

DIVERSITY OVERVIEW

HD Supply is one of the largest diversified wholesale distributors in North America, providing a broad range of products and services to professional customers in the Infrastructure & Energy, Maintenance, Repair & Improvement, and Specialty Construction markets through our portfolio of market-leading businesses.

Though large now, those businesses grew from small wholesale distribution ventures striving to provide quality products and services to a growing list of customers. **We believe now what we knew then, that we are the company we are today because someone gave us a chance.**



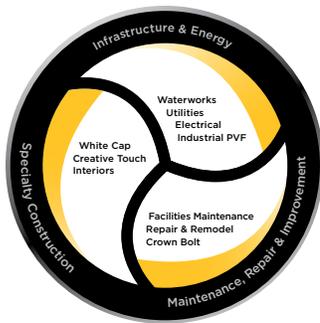
Our commitment to Supplier Diversity is grounded in that knowledge, that by giving small and disadvantaged businesses a chance to compete we best position ourselves to respond to the needs of our customers and to grow into new markets while building long term, solid relationships.

OUR RICH HISTORY

HD Supply has more than 80 years of extensive industry experience and has grown largely through the acquisitions of leading supply houses with decades of experience serving professional customers. In 2007, HD Supply was purchased by a consortium of three private equity firms comprising Bain Capital, The Carlyle Group and Clayton, Dubilier & Rice.

OUR PORTFOLIO

Through our portfolio of businesses, HD Supply serves multiple market sectors.



Infrastructure & Energy

Comprises products and services used to build and maintain water systems, oil refineries, food processing plants and petrochemical plants, and for the generation, transmission, distribution and application of electrical power. HD Supply businesses serving customers in this sector include:

- Waterworks
- Utilities
- Electrical
- Industrial PVF



Maintenance, Repair & Improvement

Comprises products and services needed to maintain and upgrade facilities across multiple industries. HD Supply businesses serving customers in this sector include:

- Facilities Maintenance
- Crown Bolt
- Repair & Remodel



Specialty Construction

Comprises distinct, customized products and services used in commercial, residential and industrial applications. HD Supply businesses serving customers in this sector include:

- White Cap
- Creative Touch Interiors
- Plumbing/HVAC



CORPORATE SOCIAL RESPONSIBILITY

HD Supply is dedicated to being a responsible corporate citizen in all aspects of our business, both internally and externally. From fostering a company culture in which integrity and honesty are core values, to supporting charitable endeavors and environmentally-conscious practices, we strive to make a positive difference in the communities where we live and work.

HD Supply's social responsibility efforts are focused on four key areas: our associates, our communities, the environment and our business partners:



RESPONSIBILITY TO ASSOCIATES

With 19,000 associates based in 45 states and nine Canadian provinces, HD Supply is a significant employer in the wholesale distribution industry. As such, we take our responsibility to our associates very seriously and do our best to create an environment where they can grow and succeed.



Commitment to Diversity

HD Supply appreciates and welcomes people from different backgrounds, who bring unique experiences, interests, thoughts and behaviors to our company. Our wealth of talent supports our diverse culture, and is representative of our customers, associates and community of neighbors. We are committed to creating a diverse work environment where all associates are included, respected and encouraged to do their best work.



Safety

The HD Supply Environmental, Health and Safety (EHS) group is dedicated to the protection and well-being of all associates. EHS provides a wealth of training programs to educate associates on safe and healthful work practices.



Values

Our SPIRIT values are what we believe in as a company, and they are essential to everything that we do.

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| Service | Help our customers succeed by delivering exceptional service and the best total value experience. | Respect | Treat team members the way you would like you and your family to be treated. |
| Performance | Exceed our commitments every day to our team, customers, sponsors and communities. | Innovation | Seek new and creative ways to build a reliable, effective and efficient chain of execution for our customers. |
| Integrity | Always do the right thing and always take the high road. | Teamwork | Win together by creating an environment where every individual puts the team first. |



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Culture

Our Doing, Learning, Winning culture fosters a sense of empowerment among our associates.

- Doing** Focus on what's important, take action, get it done fast, and do things right the first time.
- Learning** Create an ongoing capacity for growth through continuous improvement.
- Winning** Build momentum every day around winning business with the utmost integrity, passion for our customers, and a spirit of teamwork.



RESPONSIBILITY TO THE COMMUNITY

Doing our part to create and sustain healthy communities is woven into the fabric of our company's values. Enterprise-wide, HD Supply aligns our charitable giving to United Way and the agencies it supports. Through this partnership, and due to the breadth and depth of United Way's services, we are able to ensure our associates can contribute their time and financial resources to multiple organizations that best fit their interests. We also support a number of other worthy causes, such as Habitat for Humanity, and our 900 branches are empowered to support local causes in their communities. Additionally, we support the efforts of associates to volunteer their time to helping enhance the quality of life in neighborhoods across North America.



RESPONSIBILITY TO THE ENVIRONMENT

To meet customer demand for environmentally-friendly products, HD Supply has launched ideallygreen, a company-wide sustainability program. ideallygreen is used as a product identifier by several of our businesses to help customers select eco-preferable products. Recognizing that sustainability is critical to protecting our environment and way of life, we believe our responsibility goes beyond green product offerings. In turn, we have incorporated a variety of green practices across the company, from installation of energy efficient lighting at many locations to implementation of comprehensive recycling programs.



RESPONSIBILITY TO OUR BUSINESS PARTNERS

HD Supply manages our business with the highest integrity, so our customers can trust us to serve them with honor and professionalism. One of the ways we demonstrate this responsibility is to partner with suppliers that share our values and commitment to upholding ethical principles. Additionally, HD Supply's Code of Business Ethics was developed to help maintain the integrity of our dealings with our valued business partners. The policy covers a range of issues, including conflicts of interest, improper payments, fair competition and other key matters.



HD Supply also knows the value of partnering with diverse businesses and understands their ability to offer quality products, service and innovation. Our Supplier Diversity Program was developed to build strong relationships with certified Minority and Women Business Enterprises (MWBE) and small businesses.



SUPPLIER DIVERSITY: OUR COMMITMENT

Providing opportunities for diverse businesses is part of our commitment to being a good corporate citizen; it is also vital to our business objectives.

SUPPLIER DIVERSITY POLICY

It is the policy of HD Supply to provide opportunities for small, minority-owned, women-owned, and other historically disadvantaged businesses to compete in a fair and equal environment to supply the high quality, competitively priced products and services required by our customers.

HD Supply understands the value a diverse supplier base has to our business, and we are constantly assessing the market for certified MWBE vendor-partners who offer value-added, quality and innovative products and services that are competitively priced and meet the varied needs of our customers. Because our purchasing structure is aligned with thousands of local markets and market segments, MWBE businesses are encouraged to research the needs of HD Supply businesses and make their status known as part of sales presentations to local purchasing contacts.

SUPPLIER SELECTION

As a distributor, we are driven by the need to provide our customers with the high quality, competitively priced, innovative products they demand. We are always looking for opportunities to do so by awarding business to suppliers with certified diversity status. We provide these businesses the maximum practical opportunity to participate in our sourcing process, while maintaining all our standard vendor and product selection criteria that allow us to fulfill our customers' requirements.

CERTIFICATION

In our commitments to our customers and in our performance reporting, HD Supply includes purchases from certified suppliers only.

HD Supply has implemented a monitoring system with Dun & Bradstreet to examine our vendor files, match them to D&B's extensive database of U.S. companies, and provide us with up-to-date diversity status for our vendors. D&B maintains certification data from more than 300 certifying organizations to provide this information. Through this relationship with D&B, HD Supply is assured of the accuracy of reporting we do on our performance against diversity goals, and we also can assure our customers that information we provide to them for their 2d-tier reporting is accurate.



We monitor our purchasing activity with these diversity classifications:

- **Disadvantaged Business Enterprise**
- **Hub-Zone Business**
- **Minority-Owned Business**
(African-American, Asian-Pacific Island, Hispanic, Indian Subcontinent, Native American, Alaska Native)
- **Minority Business Enterprise**
- **SBA 8(a) Business**
- **Small Business**
(Hub-Zone small, Service Disabled Veteran small, Veteran Owned small, Women-Owned small, all other small)
- **Small Disadvantaged Business**
- **Veteran-Owned Business**
(Disabled Veteran, Service Disabled Veteran, Vietnam Veteran, other Veteran)
- **Women-Owned Business**
- **Women-Owned Business Enterprise**



OUTREACH

We encourage participation in local, regional, and national diversity trade fairs, seminars, and other networking opportunities where we can expand opportunities to make our needs known and learn about the capabilities that diversity suppliers can bring to us.

HD Supply is a National Corporate Member of the **National Minority Supplier Development Council** (NMSDC), and the **Women's Business Enterprise National Council** (WBENC) and uses the resources of those organizations to help us locate high quality certified MWBE vendor-partners.



CONTACT US

If you are certified in one or more of the listed diversity classifications, we want to hear from you. The best way to contact us is by calling on a local HD Supply branch location. If you do not have a relationship with a local branch, send an email to supplierdiversity@hdsupply.com, including the name of your business, Duns number, a description of the products or services you offer, the certified diversity classification of your business, and contact information.

