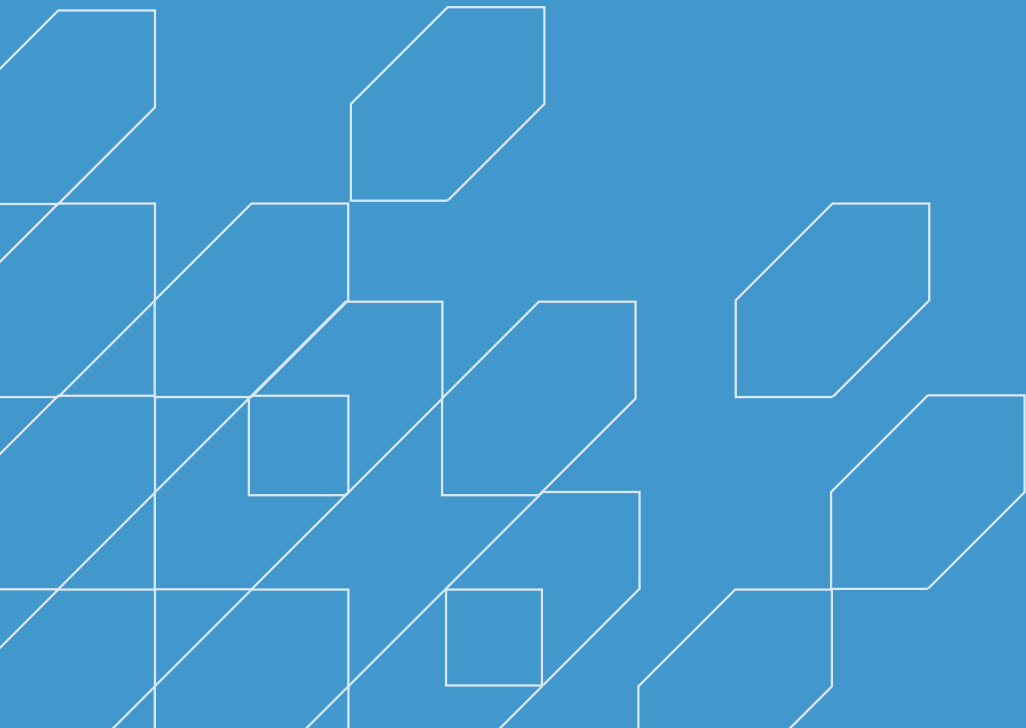


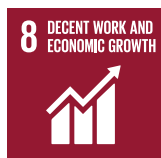


Modern Slavery and Transparency Statement 2020



Introduction

Slavery, forced labor and human trafficking are critical human rights issues. Medline is committed to implementing effective systems and controls throughout our organization to prevent these phenomena from occurring in our global operations and supply chains. We monitor our own internal operations, as well as those of our suppliers, to prevent and address such abuses of workers' human rights. In doing so, we aim to meet recognized international human rights standards, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), and make meaningful contributions towards the fulfilment of the United Nations Sustainable Development Goals, in particular:



This Modern Slavery and Transparency Statement, published in accordance with the United Kingdom's Modern Slavery Act of 2015 and The State of California Transparency in Supply Chains Act of 2010, describes the steps we take to combat slavery, forced labor and human trafficking. **This statement applies to our 2019 financial year, which ran from January 1, 2019 to December 31, 2019.** In addition to being publicly available on our website, this statement is included in our European sustainability report. Medline Industries, Inc. publishes this statement on behalf of the Medline group.

Our organizational structure and business

Medline Industries, Inc. is a fourth generation, family-owned company that is the largest privately held manufacturer and distributor of healthcare supplies and services (e.g. exam gloves, protective apparel, packs and gowns, and surgical trays) in the United States of America (USA). Our global headquarters are located in Northfield, Illinois, USA.

Medline International B.V. (MIBV) is a wholly owned subsidiary of Medline Industries, Inc. The MIBV corporate offices in the Netherlands serve as our international headquarters, overseeing all operations in Europe (including the United Kingdom), Japan, East Asia, Australia and New Zealand. Through various local country subsidiary entities of MIBV, the Medline group operates assembly/manufacturing facilities, distribution centers and sales/distribution offices.

550,000
medical and
surgical products
globally

26,003
employees
worldwide

+56
distribution
centers
worldwide

90
countries where
Medline does
business

+18
manufacturing
locations
worldwide

US\$13.9B
in global
company sales

Medline's supply chain

We have a diverse and complex product supply chain spanning thousands of first tier suppliers in more than 40 countries. The labor and human rights risk profile of these suppliers varies, depending on factors such as:

- » The country/region in which the supplier is located
- » The type of product manufactured.



Our company policies

Medline is committed to ensuring legal, ethical and socially responsible business and employment practices throughout its global operations and supply chains. We are committed to ensuring workers in our supply chain are treated with dignity and respect. Group-wide policies that are relevant to combatting slavery, forced labor and human trafficking include:

- » [Supplier Code of Conduct](#)
- » [Employee Code of Conduct](#)
- » Non-retaliation Policy

We base our policies on key international human rights principles, set out in agreements such as core International Labour Organization (ILO) conventions and the United Nations Universal Declaration of Human Rights (UDHR). Additionally, we seek to comply with local labor and related laws and regulations at national and sub-national levels, in countries where we operate, and ask our suppliers to do the same.

Our aim is to ensure there is no slavery, forced labor or human trafficking in any of our business operations, including in our direct workforce. As such, we implement strict employment practices and procedures across our global business, ensuring adherence to local labor laws. All employees are required to enforce standards set out in our Employee Code of Conduct in the course of their work.

Medline's Supplier Code of Conduct explicitly prohibits slavery, involuntary labor and child labor in our supply chain. Our Supplier Code of Conduct also sets out some minimum standards that Medline expects its suppliers to adhere to, regarding wages and benefits, worker health and safety, and working hours.

Our due diligence process

Medline's recruitment and employment policies, as well as our Employee Code of Conduct, are enforced by local human resources representatives at all our factories, distribution centers and sales offices around the world.

In 2010, we began introducing social compliance audits of suppliers' factories. These audits are largely conducted by Medline, but are sometimes conducted by third parties. The internal audits conducted by Medline are in line with the SA8000 standard. The SA8000 standard is an internationally recognized verification system for ensuring fair and safe working conditions. It applies to labor and human rights issues such as child labor, forced or compulsory labor, human trafficking, working hours, working conditions and remuneration.

Between 2015 and 2019, our internal auditors conducted 461 social compliance audits in Asia.

Responding to identified risk

In the event that actual or potential risks surrounding slavery, forced labor and human trafficking are uncovered through our due diligence efforts, Medline is committed to addressing those risks. If we become aware of non-compliance with minimum standards, we seek to respond to these issues in line with best practice—including through supplier engagement, enhanced due diligence, training and education, further social auditing, and corrective action plans. In line with the UNGPs, we seek to leverage our influence to ensure suppliers comply with standards surrounding slavery, forced labor and human trafficking. Where necessary, we may terminate our business relationship with non-compliant suppliers.

All employees in our global operations are encouraged to report any concerns they may have about potential labor and human rights abuses, and we designed our reporting systems to protect them from retaliation.

Concerns and complaints can be raised confidentially:

- » **In writing**, through our dedicated online portal, called [Open Talk](#)
- » **Verbally**, via our 24/7 toll-free hotline
 - Calls originating inside the United Kingdom: 0800-032-8483
 - Additional phone numbers, per country, are listed on Medline's [Open Talk](#) website



The collective Open Talk platform (online portal and toll-free hotline) is also referred to as the Medline Ethics and Compliance Helpline. The **Medline Ethics and Compliance Helpline** is global in scope and can be used by internal parties (our employees), as well as external parties (including our suppliers and their workers).

Training and capacity building of employees

Medline seeks to ensure its employees are adequately trained and aware of risks surrounding slavery, forced labor and human trafficking. Employees in key functions, such as quality assurance and social compliance auditing, receive annual training on topics that include slavery, forced labor and human trafficking.

Conclusion

Medline is committed to continuous improvement and building on its efforts to tackle slavery, forced labor and human trafficking year-on-year.

Andy Mills, President of Medline, approves this statement.

Andy Mills
President

Additional information

- » Visit our [website](#)
- » Download our annual [Sustainability Report](#)



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