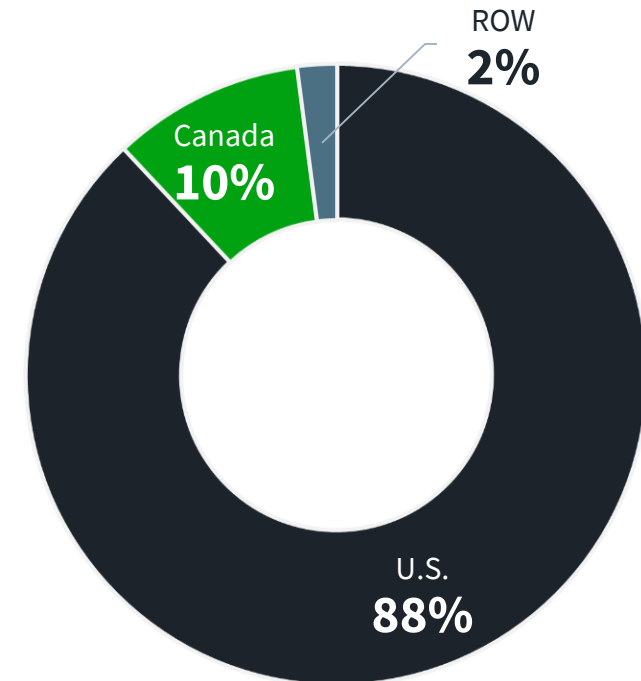


Note: All references to sales are trailing twelve months (TTM)

## Sales By End-Market



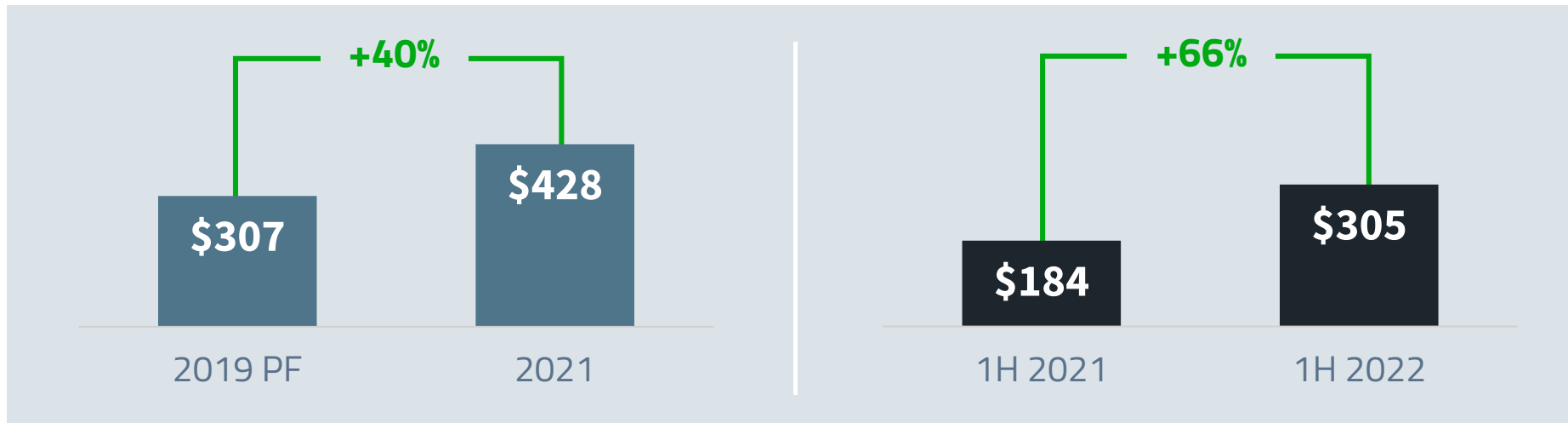
## Sales By Geography



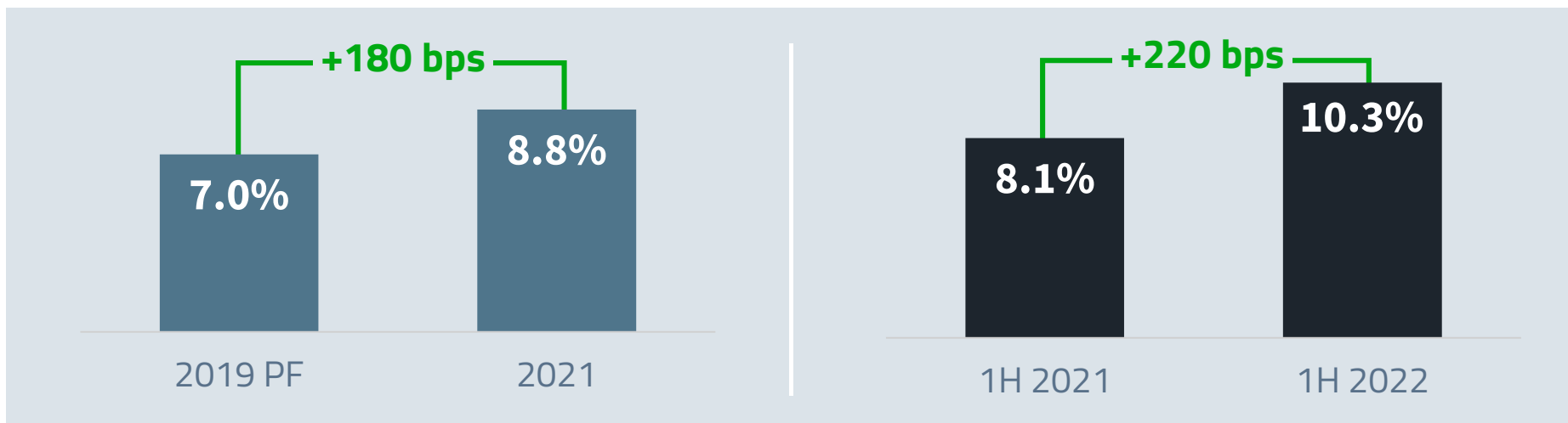
# UBS Segment Performance

## Strong Profit Growth and Margin Expansion Since 2019

Adjusted  
EBITDA<sup>1</sup> (\$M)








Adjusted  
EBITDA<sup>1</sup> Margin



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.

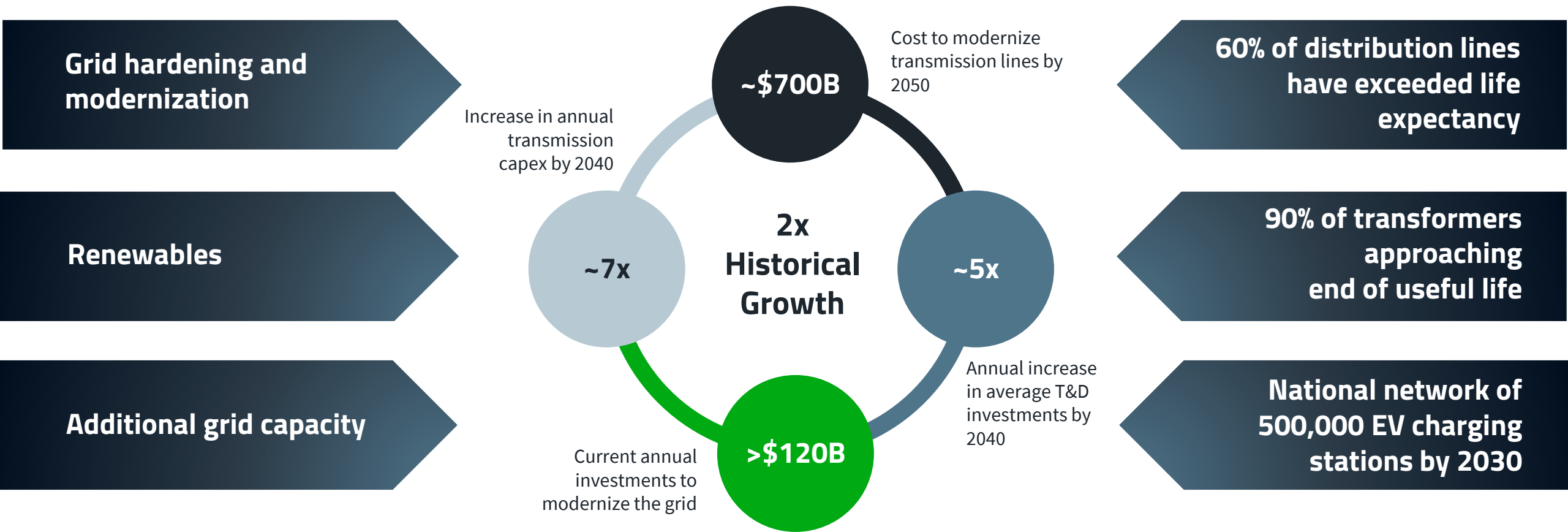
# UBS Addressable Markets and Trends

Annual Addressable Markets	Transmission & Substations	Distribution	Generation	Broadband and Service Providers	Rural Broadband
Secular Trends	 <p><b>\$30B</b></p>	 <p><b>\$50B</b></p>	 <p><b>\$35B</b></p>	 <p><b>\$90B</b> North American Market</p>	 <p><b>\$100B+</b> Government Funding in U.S. and Canada<sup>1</sup></p>
	<p>Electrification 24/7 Connectivity and Security Automation and IoT Green Energy and Grid Modernization</p>	<p>Electrification 24/7 Connectivity and Security Automation and IoT</p>	<p>Electrification 24/7 Connectivity and Security Automation and IoT Green Energy and Grid Modernization</p>	<p>24/7 Connectivity and Security Automation and IoT</p>	<p>24/7 Connectivity and Security</p>



<sup>1</sup>Represents Federal, State and Local government spending over the next 10 years  
Sources: EEI, Jefferies, D.A. Davidson, Company estimates

# Secular Trends Accelerating Power Chain Modernization and Expansion



# Utility Solutions

## Product and Services Portfolio From Generation to the Meter



### Products, Services and Solutions

#### Utility

- FTTx / communications
- Line construction materials
- Metering and cap banks
- Network management center
- Outdoor lighting
- Poleline hardware
- Power generation
- Protective and rubber goods equipment
- Safety equipment
- Security
- Smart grid infrastructure
- Substation equipment
- Transformers
- Transmission and distribution materials
- Utility tools and MRO
- Wire and cable

#### Services

- Emergency preparedness and response
- Engineering
- Kitting and labeling
- Job trailers and mobile storage
- Metering
- Rubber goods testing and management
- Technical design and lab services
- Utility wire and cable management

# Broadband and Wireless Solutions

## Complementary End-to-End Offering



## Products, Services and Solutions

### Broadband

- Broadband electronics
- Coaxial cable and connectivity
- Conduit and innerduct
- Customer premise
- Fiber cable and connectivity
- Outside plant hardware
- Safety equipment
- Test equipment
- Tools
- Underground products
- Video processing

### Wireless

- Assemblies
- Cabling and connectivity
- Enclosures
- Lightning protection
- Mesh network
- Microwave
- Microwave antenna
- Mounting and hardware
- Point-to-point / point-to-multipoint

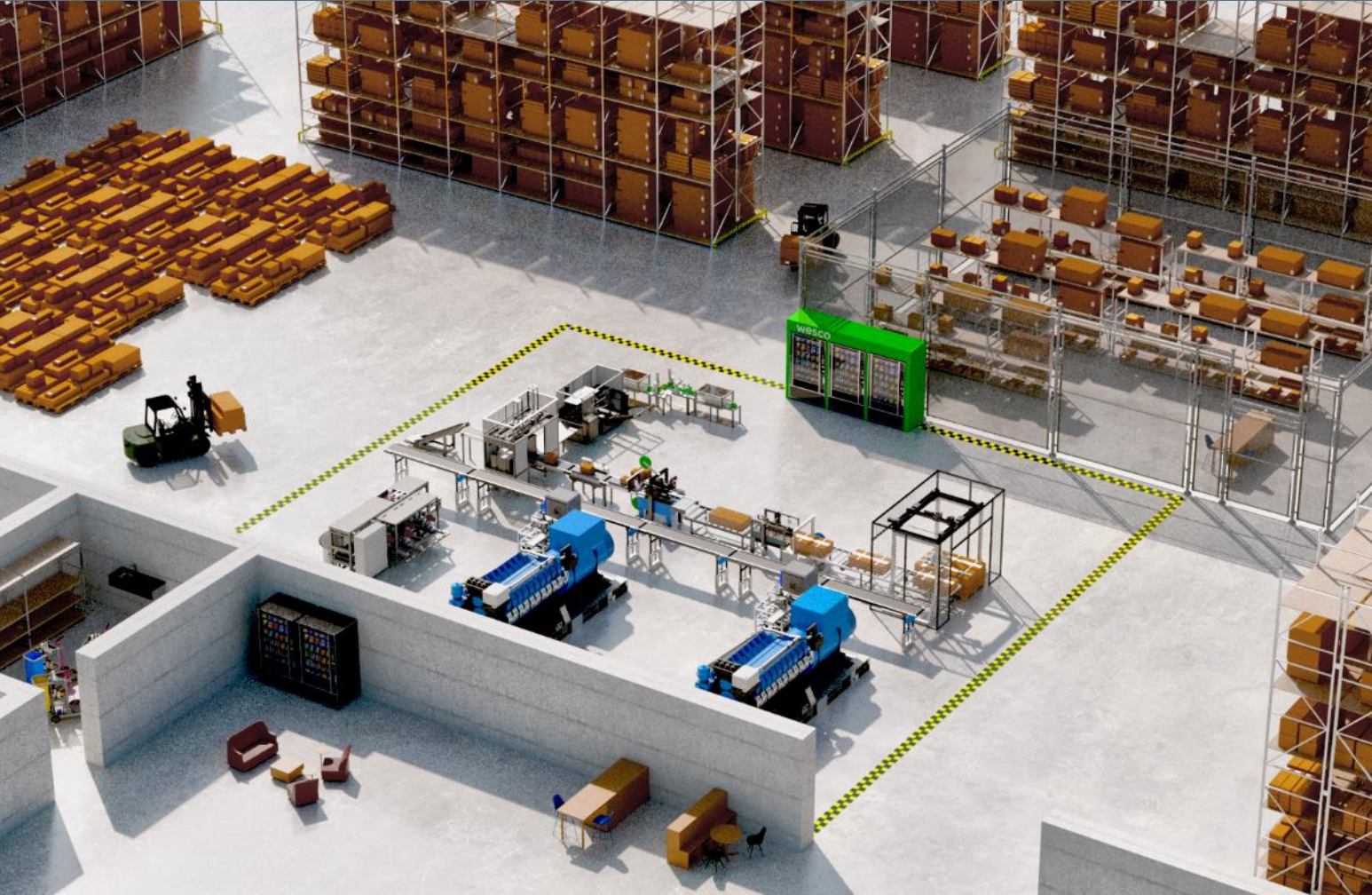
### Services

- Asset management
- Fiber cutting
- Job trailers and mobile storage
- Kitting and labeling
- Project estimation and bill of materials (BOM)
- Project management
- Project planning and make ready
- Technical design and lab services
- Warehousing



# Integrated Supply Solutions

## High Value Sourcing and Site Support Reduces Operating Costs



### Products, Services and Solutions

- Cleaning and janitorial
- Electrical and lighting
- Electronic and IT
- Industrial machines, machine tools and supplies
- Laboratory
- Maintenance and manufacturing
- Office supplies
- Power transmission and fluid power
- Plumbing and PVF
- Safety equipment
- Structures, building and construction
- Tools and general machinery
- Warehouse, packaging, and shipping equipment and supplies

### Services

- Drop ship programs
- Kitting
- Point-of-use (POU) integration
- POU/vending solutions
- Storeroom and warehouse staffing
- Storeroom management and inventory automation
- Streamlined order processing and tracking
- Visibility to tail-end spend

# Expanded Service Model for Complex Supply Chains

## Wesco Program Management



- System Integration
- Tier Supplier Management
- Diverse and Local Spend
- Cost Savings Program
- ESG Reporting
- Project Coordination
- Transaction Management
- Mismatch/OSD&D Resolution
- Catalog Management
- Contract Management
- Spot Buy Sourcing
- KPI Management
- Price Administration
- Procurement
- Storeroom Management
- Emergency Response

## 2<sup>nd</sup> Tier Supplier Roles



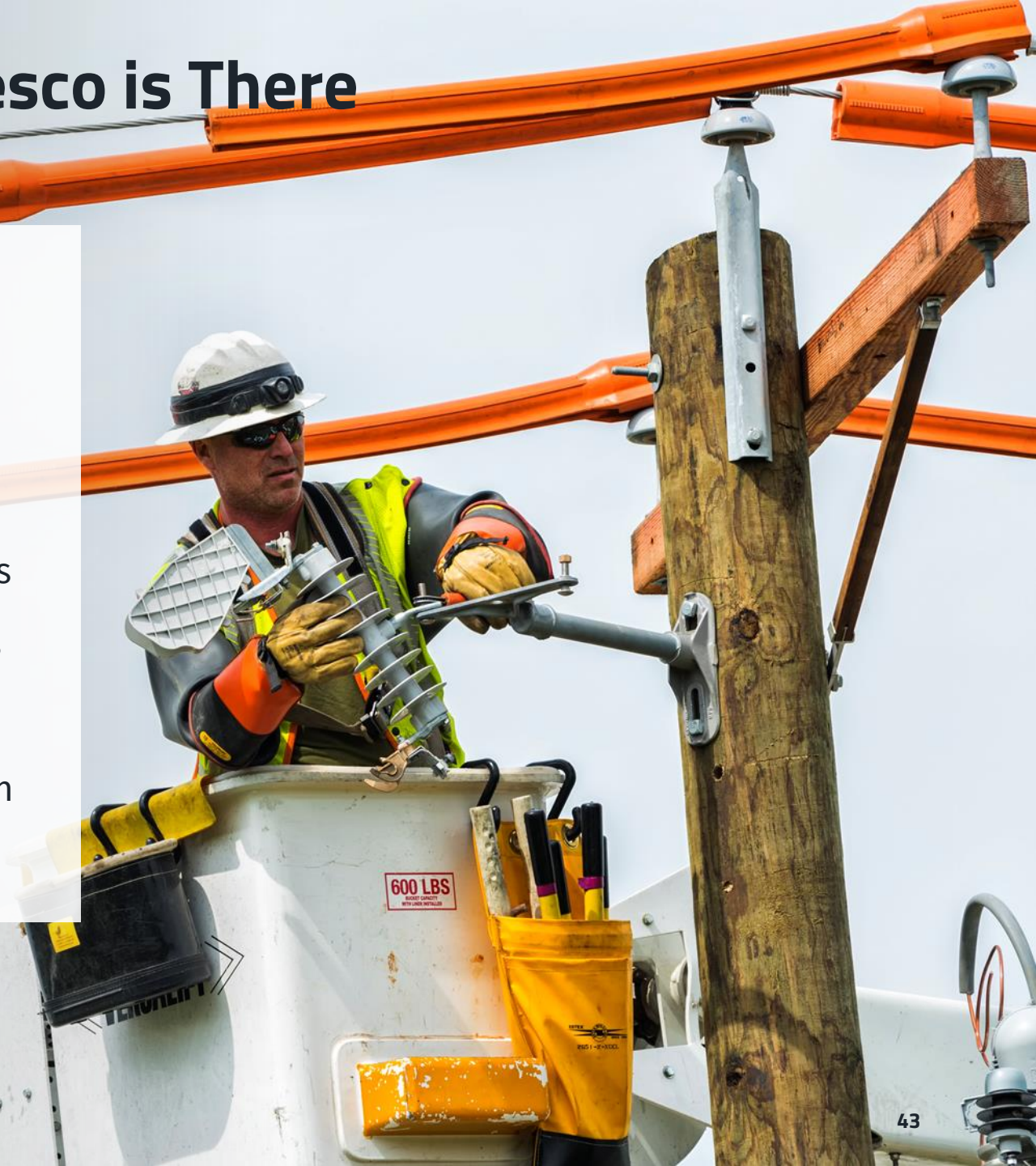
**Cross Dock and Consolidated Supply Chain and Logistics Model**



# When Emergencies Happen, Wesco is There

## We are the First Responders

- 3rd Party Logistics (3PL)
- Field Service Project Managers
- Lay Down Yard Set-Up and Management
- Material Management
- Mobile Utility Storm Trailers and Stocked Tool Trailers
- On-site Material Handling, Management and Logistics
- Pre-Assembled Storm and Emergency Kits
- Round-the-Clock Dedicated Emergency Support Team
- Safety and PPE Coordination and Supplies



# Leveraging Grid Services Across SBUs

Cross-Sell Win ~4x Standalone Wesco Potential

## EES Delivered

- Wire and cable expertise
- Customer executive sponsorship
- Engaged broader Wesco team to enhance value to customer

## UBS Delivered

- Developed bill of materials (BOM) from 30% completed design
- Leverage supplier network to deliver products with narrow production schedule
- Transmission and substation experts to respond to full RFP

## Together Delivered

- Able to provide a complete solution for all aspects of Power Delivery
- Excellent example of cross-sell with EES to deliver full scope of material, including services quote, for major project

# Convergence of Utility and Broadband Digital Roadmaps

- Unique cross-sell opportunity between utility and broadband businesses with FTTx and rural broadband deployments
- Leveraging broadband expertise and deep utility and supplier relationships to deploy broadband
- Developed technology to manage workflows, forecasts and inventory for multiple builds simultaneously
- Launched dedicated fiber center to support company-wide build initiatives

## Over \$100B of Public Sector Investments

**\$20B**

Rural Digital Opportunity Fund (RDOF)



**\$65B**

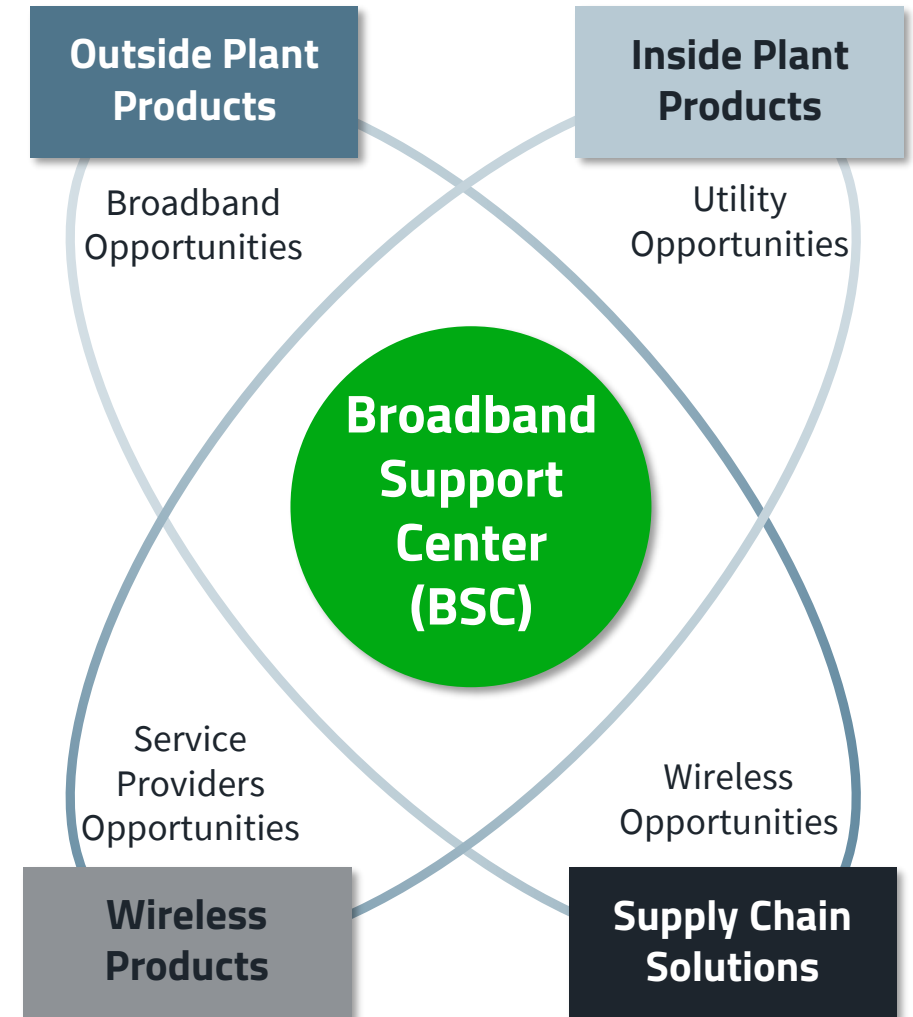
Broadband funds in Infrastructure Investment and Jobs Act (IIJA)



Canada Broadband Investments



## Delivering Innovative Solutions for Managing Complex Broadband Projects



# A Bright Future

- Cross-sell opportunities combined with enhanced business models and service capabilities support expanded scope, increased share and higher margin profile
- Integrated network provides industry leading scale and operating leverage
- Secular trends provide a multi decade runway for growth in the business
- Digital capabilities create differentiation in the marketplace, enhancing value creation for our customers and suppliers



**Ingenuity delivered.**

# **Electrical & Electronic Solutions**

**Nelson Squires**

Executive Vice President and General Manager, EES

# EES Overview

- › Provider of electrical, MRO, safety, and automation solutions
- › Broad range of products and solutions primarily to the construction, industrial and OEM markets
- › Uniquely positioned to provide the critical infrastructure expertise and solutions that enables the technologies of tomorrow

## Industry Leading Scale and Scope

**\$8.4B**

Sales

**50+**

Countries

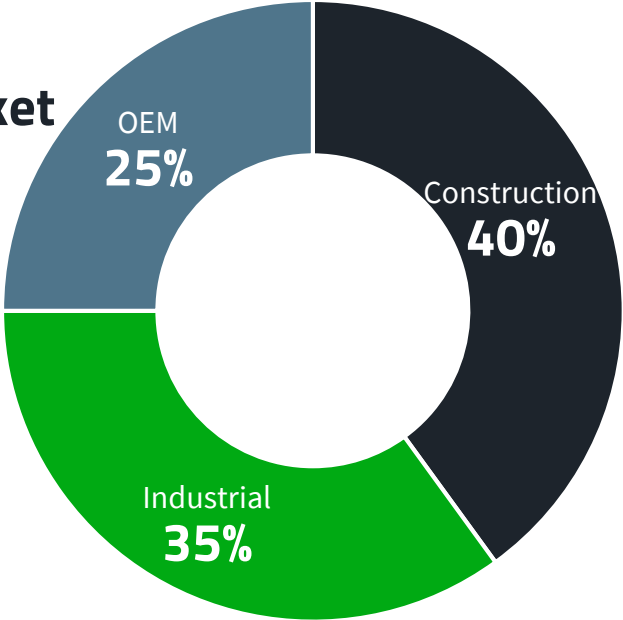
**#1**

Electrical Distributor  
in North America

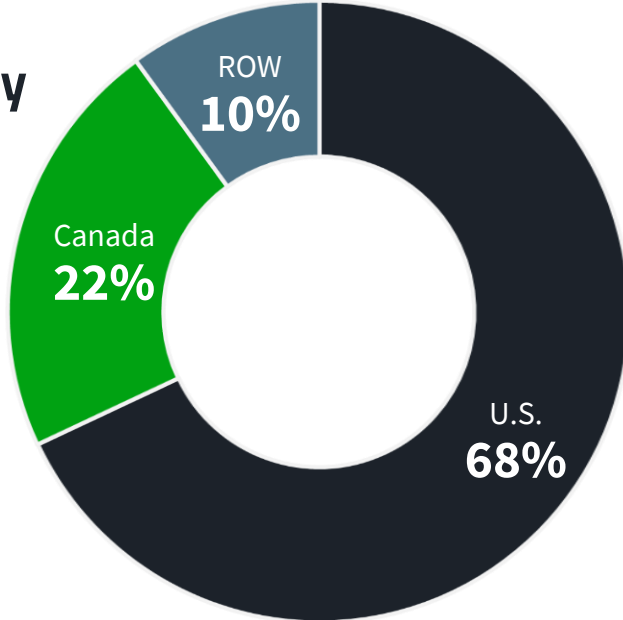


Note: All references to sales are trailing twelve months (TTM)  
Source: Electrical Wholesaling Top 150 May/June 2022

### Sales By End-Market



### Sales By Geography

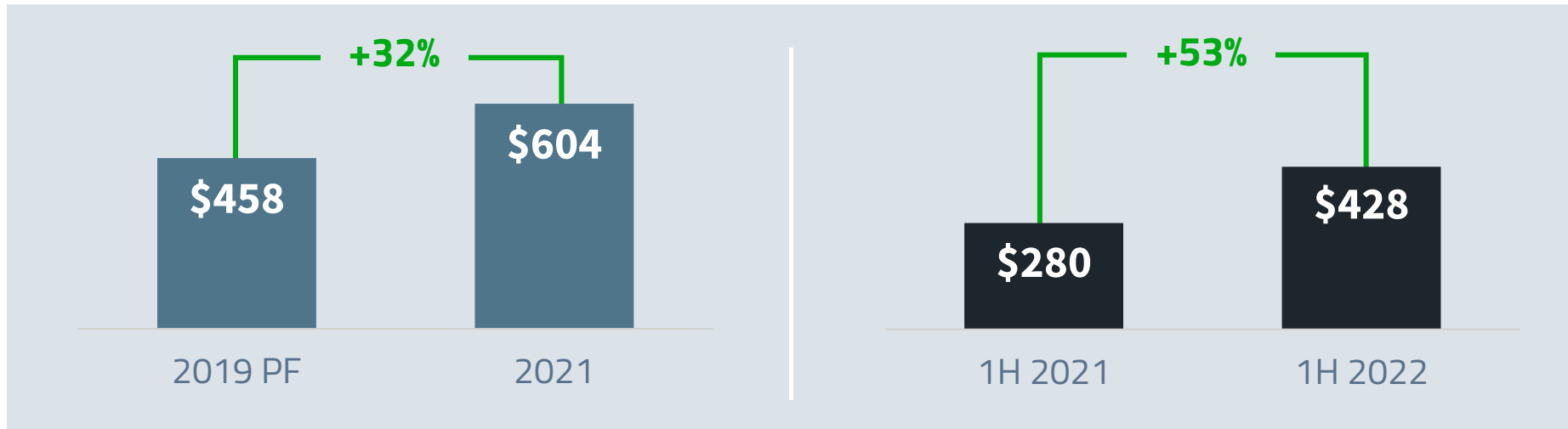




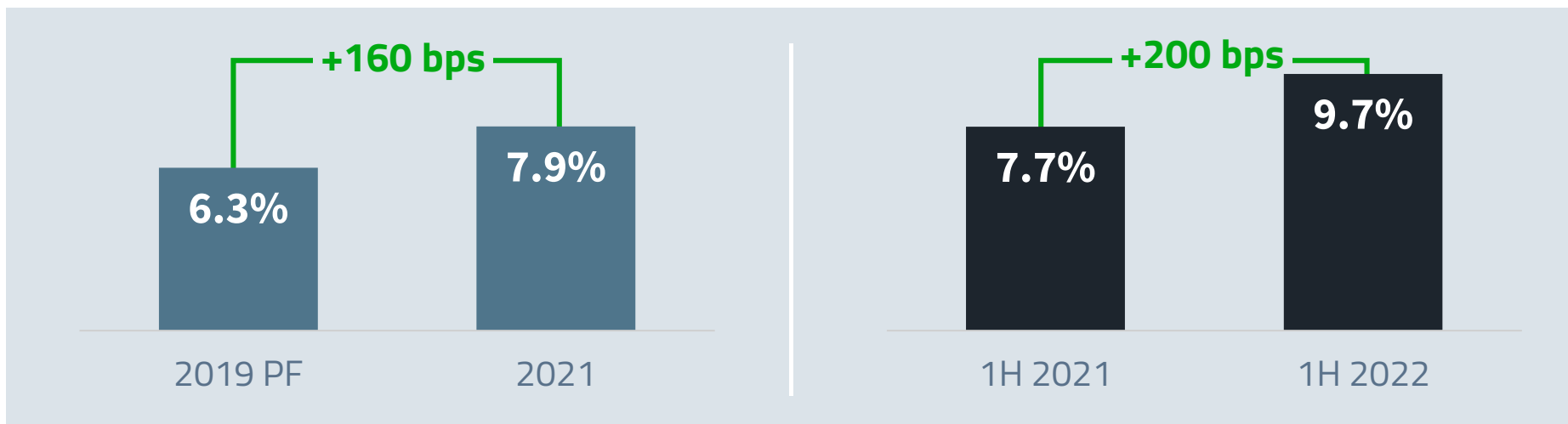
# EES Segment Performance

## Strong Profit Growth and Margin Expansion Since 2019

Adjusted  
EBITDA<sup>1</sup> (\$M)



Adjusted  
EBITDA<sup>1</sup> Margin



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.

# EES Addressable Markets and Trends

## Annual Addressable Markets

### Construction Solutions



**\$55B**

### Industrial Solutions



**\$90B**

### OEM Solutions



**\$40B**

## Secular Trends

### Electrification

- Electricity demand is growing at twice the rate of overall energy demand
- Power consumption is expected to triple by 2050

### Green Energy and Grid Modernization

- \$27 trillion of capital spending required to reach net zero by 2050
- Renewables are expected to account for 50% of the global power mix by 2030, 85% by 2050

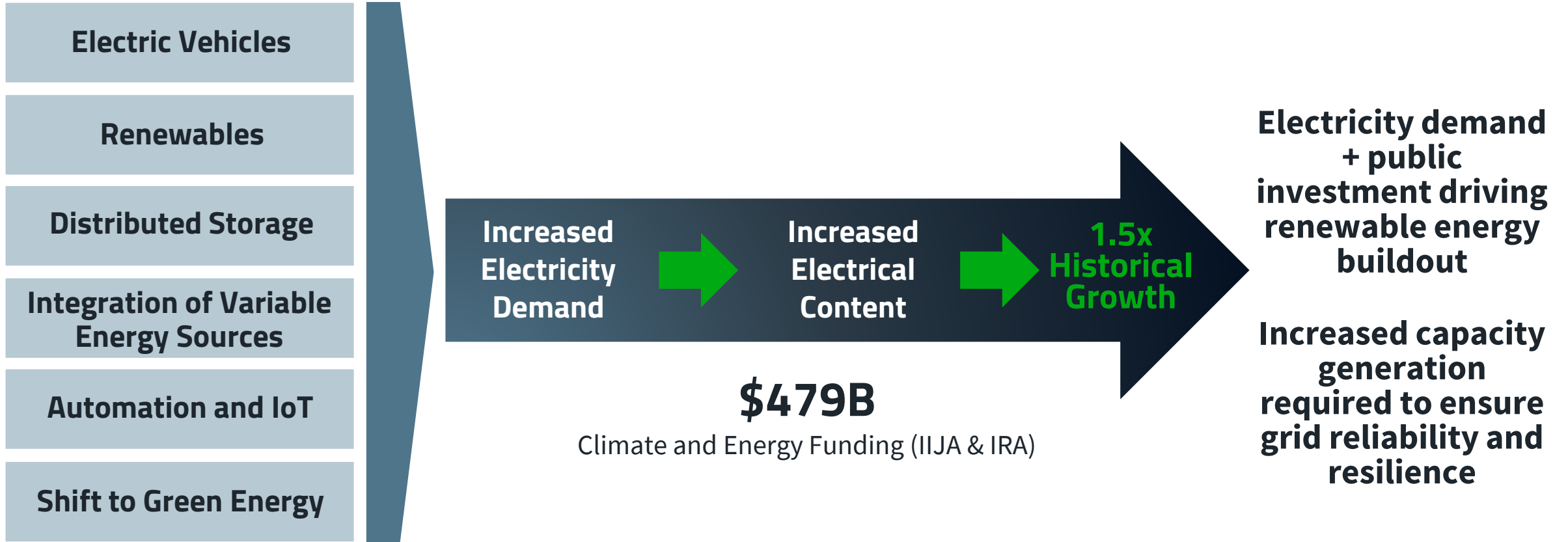
### Automation and IoT

- Over the next ten years, the number of connected devices is expected to grow from 40 billion to 350 billion



Sources: McKinsey, IDC, MDM, Company estimates

# Accelerating Secular Trends Driven by Electrification



**48M EVs by 2030**



**21x**

Increase in annual electricity demand vs 2021

**20x**

Increase in total EV chargers vs 2021

**\$97B**

Cost for charger hardware, planning and installation

# Customer Segment Focus and Specialization

## Construction Solutions

- Engineering, Procurement and Construction (EPC)
- Contractors: Electrical, Solar, Network and Security
- Systems integrators

## Industrial Solutions

- Metals, Mining, Food and Beverage, Chemicals, Oil and Gas
- Government
- Automation integrators

## OEM Solutions

- Electrical, Aerospace, Machinery, Transportation and Recreational Vehicles

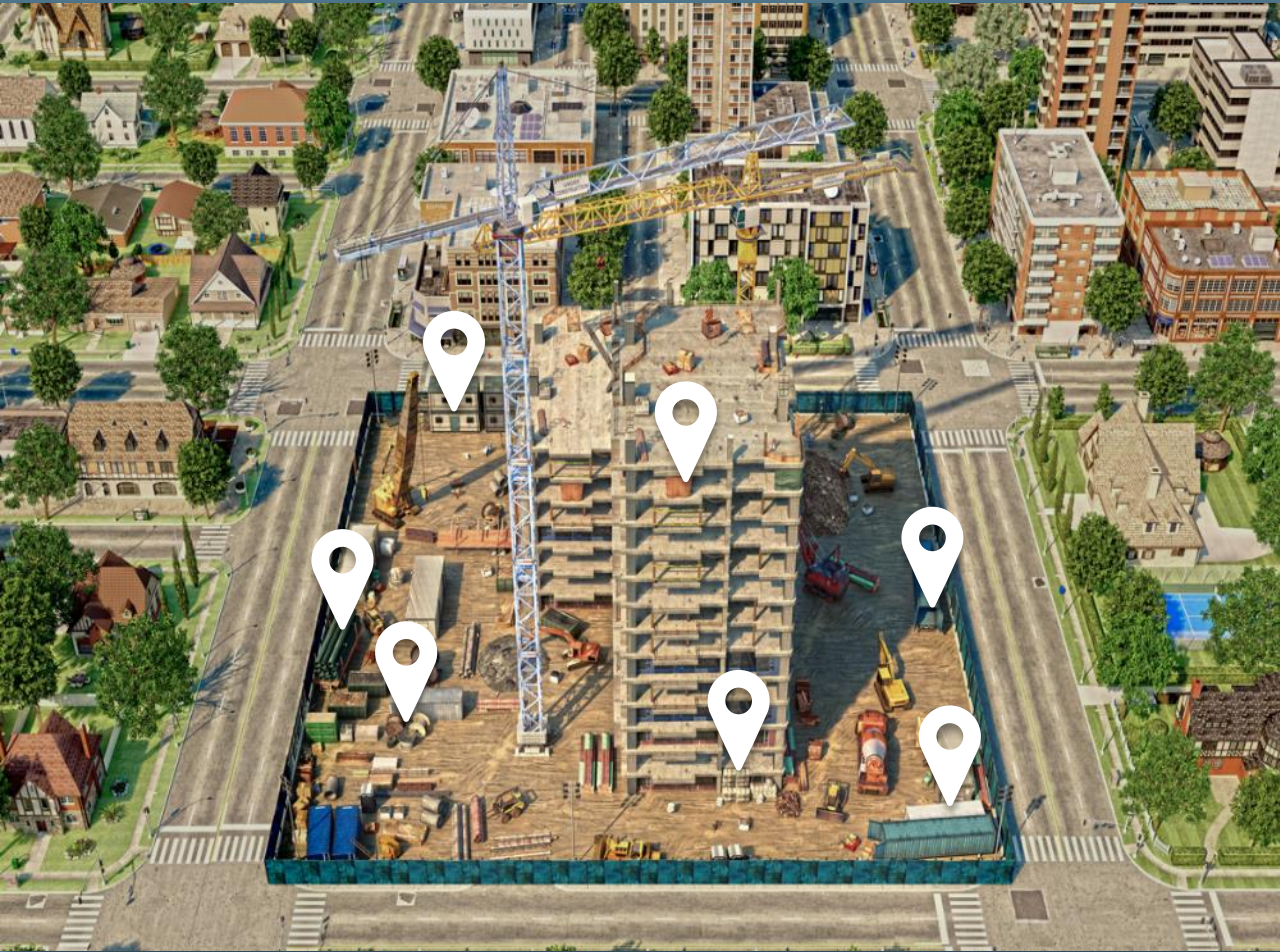
**Customer focused and tech-enabled supply chain partner**

### Differentiated Value

- |                               |   |
|-------------------------------|---|
| <b>Vast Product Portfolio</b> | One of the largest and broadest electrical and MRO product offerings in the world   |
| <b>Scale</b>                  | Global accounts team operating in over 50 countries   |
| <b>Technical team</b>         | Uniquely positioned to provide the critical infrastructure expertise and solutions that enable the technologies of tomorrow |
| <b>Services</b>               | Proven solutions portfolio that improve productivity, reduce costs and mitigate risk  |
| <b>Synergy</b>                | Successful and accelerating cross-selling initiatives   |

# Construction Solutions

## Industry-Leading Construction Expertise and Value-Added Services



### Products, Services and Solutions

#### Electrical Equipment

- Switch gear
- Panels board and load centers
- Transformers

#### Electrical Infrastructure

- Pipe and conduit
- Cable tray grounding
- Lugs and splices
- Terminations
- Wiring devices
- Enclosures

#### Wire & Cable

- Armored
- Control
- Instrumentation
- Low voltage
- Medium voltage
- Tray cables

#### Lighting

- LED
- Controls

#### Physical Security

- Video surveillance
- Access control
- Locks
- Biometrics
- Sound and Paging

#### Safety

- Eye and face protection
- Fall protection
- First aid kits
- Flashlights
- Lockout/tagout
- Protective workwear

#### Industrial Automation and Controls

- Managed switches
- Motor control
- Programmable logic controllers (PLCs)
- Starters and drives

#### Networking Infrastructure

- Copper and fiber cabling and connectivity
- Outside plant
- Racks and enclosures

#### Wireless

- WiFi
- Point-to-Point and Multi-Point
- Distributed Antenna Systems

#### Renewables

- EV Charging
- Solar
- Battery storage
- Balance of systems

# Construction Solutions Case Study

## Delivered Efficiency Gains to Complex Construction Project

### Challenges

- Manage materials on a job site with limited storage
- Work within customer specifications and short lead times
- Minimize non-productive labor

### Leveraging

- Project Execution: proven solutions that improve productivity and reduce costs
- Advisory Services
  - Installation Enhancement Services
  - Project Deployment Services
  - Supply Chain Programs

### Results

- Saved customer 30% on labor on cable pulls
- Seamlessly integrated into project timeline with on-time delivery
- Reduced non-productive labor from 6% to 5% based on various solutions



# Manufacturing Solutions

## Optimizing Direct and Indirect Spend



### Optimize Process



### Build Products

#### Indirect spend:

Solutions to maintain, repair and operate

- Electrical products
- Adhesives, tape and sealants
- Batteries
- Janitorial
- Fasteners and hardware
- Hand and power tools
- Safety
- Lubrication
- Material handling
- Test equipment
- Tools

#### Automation:

Technology solutions to improve operations

- Programmable logic controllers (PLCs)
- Variable frequency drives (VFDs)
- Human-machine Interfaces (HMIs)
- Motion control systems
- Distributed I/O modules
- Safety controls
- Industrial control

#### Direct spend:

Components used to make finished products

- Connectors
- LEDs
- Relay and modules
- Motors
- Control cable
- Electronic and coax cable
- Ethernet cable
- Fiber optic cable
- High temperature cable
- Instrumentation cable
- Medium-voltage cable
- Mil-spec wire
- Motor lead wire
- Portable cord
- Power cable
- Thermocouple
- UL and CSA style lead wire
- VFD Cable
- Cameras
- Networking

# Manufacturing Solutions Case Study

## Leveraged IoT to Improve Performance



### Challenges

- Engine failures during testing phase were causing production backlogs, delaying shipments and lowering plant efficiency

### Leveraging

- Leveraging the Wesco portfolio
  - Automation solutions provider
  - MRO vendor
  - Conducted OSHA education seminar
  - Investigating options to optimize energy efficiency

### Results

- Implemented AI platform
- Analyzed 6 billion data points within the first 30 days
- Prevented \$4.5M in engine damages by detecting 20 real-time events



# Cross-Sell Opportunity Case Study

## Minimized Energy Costs Supporting Sustainability Goals

### Challenges

- Survey, design, product specifications, photometric and energy calculations
- 1,400+ sites totaling over 84 million square feet
- Project management

### Leveraging

- Designed and implemented a global physical security rollout
- Deployed a large-scale network and wireless upgrade in 19 countries
- Master service agreement (MSA) on 1,000 MRO products
- Positioned pre-assembled power distribution solutions for new construction projects
- Consultation on cloud-based A/V technology solutions
- Provider of EV chargers across North America
- Lighting design and value engineering advisory

### Results

- Helped meet sustainability goals while lowering operating costs
- 40% average energy savings per site
- Handled all design, material logistics, installation coordination, project management and full rebate analysis

# EES Solutions Value Proposition

## Increase Profitability

- Improve installation and project readiness
- Leverage flexible service models to reduce capex
- Address compliance and local standards
- Complete projects on time and on budget

## Improve Productivity

- Free employees to focus on business-critical functions
- Tailor contract administration and program management
- Engage technical experts to optimize designs
- Select convenient e-business options

## Mitigate Risk

- Strengthen supply chain resiliency
- Access the world's most respected and trusted product brands
- Protect employees, customers and processes

**Enabling customers' sustainability goals**

# An Electrified Future

- Broad array of capabilities and offerings across the construction, industrial, automation and OEM markets
- Growth driven by the power of the Wesco + Anixter combination and aligned to secular growth trends
- Globally positioned, customer centric, tech-enabled supply chain partner focused on delivering end-to-end solutions



**wesco**

**Ingenuity delivered.**



**Ingenuity delivered.**

# Supply Chain and Operations

**Hemant Porwal**

Executive Vice President, Supply Chain and Operations

# Scale is a Force Multiplier in B2B Distribution



## Our People

- **5K+** professionals dedicated to supply chain and operations
- Employees in **50+** countries



## Our Customers

- **~140K** customers
- **400K+** deliver-to locations



## Our Supplier-Partner Network and Offering

- **#1** partner to our top **5** suppliers in the industries we serve
- **\$16B+** of direct and indirect spend with **~45K** global supplier base and **~1.5M+** products



## Our Footprint and Service Capabilities

- **\$3B+** inventory with **600K+** stocked products
- **150+** services across **~800** locations
- **24M** sq. ft. of global real estate with **20** regional distribution centers



# Supply Chain Transformation Agenda

## Strategy

## Key Enablers



**From**

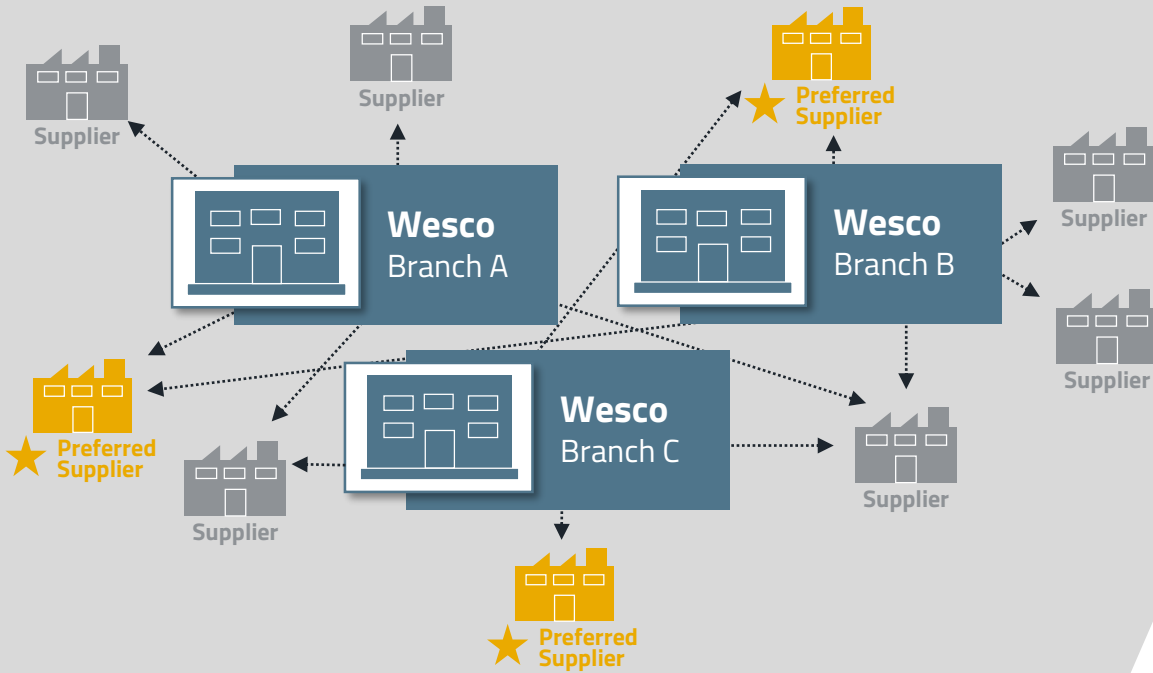
Fragmented supplier spend  
 One size fits all network strategy  
 Multiple legacy systems  
 Manual processes

**To**

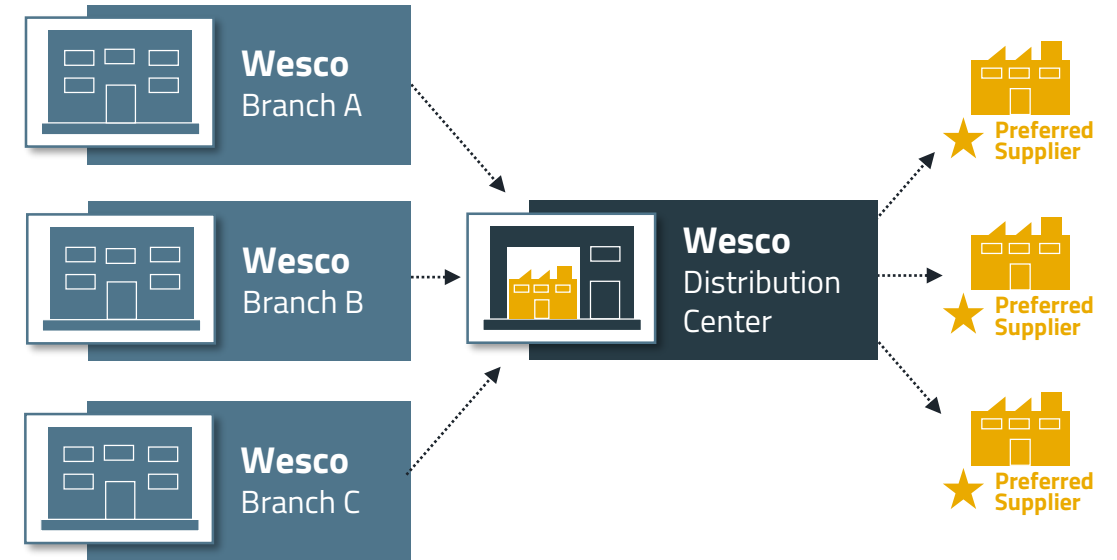
Preferred supplier growth  
 Integrated – scale matters  
 Segmentation strategy  
 Best of breed solutions  
 Digitalization of end-to-end processes

# Enabling Growth and Profitability by Centralizing Spend

## Legacy Buying Process



## Centralized Buying Process



### Areas of Opportunity

- Lack of aggregated demand visibility
- Inefficient logistical processing increasing transactions and associated costs
- Minimized ability to reduce non-preferred supplier spend
- Missed cross-sell opportunities

### Results

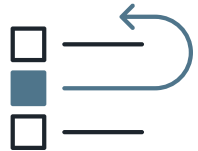
- ↑ Sales and Margin
- ↑ Supplier Volume Rebate
- ↑ Preferred Supplier Utilization
- ↑ Inventory Turns





# Automated Recommendations to Drive Preferred Supplier Growth

## Product Recommendation Engine

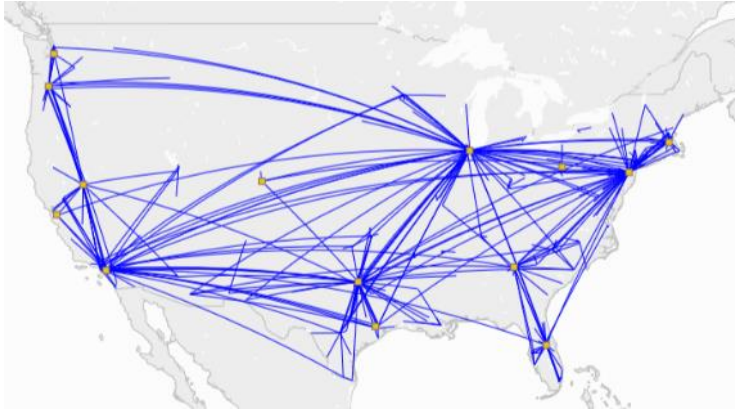
 AI-enabled intelligent product substitution digital service that enables preferred supplier conversion, margin expansion, and improved customer outcomes

- Built on proprietary AI technology in the digital and data platform
- Personalized product recommendations during pre-sale quoting and at the time of order entry
- Recommendation engine includes millions of priority SKUs, supported by hundreds of millions of price, cost and product data points
- Piloting with plans to deploy across the enterprise

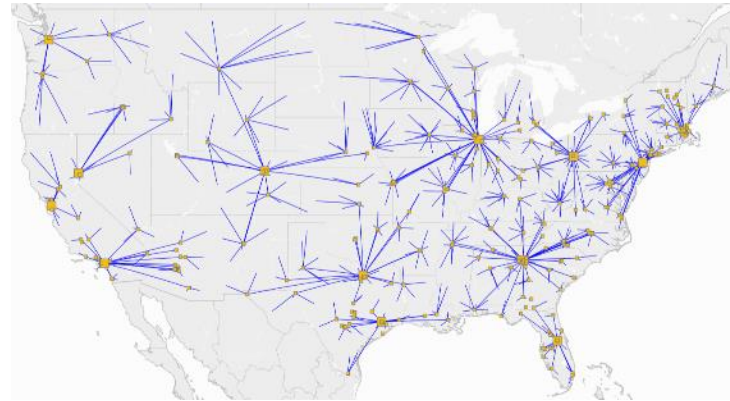


# Optimizing the Network “Outside the Box”

## Legacy Network



## Optimized Network



# 99% Coverage

Same Day / Next Day Delivery to Customers

## Results

- ↑ Sales per Square Foot
- ↑ Inventory Turns
- ↓ Transportation as % of Sales
- ↓ OPEX as % of Sales
- ↓ Carbon Emissions

# Automation “Inside the Box” to Increase Efficiency and Speed

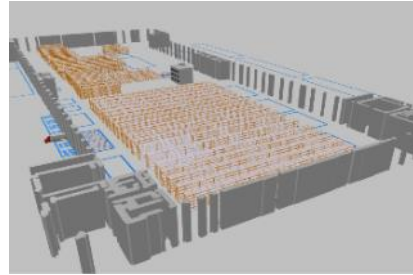
## IoT

Connected Sensors & Devices



- Transparency to improve productivity, up-time, quality and service

## Warehouse Simulation Technology



- Physical simulation for our newest DC in Phoenix, AZ
- Optimize design and product flows for efficiency

## AMRs

Automated Mobile Robots



- Automate repetitive work, reduce safety risks
- Utilize robots for non-value-added movements

## “Goods to Person” Solutions



- Increase throughput and storage capacity
- Reduce labor costs and mitigate attrition

# Wesco Supply Chain Services

Number of  
Unique Offerings



## Installation Enhancement Services

70

- Designed to deliver labor productivity savings for contractors and integrators
- Focused on customers who need construction and installation labor-based activities



## Project Deployment Services

11

- Designed to support multi-state or multi-country project “roll outs”
- Provides for just-in-time capabilities that match up with complex and constantly changing project timelines



## Supply Chain Programs

5

- Customized outsourcing for customer focused supply chain management
- Sourcing, Inventory Management, Product Enhancement/Packing, Global Logistics and Digital Solutions and e-Commerce



## Advisory Services

70

- Focused on providing consultative services
- Product specification and design, engineering reviews and drawings, chemical compliance assessments and solar energy assessments



## Digital / IoT

10

- Focused on driving supply chain efficiencies and system integration between our customers and Wesco

# Progress on UN Global Compact Sustainable Development Goals



- 0.4 TRIR: 3x-5x better than other distributors
- Launched Wesco Cares
- Best in class emergency/COVID support for employees, customers and communities we serve



- In 2021 we worked with customers to install more than 221 million in kilo-watt hours of renewable energy
- Wesco Energy Solutions completed 5k+ energy management projects
- National Grid Project Expediter Silver Award: Most Paid Electrical Projects



- Aggressive digital implementation including 125,000 work hours through Robotic Process Automation (RPA)
- Business Intelligence Group: 2021 BIG Innovation Award (Solar INSTA-REEL®)
- Supply and Demand Chain Executive: Top Supply Chain Projects



- 2022 Bloomberg Gender-Equality Index (4<sup>th</sup> consecutive)
- Accelerated Diversity and Inclusion Program
- Creation of multiple Business Resource Groups for employees
- Named to Forbes “Best Employers for Women 2021”; Latino Leaders magazine “Best Companies to Work for 2022”



- Joined National Minority Supplier Development Council
- \$579M diverse and small business spend in 2021
- Benchmarked \$6B spend with suppliers on key ESG metrics
- Named one of Barron’s 2022 100 Most Sustainable Companies

# Value Creation Through Sustainability

Our Scale Allows Us to Collaborate and Add Value to the Entire Value Chain Using Digital as the Differentiator



## 2030 Sustainability Goals and Completion Status

Reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 30%



Reduce landfill waste intensity by 15% across our US and Canadian locations



Achieve a 15% reduction in Total Recordable Incident Rate (TRIR)



Provide 425,000 hours of safety training and development to our employees



# Customer-Centric Supply Chain Provides a Competitive Advantage

- Chief Supply Chain Officers demand greener and resilient supply chains and focus will shift from pure cost to holistic view of social and environmental impact of goods and services
- Suppliers collaborate with large distribution companies to simplify their supply chains
- Suppliers and customers will look for distribution partners with scale that can manage “cradle to cradle” product lifecycle as circularity becomes important





**Ingenuity delivered.**

# **IT and Digital Transformation**

**Akash Khurana**

Executive Vice President and Chief Information and Digital Officer



# Wesco is Uniquely Positioned to Leverage Technology-Driven Change

## Distribution Business Disruptors

- Increasingly dynamic supply chains
- Accelerating digital and AI adoption at both ends of the value chain
- NextGen sales and employee expectations
- Increasing cyber threats
- Highly fragmented and historically local markets

## Digital Transformation

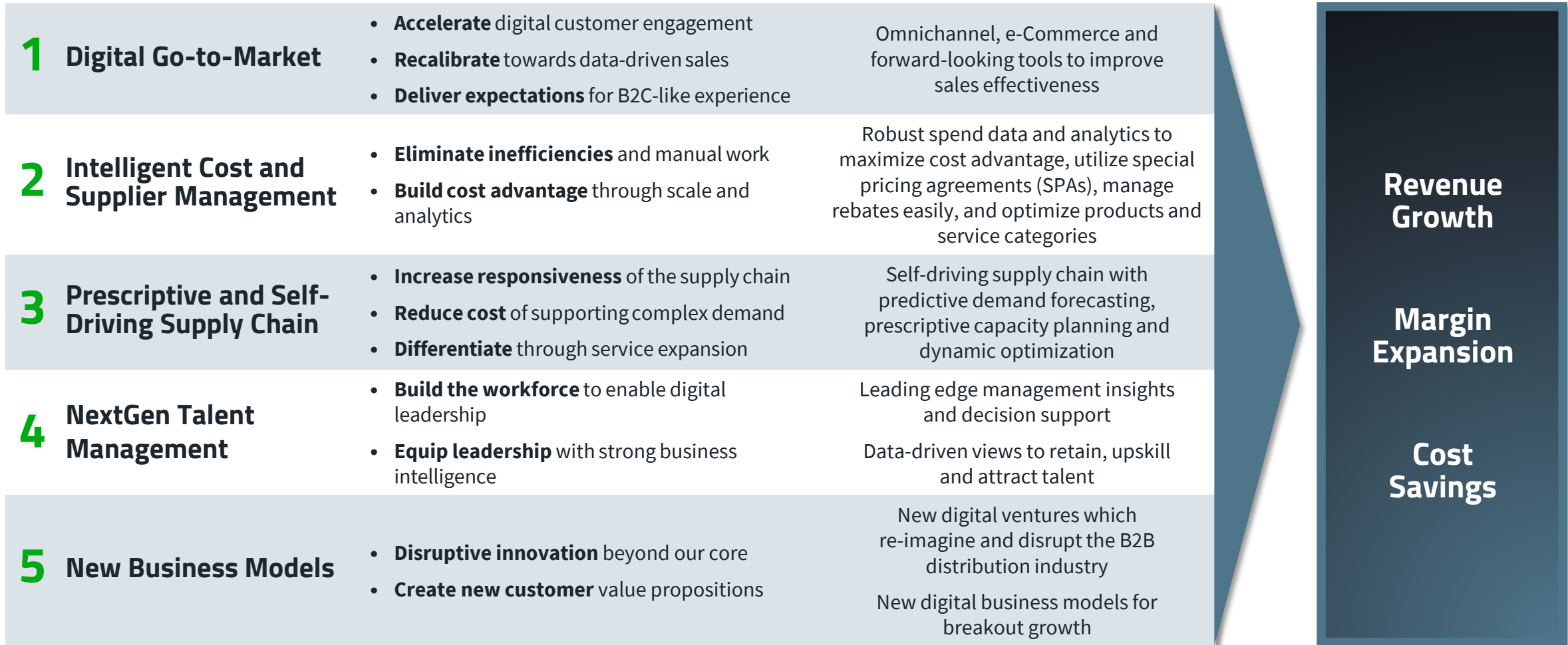
Transformational combination of Wesco + Anixter sets the foundation:

- Increased scale
- New, modern cloud technologies deployed across the enterprise
- Launch point for operating model transformation and new business models

**Best Tech-Enabled Supply Chain Solutions Provider**

# Digitally Transforming Our Company and Our Industry

## Driving Revenue Opportunities and Operational Improvement



# Becoming the Best Tech-Enabled Supply Chain Solutions Provider

Building and deploying the Wesco Digital Platform architecture, products and services

**Speed-to-delivery** by parallel execution across all pillars and functions to accelerate delivery towards our company vision

Core technologies, processes, governance and thought leadership

## Enterprise Systems

Integrating applications, creating a modern suite of best-of-breed applications

## Omnichannel Solutions

A consolidation and complete refresh of environment to extend our reach and capability

## Digital Products and Platform

Implementing new products and services that create value and opportunity

### Innovation Engine

#### Enterprise Architecture and Data

Driving to an integrated portfolio of systems and services that allow us to fully leverage our big data

#### Infrastructure and Cloud Native

Modernize and effectively manage our assets while migrating to a cloud native support and hosted model

#### Cybersecurity and Controls

Leverage standards to implement a robust and leading security program to fully protect our assets

# Our Digital Transformation

## Innovating Across Our Entire Technology Landscape

### Enterprise Systems

Front Office

Mid Office

Back Office



### Digital Services

Omnichannel

Products and Platform



### Big Data

Supplier/OEM/Product  
Data Sets



Wesco's  
Data Sets



Customer and Industry  
Data Sets

Data Office



Digitally transforming our company

# Enterprise Systems

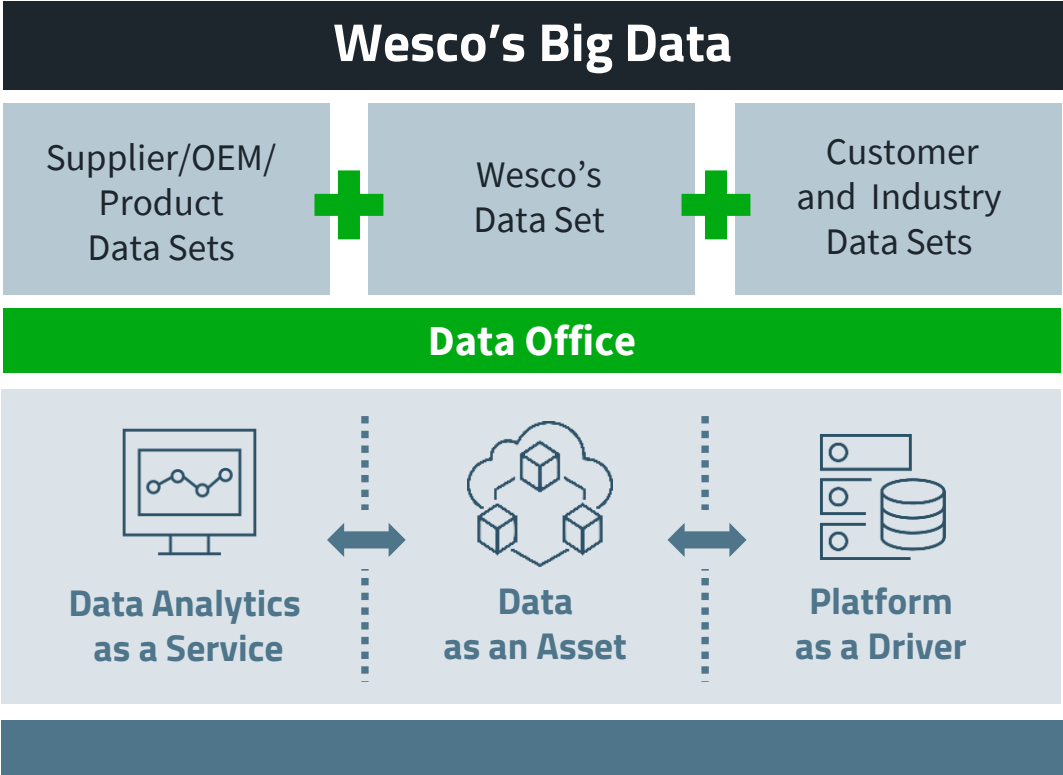
## Implementing Best-of-Breed to Achieve Speed, Flexibility and Scale

	Best of Breed	Monolithic ERP
Degree of Fit	Industry focused capabilities aligned to our specific needs	Generic fit for many business sectors, not service based distribution
Speed to Implement	Rapid, modular, low risk implementation approach	Big-bang, high risk implementations requiring large scale change
Innovation	Frequently updated industry specific micro changes and features	Major updates requiring significant change support
Maintenance	Lower cost, simplified maintenance, secure and scalable	Extensive customizations that lead to obsolescence over time

Implementing innovative solutions and technologies that are cloud native, scaled and optimized to fit our specific requirements while being cost effective and integrated



# Big Data Strategy



Services provided by the Data Office to spokes (e.g. data analytics and science services)

Data constructs around key data domains (e.g. customer, supplier, and product)

Foundational elements to support Wesco's data and analytics goals (e.g. MDM, data lake)

## Using **OUR** data to create and innovate...

- Development of AI based data assets
- Unique data architecture to drive operational intelligence, interactions and delivery for our customers
- Best in class Master Data Management (MDM) driven data quality and taxonomy enabling analytical capabilities for the ecosystem
- Leveraging agile and design thinking for rapid release cycles



# Products and Services Portfolio

## Internal Products

Creating products and services while enabling more efficient and cost-effective operations

### Recommendation Engine

Product Identification

### AutoBOM

Faster RFQ Response

### SPA Engine

Improved Pricing

### SCO Data

Supplier Scorecard

## Digital Solutions and Offerings

Digital solutions enabling efficient ecosystem integrations

### AVaaS

Collaboration Services

### Intelligent Project Quoting

Digital Quoting Solution

### Digital FTTx

Fiber Optic Solutions

### Marketplace

Extended Assortment and Streamline Sourcing

## Platform Enabled Solutions

Secular trends guiding our platform roadmap

### Smart Building

Automation and Efficiency

### Smart Data Center

Secure, Proactive and Reliable

### Electrification

Orchestration and Environment

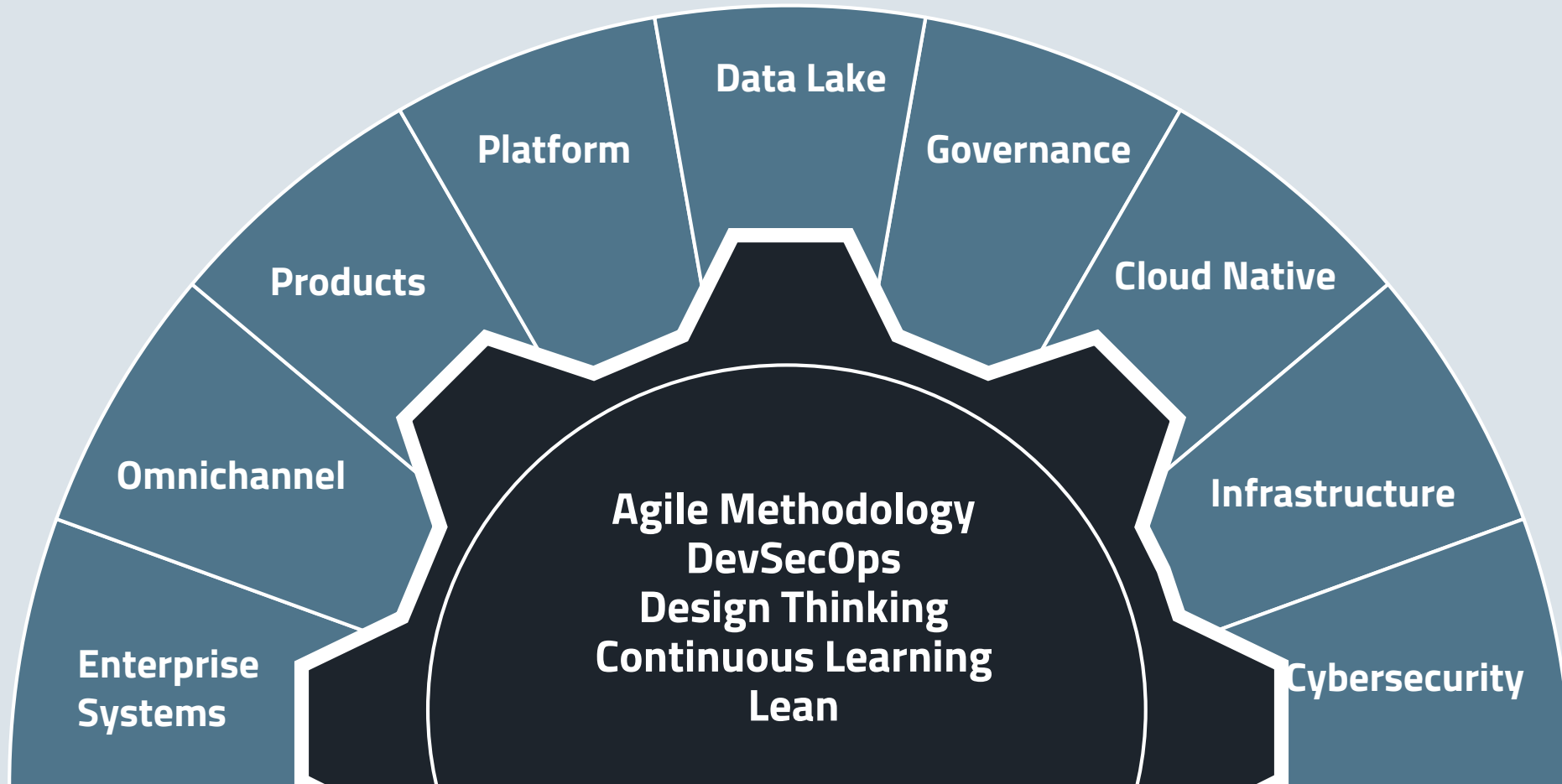
### Smart Utility

Sensors, Analytics and Connectivity

**Digital technology transformation and IoT opportunity across the entire ecosystem**

# Creating a New Digital Culture

Using New Methods, Techniques and Architecture



Focusing our efforts and energy on **innovation** and **delivery**



# Become the Best Tech-Enabled Supply Chain Solutions Provider

- Combining our capabilities and data to create new products and services that deliver operational improvements, enhanced margins and growth
- Working with our partner ecosystem to deliver new value and disrupt B2B distribution
- Leveraging cloud technologies and data analytics at scale in a safe and secure environment that is trusted
- Using new ways of working across our systems, processes and workforce: Agile and continuous learning



**Ingenuity delivered.**

# **Our Talent Ecosystem**

**Chris Wolf**

Executive Vice President and Chief Human Resources Officer

# Our People Are Our Greatest Asset

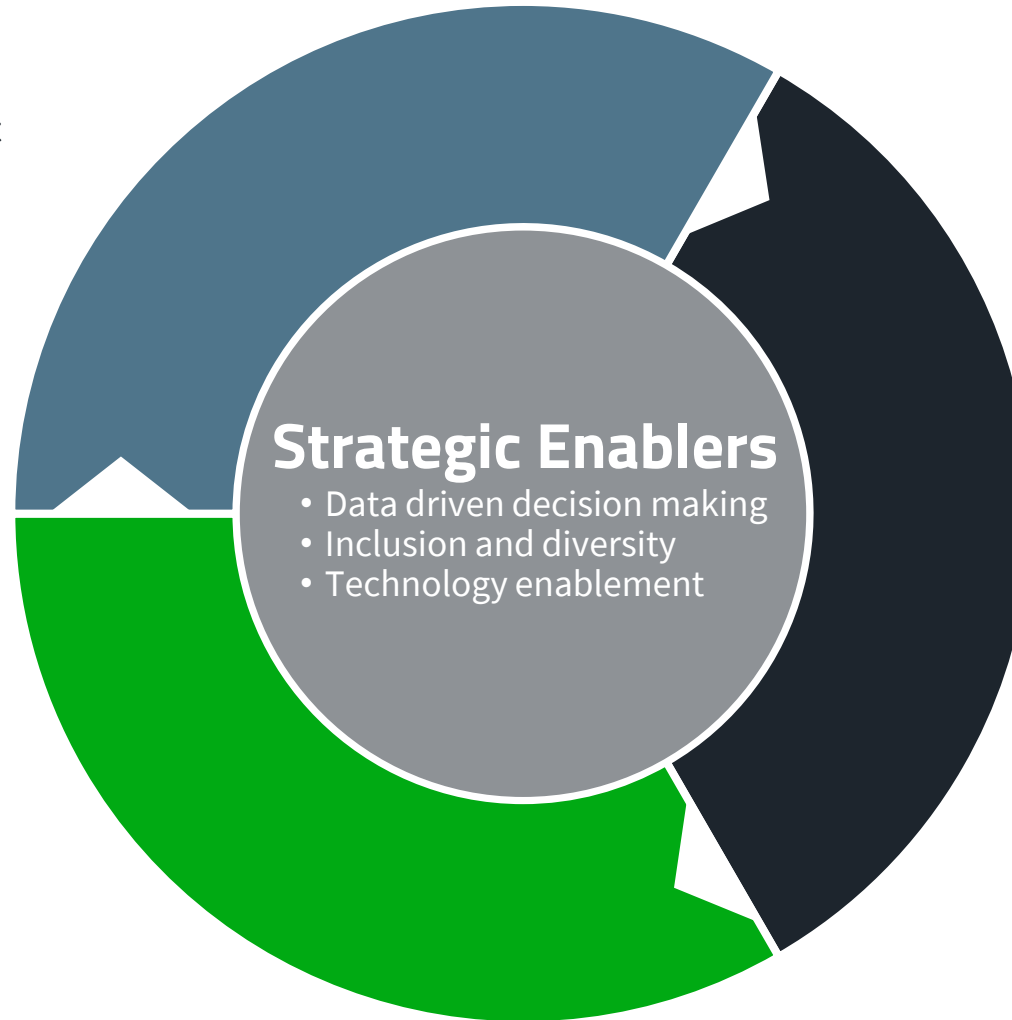
Significant Progress in 2020-2022, Accelerating in 2023

## Grow

- Deliver disciplined talent management
- Expand talent and succession review
- Design leadership development framework
- Build targeted development programs
- Upskill leadership and management

## Retain

- Use predictive analytics for turnover and engagement
- Improve onboarding and offboarding
- Upgrade performance management process
- Build a “Culture of Coaching”
- Measure our employee experience



## Attract

- Build world-class team of recruiters
- Design an employer brand / value proposition
- New career site and social media strategy
- Expand targeted talent sourcing strategies
- Embrace technology
- Measure candidate / manager experiences
- Leverage metrics and analytics

# Strengthening our Team and Building Our High-Performance Culture

## Talent Management

Consistently produce industry leaders

## Talent Acquisition

Attract top talent to our company to sustain growth and performance in the face of talent-related headwinds

## Mission

Continuously increase our leadership bench strength and talent readiness

Preserve Wesco as an industry leader and employer of choice by attracting, hiring, and retaining top talent

## Priorities

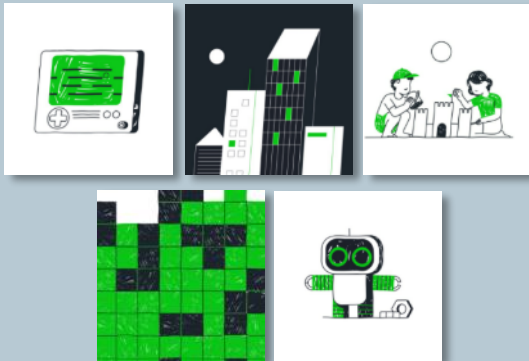
- Leadership and organizational review process / succession management
- Performance management program
- Leadership development architecture
- Professional development and planning
- Targeted development programming

- Global talent acquisition strategy and operations
- Employer brand strategy and recruiting campaigns
- Brand ambassadorship / social marketing
- High volume warehouse hiring
- Tech enablement

# Recruiting Campaign - Never Stop Building

## Animation Shorts

Provide differentiation and cut through social media clutter



## Still Images

Mimic animations to amplify our message on multiple applications and platforms



## Recruitment Video

Targeting early career recruits with **Never Stop Building** message



## Banners and Ads

Placement on owned channels/paid digital media



# Diverse Leader Program

## Purpose

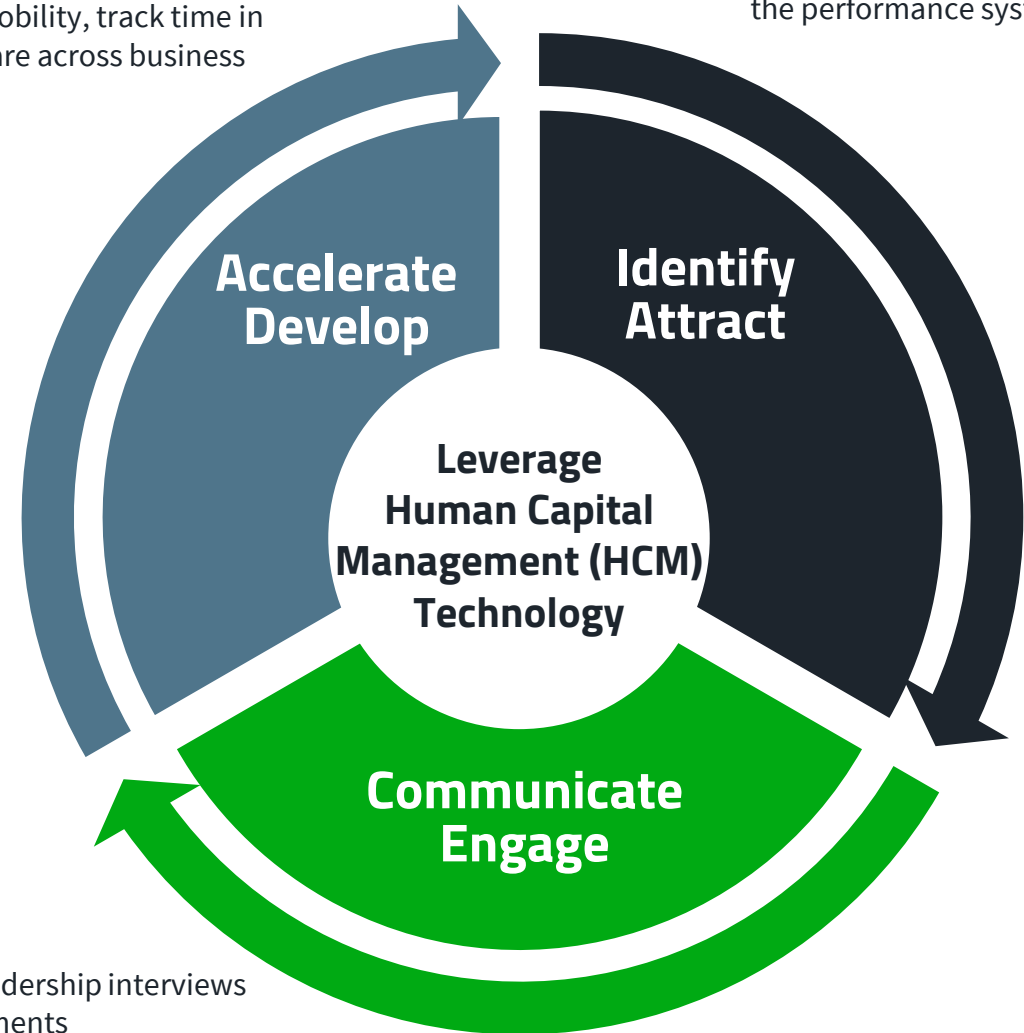
Improve leadership bench strength and talent readiness

- Identify and track diverse talent that is ready for a leadership role within 2 to 5 years
- Engage diverse talent by facilitating development process and providing career advancement direction
- Accelerate diverse talent development with exposure to new opportunities and learnings



- Conduct Leadership 360 reviews
- Identify resources to accelerate development plans
- Facilitate mobility, track time in role and share across business

- Identify and calibrate participants annually
- Populate and revise profiles in the performance system



- Conduct leadership interviews and assessments
- Complete career conversations and create development plans
- Schedule cross-functional 'Get-to-Know' sessions

# Inclusion and Diversity at Wesco

## Inclusion and Diversity Pillars

### Workforce

Leveraging I&D to attract and retain talent to meet future challenges and demands

### Workplace

Creating an inclusive culture where all employees feel valued, connected and inspired

### Marketplace

Growing relationships with diverse supplier partners and customers

## Business Resource Groups (BRGs)

BRGs exist to support our inclusion and diversity goals:

- Building an inclusive culture and positively impacting employee engagement
- Creating an open forum for the exchange of ideas
- Providing informal mentoring and professional development opportunities for employees
- Participating in community outreach and diversity recruiting efforts
- Engaging with suppliers, customers and industry groups to share best practices and partner on I&D initiatives



# Global Employee Membership Across our Five BRGs

**VOICE**  
Business Resource Groups

**VOICE** provides an opportunity for every employee to be heard and supported within our organization, fostering an inclusive and diverse environment that contributes to our combined success. By creating communities and networks within our organization, everyone's unique VOICE helps us to build upon common ground and build, connect, power and protect the world in our own way.

**WIN**  
Involve. Inspire. Influence.



**Women's Impact Network (WIN)** is dedicated to building a global community that supports women to achieve their full potential.

**MOSAIC**  
Culture. Equity. Growth.



**MOSAIC** is committed to building a diverse workforce that fosters inclusion and celebrates all of the different cultural and ethnic background across our global organization.

**VOLT**  
Service. Integrity. Valor.



**Veteran's Opportunity Liaison Team (VOLT)** recognizes and champions the unique experiences of veterans and how they can be leveraged across our organization.

**PRIDE**  
GRTQ+. Empowerment. Inclusion.



**PRIDE** serves as a visible, accessible resource for our LGBTQ+ employees, allies and the wider community.

**ABLE**  
Capable. Valuable. Knowledgeable.



**ABLE** is committed to recognizing and embracing the value of employees with disabilities.



# Accelerating Our Talent Ecosystem Supports Growth Ambitions

- Our people are our greatest asset and we continue to make investments to grow, retain and attract world-class talent to fuel our long-term growth and margin expansion.
- We are strengthening our team and building a high-performance culture to create a step function change in performance.
- Our culture of inclusion allows all employees to bring their full selves to work leading to positive employment engagement, diversity of strategic thought, and broader external relationships.



**Ingenuity delivered.**

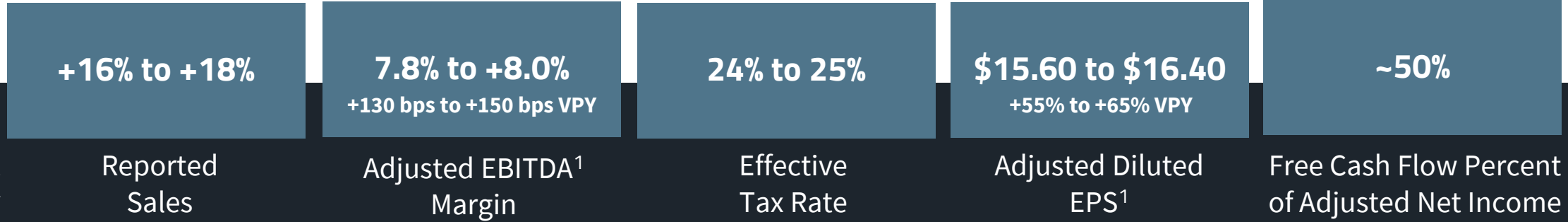
# **Driving Superior Financial Returns**

**Dave Schulz**

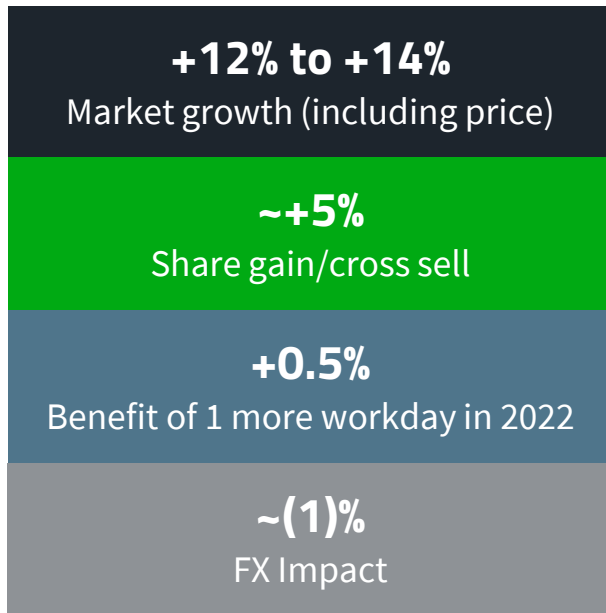
Executive Vice President and Chief Financial Officer

# Reaffirming 2022 Outlook

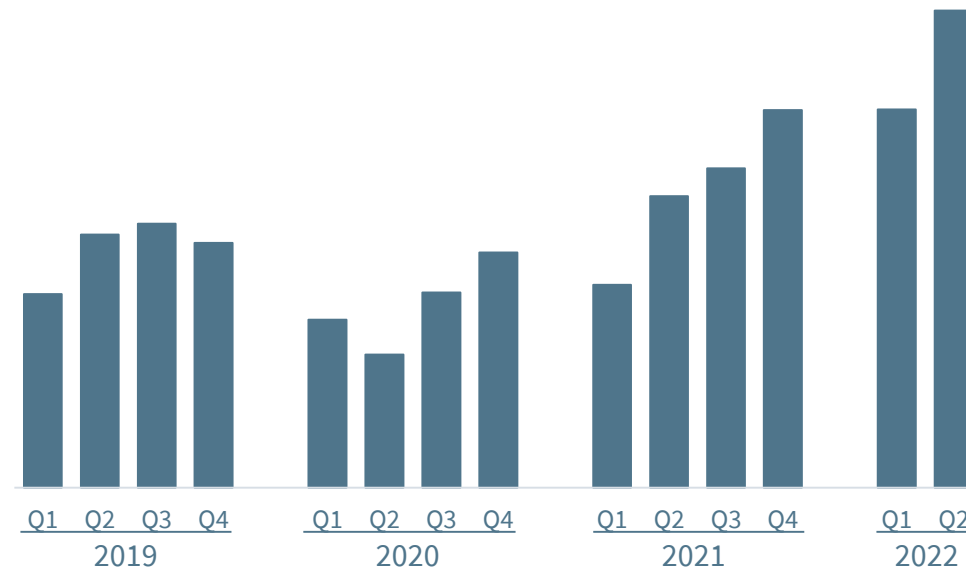
## 2022 Outlook



### Sales Decomp



### Quarterly Workday Adjusted Sales



- June YTD workday adjusted sales up 20% VPY
  - Up 35% versus 2020
  - Up 23% versus 2019
- Record-level backlog up 10% sequentially and up more than 80% YoY as of 6/30/2022
- Preliminary August QTD sales up approximately 16% YoY



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs; Adjusted EPS excludes merger-related and integration costs, accelerated trademark amortization and the related income tax effects. See Appendix for non-GAAP reconciliations.

# Update on 2019 Investor Day Targets

## Exceeded Expectations on Financial Objectives

### 1. Drive Growth Through Consolidation

- Combined #2 and #4 North American electrical distributors to create the #1 player<sup>1</sup>
- On-track to deliver ~150% higher sales including Anixter

**\$8.4B**

2019 Wesco  
Reported Sales

**\$21.3B**

2022 Outlook  
Midpoint

### 2. Deliver 4%+ Long-term Growth

- On track to deliver 7.4% CAGR from 2019 pro forma sales<sup>3</sup>

**4.0% CAGR**

2019 Investor Day  
Outlook

**7.4% CAGR**

3-Year Sales CAGR  
at 2022 Outlook  
Midpoint

### 3. Expand EBITDA<sup>2</sup> Margin

- On track to deliver ~270 bps of margin expansion from 2019 pro forma EBITDA margin<sup>3</sup>

**5.2%**

2019 Pro forma  
EBITDA Margin

**7.9%**

2022 Outlook  
Midpoint

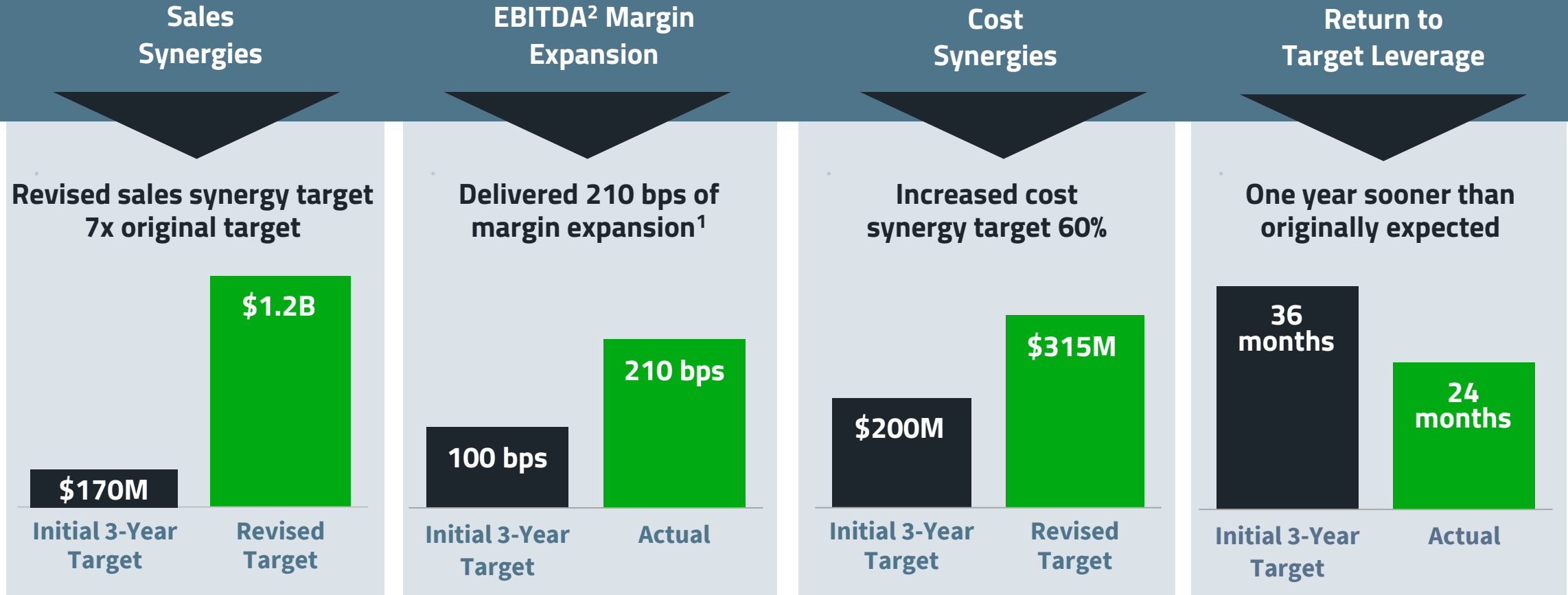


<sup>1</sup> Electrical Wholesaling 2022 Top 150 Electrical Distributors

<sup>2</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs.

<sup>3</sup> See exhibit to Form 8-K filed November 4, 2020 for certain unaudited pro forma financial information. See Appendix for non-GAAP reconciliations.

# Post Merger Performance Exceeding Expectations



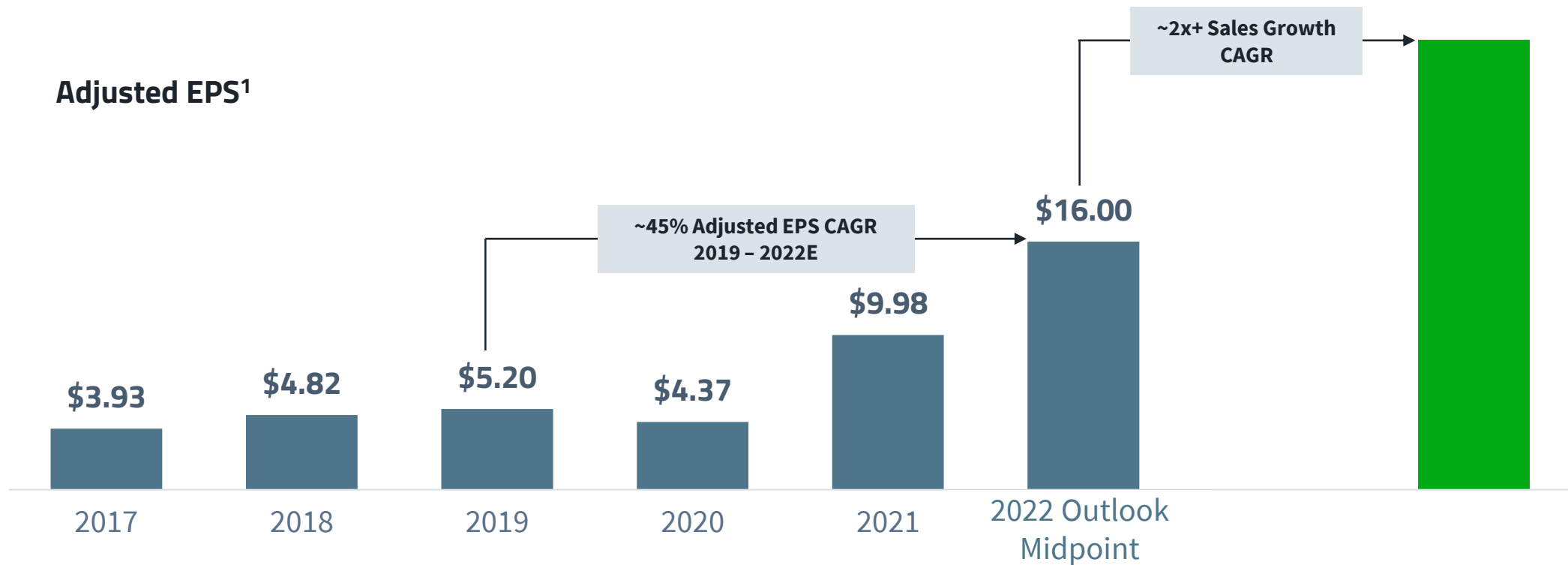
**On track to exceed our year-three free cash flow target of \$600 million**



<sup>1</sup> Trailing-twelve-month adjusted EBITDA margin through June 30, 2022 compared to 2019 pro forma.

<sup>2</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.

# Transformational Combination of Wesco + Anixter

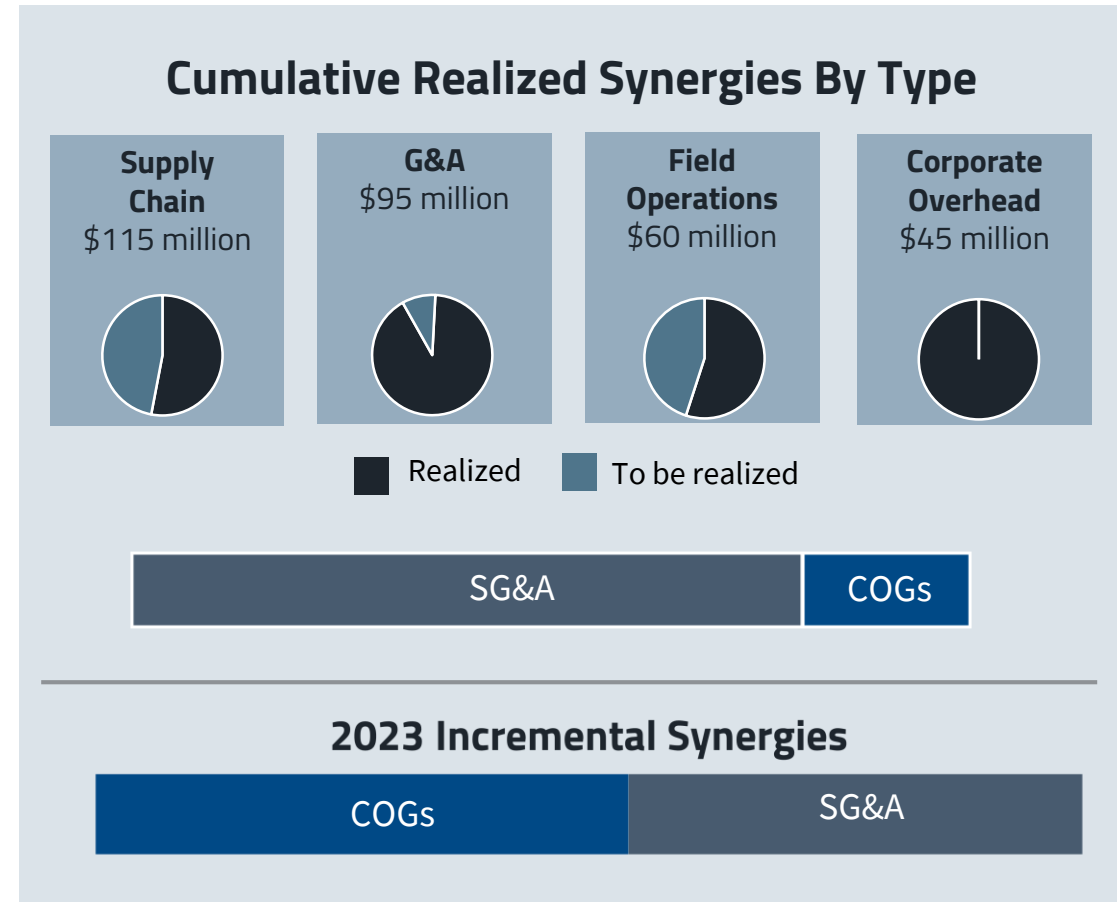
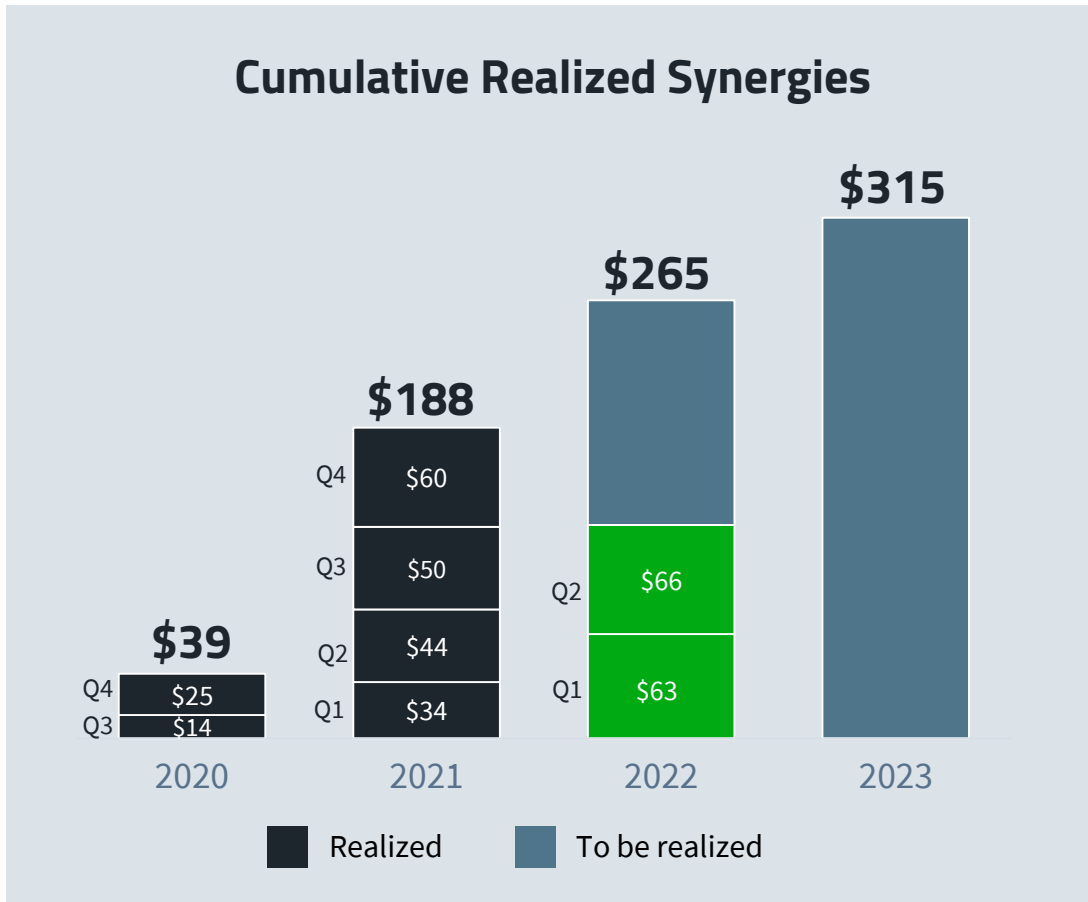


**Delivering superior financial results**



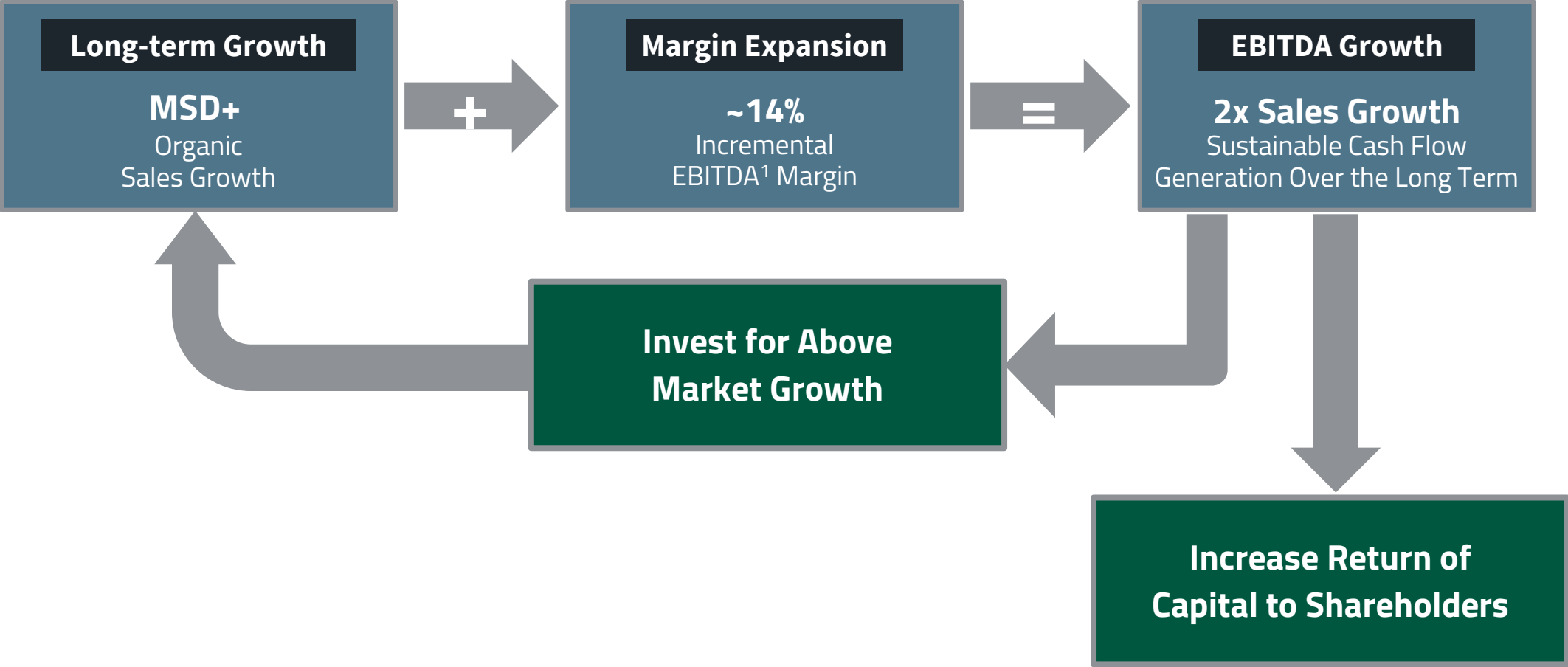
<sup>1</sup>Adjusted EPS excludes merger-related and integration costs, accelerated trademark amortization and the related income tax effects. See Appendix for non-GAAP reconciliations.

# Accelerated Cost Synergy Realization Continues



**On track to deliver 2023 cost synergy target of \$315 million**

# Sustainable Value Creation



**Virtuous cycle of value creation for new Wesco**



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.



# Secular Trends + Share Growth Leads to Market Outperformance



## Strong Secular Growth Trends

- Electrification
- Automation and IoT
- Green Energy and Grid Modernization
- 24/7 Connectivity and Security
- Supply Chain Consolidation and Relocation to North America
- Digitalization

## Increasing Public Sector Investment

- \$1.2T Infrastructure Investment and Jobs Act (IIJA)
- \$369B Inflation Reduction Act (IRA) related to energy and climate investments
- \$53B CHIPS and Science Act
- \$20B Rural Digital Opportunity Fund (RDOF)
- Canada Broadband Investments

## Wesco's Uniquely Strong Position

- Leading Portfolio of Products, Services, and Solutions
- Leading Positions in All Business Units
- Global Footprint and Capabilities
- Digital Investments and Unlocking the Value of Our Big Data
- Accelerating Consolidation Across the Value Chain

# Enterprise-Wide Margin Expansion

## Total Sales Growth Above Market



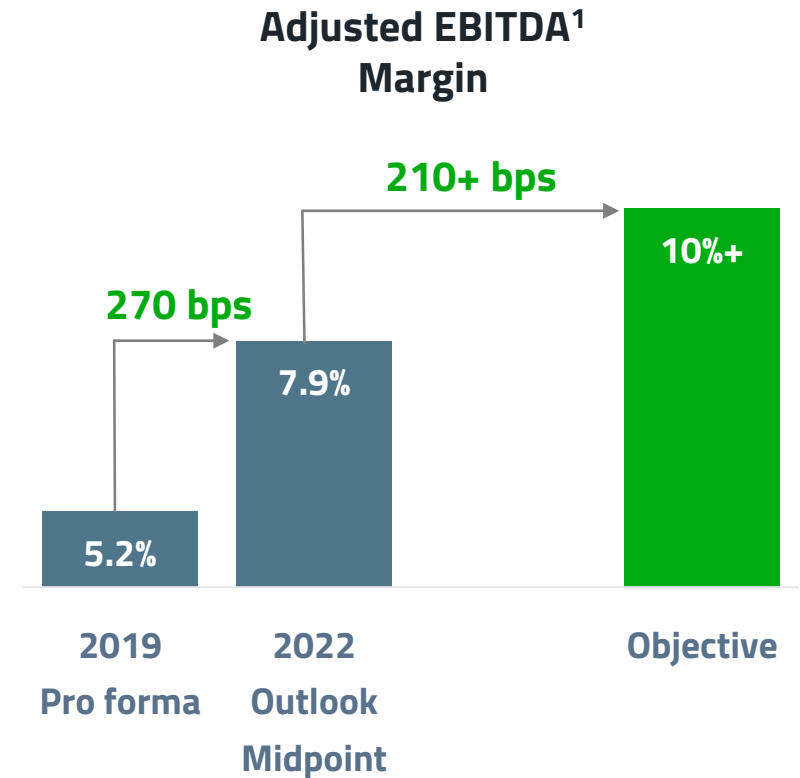
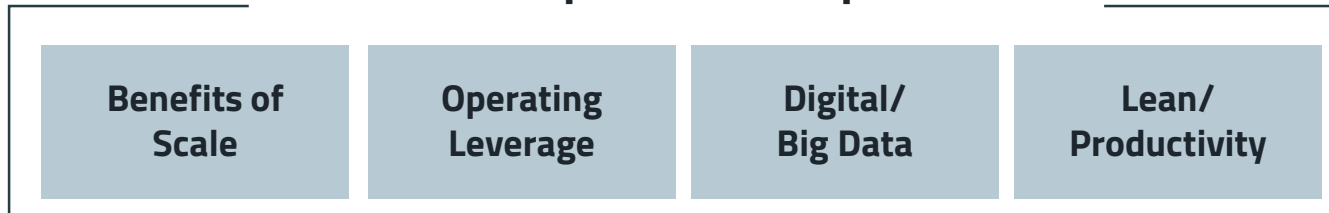
+

## Gross Margin Improvement Program



+

## Continuous Operational Improvement



**Track record of results and building momentum**

<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. See Appendix for non-GAAP reconciliations.

# Deploy Capital to Increase Shareholder Value

## Invest for Above Market Growth

Organic growth opportunities

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M&A to further accelerate growth

## Increase Return of Capital to Shareholders

\$1 billion  
share repurchase authorization

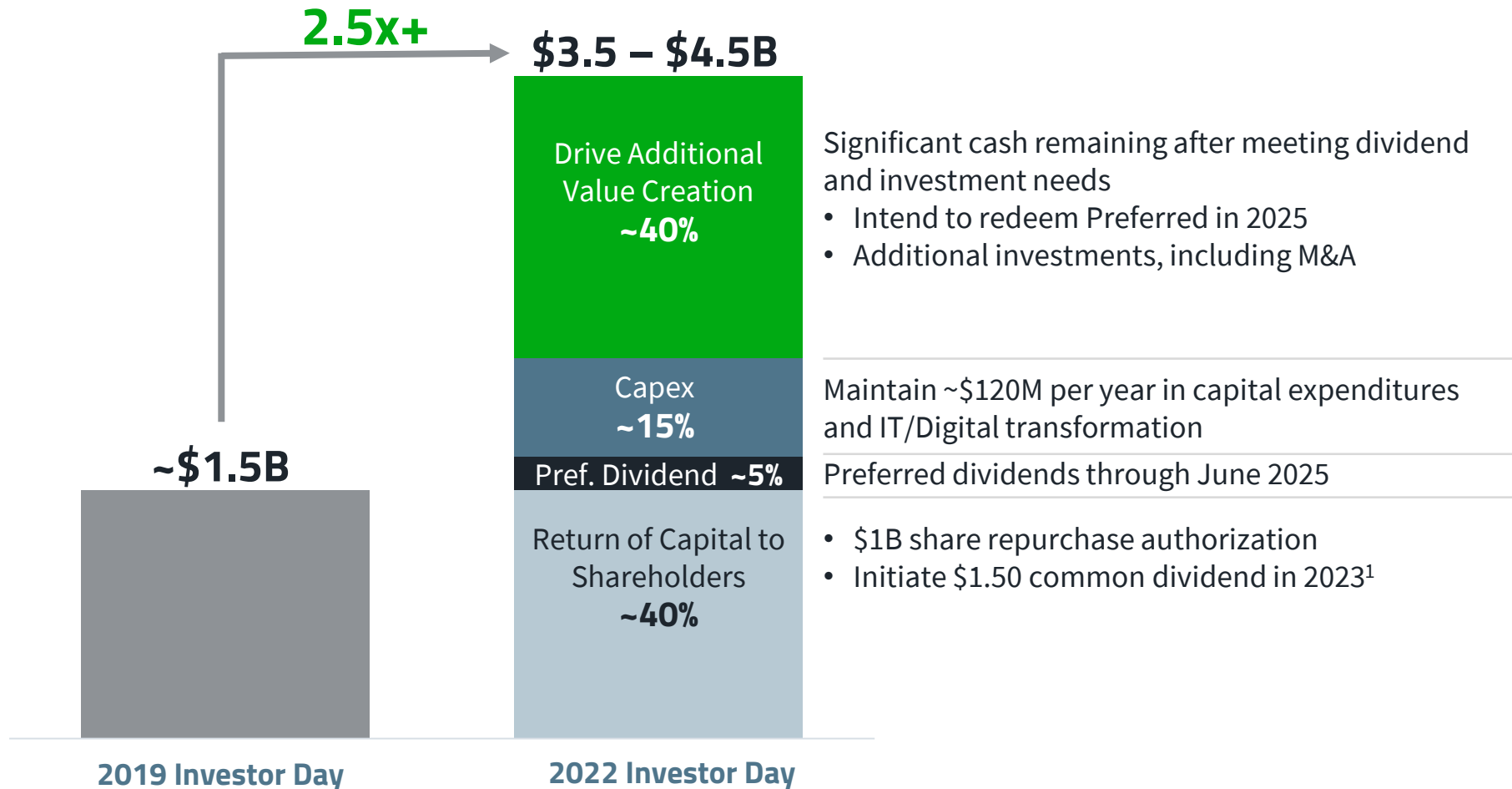
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Initiate common stock  
dividend in 2023 of ~\$1.50 per share<sup>1</sup>

# Strategic Uses of Capital

## Step Function Increase in Cash Generation

### 5-Year Operating Cash Flow



Significant cash remaining after meeting dividend and investment needs

- Intend to redeem Preferred in 2025
- Additional investments, including M&A

Maintain ~\$120M per year in capital expenditures and IT/Digital transformation

Preferred dividends through June 2025

- \$1B share repurchase authorization
- Initiate \$1.50 common dividend in 2023<sup>1</sup>



<sup>1</sup> ~\$1.50 annualized cash dividend rate; subject to Board approval in early 2023

# M&A Framework

Accelerate Growth Through Future Acquisitions  
Aligned with Secular Trends

## Strategy

### Continue Consolidating

- **Continued consolidation** of B2B distributors and service companies with significant cost synergies

### Expand and Invest

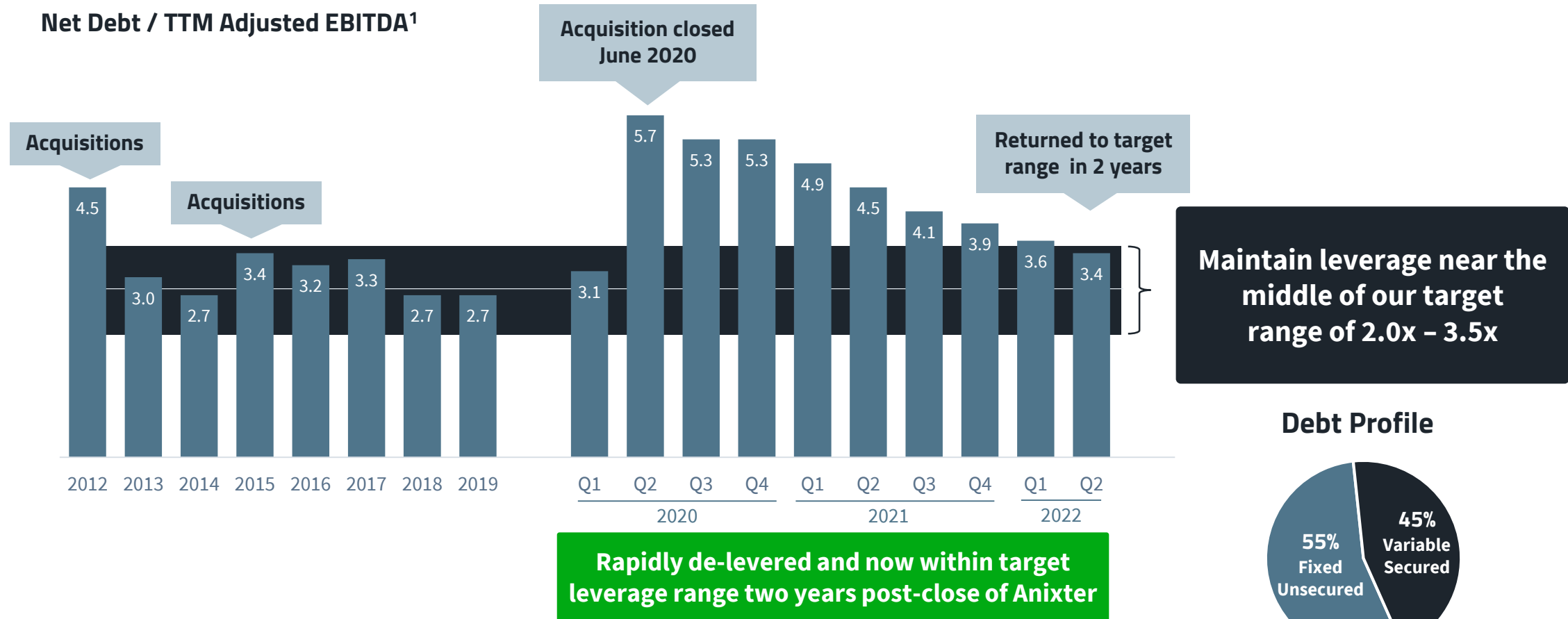
- Adjacent product and service categories
- Digital technologies and applications that advance the enterprise strategy
- Increase exposure to secular trends with revenue synergies

### Portfolio Management

- Optimize mix of growth and margins

# Effectively Managing Financial Leverage

Track Record of Managing Leverage Within Target Range and Rapidly Deleveraging Following M&A



<sup>1</sup> Adjusted EBITDA is defined as EBITDA before other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. For a reconciliation of Financial Leverage for each of the quarters in 2020 through 2022, see the earnings webcasts from those periods as previously furnished to the Securities and Exchange Commission, which can be obtained from the Investor Relations page of Wesco's website at [www.wesco.com](http://www.wesco.com). See Appendix for non-GAAP reconciliations.

# Long-Term Financial Framework

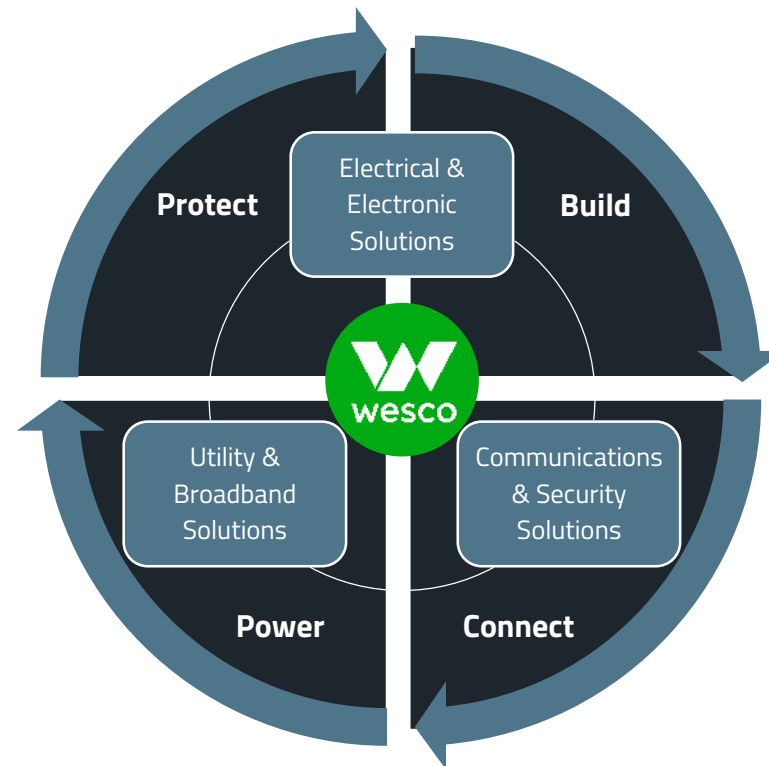
MSD+  
Organic Sales CAGR

2x Sales  
EBITDA CAGR

2x+ Sales  
EPS CAGR

100% Free Cash Flow Conversion  
Through the Cycle

- Electrification
- Automation and IoT
- Green Energy and Grid Modernization
- 24/7 Connectivity and Security
- Supply Chain Consolidation and Relocation to North America
- Digitalization



Solutions Provider of Choice  
+  
Secular Trends and Increased  
Public Sector Investments  
=  
Above Market Growth  
And  
Increased Returns to  
Shareholders



Strategically positioned and committed to delivering superior value creation

# Why Invest in the New Wesco

- **Fortune 200 B2B Supply Chain Solutions Leader**
  - Global capabilities and leading scale
  - Higher growth and higher margin end-markets
  - Cross-sell combined with attractive long-term secular growth trends
- **Strategy Delivers Above-Market Growth**
  - Share gains
  - Margin expansion
  - Double-digit profit growth
- **Increased Cash Generation and Enterprise Value Creation**
  - Investments in digitalization to accelerate gains
  - Increasing return of capital to shareholders (buyback plus dividend)
  - Expanding balance sheet capacity supports M&A ambitions

**The new Wesco is focused on delivering superior results and achieving a premium multiple**







**wesco**

**Ingenuity delivered.**

# Appendix



# Non-GAAP Measure Definitions

Workday adjusted sales growth is a non-GAAP financial measure of sales performance. Workday adjusted sales growth is calculated by deducting the percentage impact of the number of workdays from the reported percentage change in consolidated net sales.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation expense, merger-related and integration costs, a gain on the sale of assets, an out-of-period adjustment, and net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada. Adjusted EBITDA margin % is calculated by dividing Adjusted EBITDA by net sales.

Free cash flow is a non-GAAP financial measure of liquidity. Capital expenditures are deducted from operating cash flow to determine free cash flow. Certain fees, expenses and other costs related to Wesco's merger with Anixter as well as non-recurring pension contributions are added back to operating cash flow to determine free cash flow in certain periods. Free cash flow is available to fund investing and financing activities.

Financial leverage is a non-GAAP measure of the use of debt. Financial leverage ratio is calculated by dividing total debt, excluding debt discount, debt issuance costs and fair value adjustments, net of cash, by adjusted EBITDA. EBITDA is defined as the trailing twelve months earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as the trailing twelve months EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation expense, merger-related and integration costs, a gain on the sale of assets, an out-of-period adjustment, net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada, and litigation recovery.

# Adjusted Earnings Per Share

(\$ millions, except per share data)	Twelve Months Ended December 31,				
	2017	2018	2019	2020	2021
Income from operations	319.0	352.4	346.2	347.0	801.9
Merger-related and integration costs	-	-	3.1	132.2	158.5
Accelerated trademark amortization	-	-	-	-	32.0
Merger-related fair value adjustments	-	-	-	43.7	-
Out-of-period adjustment	-	-	-	18.9	-
Net gain on sale of assets and divestitures	-	-	-	(19.8)	(8.9)
Adjusted income from operations	319.0	352.4	349.3	522.0	983.5
Other income, net	-	-	-	(2.4)	(48.1)
Curtailment gain	-	-	-	-	36.6
Adjusted other income, net	-	-	-	(2.4)	(11.5)
Provision for income taxes	89.3	55.7	59.9	22.8	115.5
Income tax effect of adjustments, net	(26.4)	-	0.6	41.8	33.7
Adjusted provision for income taxes	62.9	55.7	60.5	64.6	149.2
Adjusted income from operations	319.0	352.4	349.3	522.0	983.5
Interest expense, net	66.6	71.4	64.1	226.6	268.1
Adjusted other income, net	-	-	-	(2.4)	(11.5)
Adjusted income before income taxes	252.4	281.0	285.2	297.8	726.9
Adjusted provision for income taxes	62.9	55.7	60.5	64.6	149.2
Adjusted net income	189.5	225.3	224.7	233.2	577.7
Net income (loss) attributable to noncontrolling interests	(0.3)	(2.0)	(1.5)	(0.5)	1.0
Adjusted net income attributable to WESCO International, Inc.	189.8	227.3	226.2	233.7	576.7
Preferred stock dividends	-	-	-	30.1	57.4
<b>Adjusted net income attributable to common stockholders</b>	<b>189.8</b>	<b>227.3</b>	<b>226.2</b>	<b>203.6</b>	<b>519.3</b>
<b>Diluted shares</b>	<b>48.4</b>	<b>47.2</b>	<b>43.5</b>	<b>46.6</b>	<b>52.0</b>
<b>Adjusted earnings per diluted share</b>	<b>\$ 3.93</b>	<b>\$ 4.82</b>	<b>\$ 5.20</b>	<b>\$ 4.37</b>	<b>\$ 9.98</b>



# Adjusted EBITDA

(\$ millions)	Wesco International					EES	EES	CSS	CSS	UBS	UBS
	Twelve Months Ended December 31,					Twelve Months Ended December 31,					
	2017	2018	Pro Forma 2019	Pro Forma 2020	2021	Pro Forma 2019	2021	Pro Forma 2019	2021	Pro Forma 2019	2021
Operating income	319.0	352.4	713.7	461.3	801.8	414.9	542.1	398.7	395.3	275.1	412.7
Add: Depreciation and amortization	64.0	63.0	138.7	153.5	198.5	41.2	56.0	32.9	82.9	30.5	22.4
Less: Other (income) expense, net	-	-	-	4.6	(48.2)	-	(1.9)	-	1.3	-	-
EBITDA	383.0	415.4	852.4	610.2	1,048.5	456.1	600.0	431.6	476.9	305.6	435.1
EBITDA margin %	5.0%	5.1%	5.0%	3.8%	5.8%	6.3%	7.9%	7.7%	8.3%	7.0%	8.9%
Other (income) expense, net	-	-	(4.6)	4.6	(48.2)	(1.6)	(1.9)	-	1.3	-	-
Stock-based compensation expense	-	-	39.1	34.7	25.7	3.0	6.4	2.7	2.6	1.0	2.1
Merger-related and integration costs	-	-	15.6	163.1	158.5	0.5	-	-	-	(0.1)	-
Merger-related fair value adjustments	-	-	-	43.7	-	-	-	-	-	-	-
Gain on sale of asset	-	-	-	(19.8)	-	-	-	-	-	-	-
Out-of-period adjustment	-	-	-	18.9	-	-	-	-	-	-	-
Net gain on Canadian divestitures	-	-	-	-	(8.9)	-	-	-	-	-	(8.9)
Adjusted EBITDA	383.0	415.4	902.5	855.4	1,175.6	458.0	604.5	434.3	480.8	306.5	428.3
Adjusted EBITDA margin %	5.0%	5.1%	5.2%	5.3%	6.5%	6.3%	7.9%	7.7%	8.4%	7.0%	8.8%

# Leverage

(\$ millions)	Twelve Months Ended December 31,										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	06/30/22
Income from operations	332.8	481.0	466.2	373.7	332.1	319.0	352.4	346.2	461.3	801.9	1,104.5
Merger-related and integration costs	-	-	-	-	-	-	-	3.1	206.7	158.5	113.4
Accelerated trademark amortization	-	-	-	-	-	-	-	-	-	32.0	36.0
Merger-related fair value adjustments	-	-	-	-	-	-	-	-	18.9	-	-
Out-of-period adjustment	-	-	-	-	-	-	-	-	-	-	-
Net gain on sale of assets and divestitures	-	-	-	-	-	-	-	-	(19.8)	(8.9)	-
Litigation recovery included in SG&A	36.1	(36.1)	-	-	-	-	-	-	-	-	-
Adjusted income from operations	368.9	444.9	466.2	373.7	332.1	319.0	352.4	349.3	667.1	983.5	1,253.9
Less: Accelerated trademark amortization	-	-	-	-	-	-	-	-	-	(32.0)	(36.0)
Add: Depreciation and amortization	37.6	67.6	68.0	65.0	66.9	64.0	63.0	62.1	153.5	198.6	203.5
Add: Stock-based compensation expense	-	-	-	-	-	-	-	19.1	34.7	25.7	37.1
<b>Adjusted EBITDA</b>	<b>406.5</b>	<b>512.5</b>	<b>534.2</b>	<b>438.7</b>	<b>399.0</b>	<b>383.0</b>	<b>415.4</b>	<b>430.5</b>	<b>855.3</b>	<b>1,175.8</b>	<b>1,458.5</b>
Short-term borrowings and current debt	39.8	40.1	49.1	44.3	22.1	35.3	56.2	26.7	528.8	9.5	70.6
Long-term debt	1,695.4	1,447.6	1,366.4	1,456.8	1,363.1	1,313.3	1,167.3	1,257.1	4,370.0	4,701.5	5,039.9
Debt discount and debt issuance costs	183.6	174.7	170.4	164.3	17.3	14.2	9.6	8.8	88.2	70.6	64.1
Fair value adjustments to Anixter Senior Notes due 2023 and 2025	-	-	-	-	-	-	-	-	(1.7)	(0.9)	(0.6)
<b>Total debt</b>	<b>1,918.8</b>	<b>1,662.4</b>	<b>1,585.9</b>	<b>1,665.4</b>	<b>1,402.5</b>	<b>1,362.8</b>	<b>1,233.1</b>	<b>1,292.6</b>	<b>4,985.3</b>	<b>4,780.7</b>	<b>5,174.0</b>
Less: Cash and cash equivalents	86.1	123.7	128.3	160.3	110.1	118.0	96.3	150.9	449.1	212.6	236.8
<b>Total debt, net of cash</b>	<b>1,832.7</b>	<b>1,538.7</b>	<b>1,457.6</b>	<b>1,505.1</b>	<b>1,292.4</b>	<b>1,244.8</b>	<b>1,136.8</b>	<b>1,141.7</b>	<b>4,536.2</b>	<b>4,568.1</b>	<b>4,937.2</b>
<b>Total debt, net of cash / Adjusted EBITDA</b>	<b>4.5x</b>	<b>3.0x</b>	<b>2.7x</b>	<b>3.4x</b>	<b>3.2x</b>	<b>3.3x</b>	<b>2.7x</b>	<b>2.7x</b>	<b>5.3x</b>	<b>3.9x</b>	<b>3.4x</b>

# Free Cash Flow

(\$ millions)	Twelve Months Ended December 31,										Six Months Ended,
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	6/30/2022
Cash flow provided by (used in) operations	288.2	315.1	251.2	283.1	300.2	149.1	296.7	224.4	543.9	67.1	(304.5)
Less: Capital expenditures	(23.1)	(27.8)	(20.5)	(21.7)	(18.0)	(21.5)	(36.2)	(44.1)	(56.7)	(54.7)	(31.6)
Add: Non-recurring pension contribution	-	21.1	-	-	-	-	-	-	-	-	-
Add: Merger-related cash costs	-	-	-	-	-	-	-	-	98.9	81.2	43.3
<b>Free cash flow</b>	<b>265.1</b>	<b>308.4</b>	<b>230.7</b>	<b>261.4</b>	<b>282.2</b>	<b>127.6</b>	<b>260.5</b>	<b>180.3</b>	<b>586.1</b>	<b>93.5</b>	<b>(292.9)</b>

# Workday Adjusted Sales Growth

(\$ millions)	Six Months Ended		Reported	Workday Impact	Workday Adjusted Growth
	June 30, 2022	June 30, 2021			
EES	4,420.1	3,643.8	21.3%	0.8%	20.5%
CSS	3,036.2	2,711.7	12.0%	0.8%	11.2%
UBS	2,959.4	2,281.7	29.7%	0.8%	28.9%
<b>Total net sales</b>	<b>10,415.7</b>	<b>8,637.2</b>	<b>20.6%</b>	<b>0.8%</b>	<b>19.8%</b>

(\$ millions)	Six Months Ended		Reported	Workday Impact	Workday Adjusted Growth
	June 30, 2022	June 30, 2020			
<b>Total net sales</b>	<b>10,415.7</b>	<b>7,746.6</b>	<b>34.5%</b>	<b>-0.8%</b>	<b>35.3%</b>

(\$ millions)	Six Months Ended		Reported	Workday Impact	Workday Adjusted Growth
	June 30, 2022	June 30, 2019			
<b>Total net sales</b>	<b>10,415.7</b>	<b>8,482.5</b>	<b>22.8%</b>	<b>0.0%</b>	<b>22.8%</b>