

## Background

In accordance with Schedule 19 Finance Act 2016, this document sets forth the UK Tax Strategy for the year ended December 31, 2018 with respect to the UK subsidiaries of WESCO International, Inc. (“WESCO” or the “Company”), including WESCO Distribution International Limited and TVC UK Holdings Limited (collectively “WESCO UK”). This strategy applies from the date of publication until it is superseded. This document addresses the following elements of WESCO UK’s tax strategy:

1. Approach to risk management and governance arrangements in relation to UK taxation;
2. Attitude of the business towards tax planning as it affects UK taxation;
3. Level of risk in relation to UK taxation that the business is prepared to accept, and;
4. Approach of the business towards its dealings with HM Revenue & Customs (“HMRC”).

## Governance and Risk Management

WESCO’s Code of Business Ethics and Conduct (the “Code”) (available at <http://wesco.investorroom.com/guidelines-charters-and-policies>) sets out the standards of behavior which every WESCO director and employee must follow. The Code requires every person within its scope to comply with all applicable laws, regulations and Company policies and to conduct business in keeping with high moral, legal, ethical and financial reporting standards. Every person subject to the Code must certify their compliance with its requirements annually. The Code applies to all aspects of WESCO’s business, including tax matters.

WESCO’s Board of Directors (the “Board”) through its Audit Committee is ultimately responsible for establishing overall tax governance. The Board delegates executive management of WESCO’s global business to the Executive Committee (the “EC”). The Senior Vice President and Chief Financial Officer (the “CFO”) is the EC member with executive responsibility for the global finance function, including taxes. The Vice President, Tax (the “VP Tax”) reports to the CFO and heads the corporate tax function. The VP Tax has responsibility for day-to-day oversight of the Company’s tax affairs, including those of WESCO UK, and coordinates with the UK Finance Director on matters of UK taxation.

Our governance processes require that management provide periodic enterprise-wide risk assessments, including in the area of tax, to the Board so that the Board can assess the

material risks facing the Company and the appropriateness of the risk mitigation actions taken by management. Additionally, the VP Tax reports to the Audit Committee, the EC, and the CFO on a regular basis concerning any material ongoing tax matters and risks, including as they might apply to WESCO UK.

The Board, EC, CFO, and VP Tax have responsibility to ensure that taxes are considered in all material business decisions so that the Company can appropriately identify and mitigate tax risks, and ensure that it meets applicable tax compliance requirements. In carrying out this responsibility, the corporate tax department will engage external tax advisers to aid in assessing and mitigating tax risks where warranted. The corporate tax department is responsible for ensuring there are processes and controls in place, including those pursuant to the Sarbanes-Oxley Act of 2002, to file and pay WESCO's corporate tax obligations timely and accurately, including with respect to WESCO UK.

### **Tax Planning**

WESCO UK seeks to comply with all applicable UK tax laws and regulations in carrying out its business. The governance and risk management environment outlined above is intended to ensure such compliance. When entering into commercial transactions, WESCO UK will seek to legitimately reduce its overall tax burden, including taking advantage of available tax incentives, reliefs, and exemptions consistent with the spirit and intention of the UK tax laws, in order to obtain a tax-efficient business structure. WESCO UK does not undertake tax planning unrelated to such commercial transactions.

### **Level of Risk**

When taking a tax position, WESCO UK seeks to achieve certainty as to the eventual outcome of the tax position and in so doing will utilize all effective and practical pre-filing administrative options to achieve certainty. However, due to the complexity of the tax law and its sometimes varied and uncertain application to specific facts and circumstances, uncertainty as to the eventual outcome of the tax position upon review by HMRC may exist. Where uncertainty exists, WESCO UK will seek to ensure that, in its reasoned view, the tax position taken will have at least a more-likely-than-not, i.e. more than 50%, chance of being sustained on its technical merits, if challenged by HMRC. WESCO UK will not take any tax position that, in its reasoned view, has less than a more-likely-than-not chance of being sustained on its technical merits, if challenged by HMRC. Where necessary, WESCO UK will obtain the advice of competent external tax advisers in evaluating and concluding upon the level of risk inherent in a tax position.

**Relationship with HMRC**

In keeping with our Code, WESCO UK and its representatives will deal honestly with HMRC and seek to establish a relationship with HMRC that is built upon transparency, trust, and cooperation. When submitting tax computations and returns, WESCO UK will disclose all relevant facts and information in compliance with applicable requirements. When dealing with HMRC's representatives, WESCO UK will ensure that its employees and representatives respond promptly, fully, and professionally. In so doing, it is our goal to avoid any disputes with HMRC about the proper application of any provision(s) of the UK tax law to WESCO UK. However, should a dispute arise due to the inherent complexity of the UK tax law and its application to WESCO UK's particular facts and circumstances, it is our desire to resolve any such matter promptly and on the basis of mutual agreement.

*Approved for publication by the Audit Committee of the Board of Directors of WESCO International, Inc.*

*December 5, 2018*