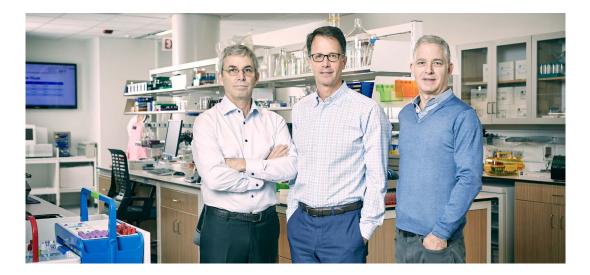
2019 Corporate Social Responsibility Report





A message from our leaders



We all play a role in ensuring a world full of good health, safety and security. As a company and integrated partner supporting health systems and their patients, Medline has spent more than 50 years making healthcare run better. Our efforts extend beyond our products and services and into the communities where we live and work, as well as low-resource communities around the world.

Here are just a few of our accomplishments from 2019:

- Our total carbon dioxide emissions per square foot of space was reduced by 5%, helping make Medline more eco-friendly and energy efficient.
- Medline ReNewal, our device-reprocessing arm of the business, reprocessed more than 5 million instruments, diverting more than 1 million pounds of waste from landfills.
- Through our Community Impact Grant program, we donated \$350,000 to organizations focused on breast cancer, medical care transportation and healthcare for vulnerable populations.
- We led eight unique global health projects focused on supply chain optimization, perioperative efficiency and health education designed to empower communities and free up resources. We also donated \$3.1 million in product to medical relief organizations.

While the information presented in our 2019 Social Responsibility Report is looking back a year, we're proud of not only what we've accomplished, but the foundation we've set to continue helping make a lasting and sustainable impact on individuals and their communities, around the world, for years to come.

Jim Abrams Chief Operating Officer **Charlie Mills** Chief Executive Officer **Andy Mills** President

Transformative Vision

Our approach to building a better world

We make healthcare run better. This mission holds true not only for our healthcare partners but for the world we live in. This mission, combined with our agility and scale, shapes how we serve our communities and the environment.

Our social responsibility

As committed as we are to serving our partners, we are equally committed to serving humanity. Social responsibility is in the fabric of who we are, from the way we do business to the pressing issues we tackle. We believe change is possible and we're using our agility and our scale to make it happen, creating solutions that strengthen communities, preserve the environment and improve people's access to care.

We're committed to making a lasting positive social and environmental impact here in the U.S. and Responsibility program brings the best of Medlineour hands-on expertise, breadth of experience and financial resources—to the people and organizations that need us most.

About Medline

We're a healthcare company-a manufacturer, distributor and so much more. Our mission is to improve healthcare operating performance across the continuum.

What we do

Medline works with health systems large and small to provide the clinical and supply chain resources they need to deliver their best care to every patient.

How we do it

With the agility of a family-owned business and the scale of a large, financially strong company, we're able to invest in our partners' long-term growth and rapidly respond with customized solutions.

What we value

- Our commitment to our healthcare partners, our colleagues and our communities
- Being open to new ideas, two-way communication and challenging the status quo
- Continuously improving our quality, service and results, and doing so with integrity
- Doing whatever it takes to help our partners provide the best care

These values shape every aspect of our day-to-day business and our approach to social responsibility.









What we do to make a lasting impact

We work together with our healthcare partners, employees and communities to identify the places and the causes—where we can make the biggest impact.



Global health

Through our Global Health Initiative, we help overcome the barriers that prevent people from getting the healthcare they deserve. We do this by taking what we've learned from working with the world's top health systems and bringing it to underserved communities. These efforts help build strong, resilient health systems all around the world.



We help strengthen our communities by working to ensure every person can have an equal chance at leading a healthy life. We do this by supporting local organizations with programs to address the social, environmental and economic conditions that impact people's health outcomes.



Our sustainability solutions help protect the environment and, by building healthier energy sources, we're reducing our impact on the environment-and helping our partners do the same.



The foundation of our success is our people. Their tireless dedication and hard work is what enables us to make healthcare run better, which is why we prioritize our employees' well-being.



We're committed to high ethical and business standards and expect all our employees to behave honestly and with integrity in every part of our business.



Supporting UN sustainable development goals

Our vision for building a better world is closely tied to the Sustainable Development Goals (SDGs) adopted by the United Nations in 2015. The SDGs are 17 global initiatives for achieving a sustainable future for all by the year 2030. The work we do to create positive social change aligns with many of these goals, including those to protect the health and well-being of all people, promote sustainable economic growth and ensure access to affordable, clean energy.

Sustainable Development Goals

Community impact









Global health













Sustainability











Employee health and well-being









Ethics and compliance







Source: Based on https://www.un.org/sustainabledevelopment/sustainable-development-goals/ from 2017

Global health



Making healthcare run better, everywhere we go

We understand that much of the world lives in a clinical desert, unable to access even the most basic care. Partnering with nonprofit organizations and health facilities all over the world, we create solutions that empower communities and free up the resources that healthcare providers need to deliver their best care.













We focus on three key areas

We're helping healthcare facilities work more efficiently, treat more patients and share the benefits of health education.



Supply chain optimization

We analyze <u>supply chain performance</u>, identifying bottlenecks, process breakdowns and opportunities to improve. We then introduce new processes to help control costs, effectively manage donations, reduce inventory waste and optimize performance.



Perioperative efficiency

We identify the processes healthcare facilities use to manage their operating rooms, and pinpoint challenges within these processes. Then, we work together to create and implement new efficiencies, from stocking inventory to organizing supplies and storage areas. These improvements support perioperative efficiencies for the long haul.

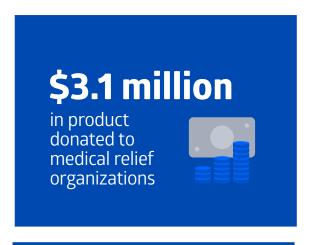


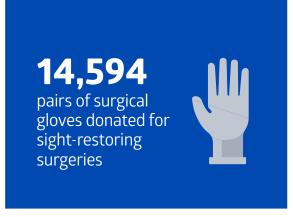
Health education

We assess a community's health education to find gaps in learning. We then fill in these gaps by teaching everyday healthy habits such as hand hygiene, oral hygiene and basic first aid. Reinforcing—and practicing—these habits creates a ripple effect, advancing the health and well-being of whole communities.

Our global impact at a glance

Together with our international partners, here's what we accomplished in 2019:







471
patients served through our global health projects



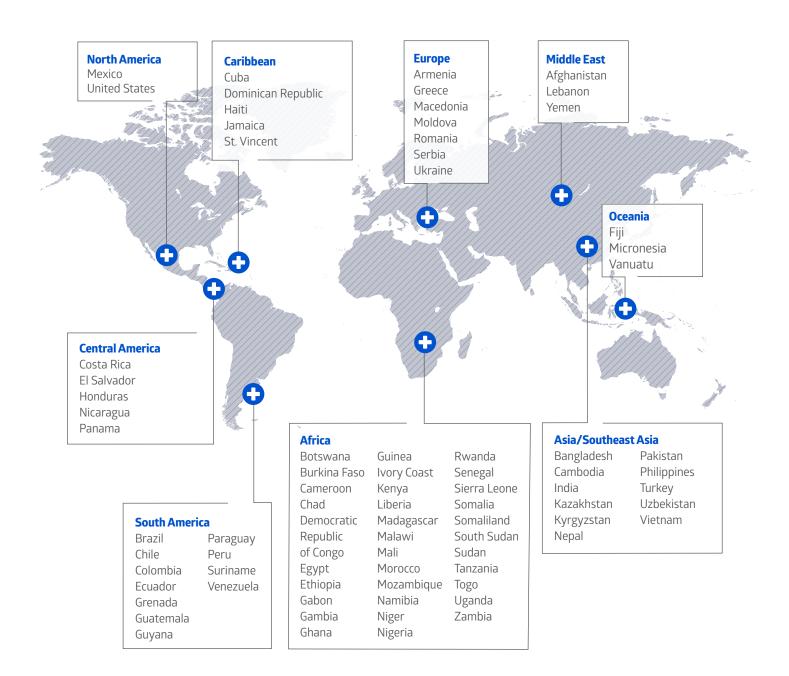
Bringing worldwide medical relief

We work with international aid organizations to collect Medline surplus and unused items and deliver them to developing regions globally. In 2019, Medline donated the equivalent of 116 metric tons of product—valued at over \$3.1 million—to the following organizations:

- · International Aid
- MAP International
- Medical Teams International
- MedShare

- · Project C.U.R.E.
- SEE International
- Direct Relief
- Matthew 25 Ministries

Our products reached 262 facilities, caring for people across 77 different countries.



Making sure everyone gets the healthcare they deserve

Along with donating products, our employees volunteer their time and expertise to help facilities and communities in need. We work together to solve their most pressing challenges during a series of volunteer service trips, where our employees volunteer their skills and expertise toward a global health project. Here are the partnerships and projects we pursued in 2019:



Safe, affordable surgical care

One World Surgery (OWS) runs a surgery center in Honduras that provides safe and free surgical care to an underserved population. Since 2018, we've worked to help their center run more efficiently so that staff can focus on what matters most: patient care.

In 2019, we led multiple volunteer trips to Honduras bringing our supply chain and perioperative expertise to OWS Holy Family Surgery Center. Our team implemented a novel inventory tracking solution for the surgery center that has transformed the way purchased and donated perioperative supplies are organized, inventoried and found. Our solution enables surgery center staff to properly itemize and account for each instrument or piece of equipment, which can minimize redundancies and overages.

We also removed five truckloads of excess or expired supplies; expired supplies were disposed of and excess supplies were redistributed to neighboring facilities. Collectively, these actions helped the surgery center reclaim over 1,000 square feet of space, increase OR efficiency from set-up to turn-over and manage their donations more effectively.

We've also committed \$250,000 to help OWS build a new surgery center in the Dominican Republic. The center will offer surrounding communities much-needed surgeries in orthopedics; general surgery; ear, nose and throat; gynecology; spine; ophthalmology and urology. Once fully operational, OWS will be able to perform 3,000 surgeries annually between its two centers.



Resources for patient care

Community Empowerment (CE), a nonprofit partnered with Rush University Hospital, hosts primary care and surgical trips to the Dominican Republic and Haiti.

In 2019, we partnered with CE to help them organize supplies and optimize space within their warehouses in the Dominican Republic. Our team helped CE track their inventory more efficiently so they were able to spend less time managing supplies and more time focusing on patient care. This solution will save the organization time and money when it comes to ordering and managing their suppliesopening up resources they can put toward patient care.

Clinical training

Nurses Specializing in Wound, Ostomy and Continence Canada (NSWOCC) is a nonprofit association focused on caring for patients with wound, ostomy and continence issues.

In 2019, we partnered with NSWOCC and the Argentine Ministry of Health to educate Argentine clinicians on best practices related to wound care. With our partners, we developed a wound assessment tool and hosted seminars to train health workers on how to use it. More than 240 healthcare workers attended our seminars.

Community Health Education

Project C.U.R.E. is the world's largest distributor of donated medical relief. Its volunteers bring medical supplies and equipment to under-resourced communities in 134 countries.

We've been donating high quality supplies and equipment to Project C.U.R.E. since 2015. In 2019, we deepened our commitment by volunteering with Project C.U.R.E. to educate rural communities across Belize.

Our employees traveled to three different villages to host health education workshops. During these workshops, we taught over 300 children and their families about basic health habits, such as frequent hand washing, oral hygiene and proper nutrition.

Changing the story in Honduras

In rural Honduras, many people struggle to find safe, affordable health services and are often forced to travel long distances to see a physician. The facilities that serve them are understaffed and don't always have the right supplies for the right task.

We worked with clinicians and patients to change the story in Honduras. Discover how we helped one patient get the surgical care he needed to change his life.



Take a closer look at how we're changing stories around the globe

NEWSROOM

Partners bring surgical care to the Dominican Republic

One World Surgery wants to expand its safe and affordable surgical services to the Dominican Republic, Learn how we're helping to make this possible.

Read story

CASE STUDY

Wound care education empowers nurses in Argentina

Clinicians in the Salta province of Argentina have limited wound care training and education. Discover how we partnered with local health leaders to help support caregivers and improve patient outcomes.

View study

CASE STUDY

Supply chain collaboration puts focus back on patient care

Our partnership with One World Surgery has freed caregivers from non-clinical tasks. See what impact this has had on the surrounding community.

View study



Community impact



Helping people reach their full health potential

We believe every person deserves the opportunity to lead a healthy life, but many people do not have an equal chance because of the social and environmental conditions they live in. These conditions are known as social determinants of health.









Many communities rely on local programs to address the conditions affecting people's health and well-being. We support local programs with donations and hands-on volunteers dedicated to expanding social services and empowering people to reach their full health potential.

Grants to uplift communities

Our Community Impact Grant Program awards financial support to nonprofit organizations committed to improving the well-being of our communities. In 2019, we donated to organizations doing the following:

- Raising awareness around breast cancer and providing early detection services
- Helping people access transportation so they can receive medical services
- Delivering healthcare to vulnerable members of the population, including at-risk youth and people experiencing homelessness



Raising awareness around breast cancer

Breast cancer is the second-leading cause of death among women in the United States. Early detection can improve women's chances of survival. However, many women don't have access to early detection services or support services. So in 2019, the Medline Foundation donated a total of \$150,000 in grants to eight service-driven organizations meeting this need. Here's how our awardees are using these grants to educate more women and expand services for early detection and treatment.

Breast Health Collaborative of Texas, \$25,000

Conducting focus groups with community health workers and breast cancer patients; developing educational programs for health professionals and community members

Cancer Navigators, \$5,000

Providing free counseling sessions to breast cancer patients to help them cope with the emotions and changes that cancer brings

Freeport Regional Healthcare Foundation, \$10,000

Certifying a breast prosthetic fitter, a professional qualified to help patients who have had a mastectomy get fitted for a breast prosthesis

Mary Bird Perkins Cancer Center, \$25,000

Launching a mobile program that will give clinical breast exams and mammograms to uninsured and underinsured people

Sisters Working it Out, \$25,000

Hosting breast cancer education events for African American and Latina women in the Chicago area and connecting these women to quality breast healthcare

Susan G. Komen NC Triangle to the Coast, \$25,000

Advancing a multi-year initiative to look at gaps and opportunities in the care of breast cancer patients and identify interventions

The Rose, \$10,000

Providing breast cancer screenings to women through a mobile mammography program

Young Survival Coalition, \$25,000

Printing and translating a collection of free guidebooks that help breast cancer patients understand every phase of treatment and survivorship

Mexicali employees rally around women fighting breast cancer

In 2019, nearly 800 employees at our manufacturing facility in Mexicali, Mexico presented a \$5,000 check on behalf of the Medline Foundation to the "Mujeres que Viven" Foundation. The foundation raises awareness around breast cancer and gives women affected by the disease economic, physical and emotional support.

Employees presented the check during a commemorative "pink series" baseball game that they and their families attended.



Our one-year impact at a glance

The grants we awarded in 2018 made a notable impact—just one year later—on the communities where we live and work. Here are a few examples:



Bonnie's Bus

Screened more than 2,600 patients across 43 counties through a mobile mammography program



Bright Pink

Reached more than 415,000 women with a newly revived digital tool that assesses breast and ovarian cancer risk



Equal Hope

Educated 7,500+ women on breast health, and completed 500+ mammograms

Overcoming transportation barriers

Access to transportation can greatly impact a person's ability to receive healthcare and, in turn, affects their overall well-being. For people who don't have a vehicle, live a great distance from their healthcare provider, or in places where transportation services are underdeveloped, it's not easy to make medical appointments or access the healthcare they need. In 2019, we awarded Community Impact Grants to organizations that are working to remove transportation as an obstacle to receiving healthcare. Each organization received \$10,000, and is using the funds in the following ways:

North County Health

Providing uninsured patients rides using RoundTrip, a digital tool that provides non-emergency medical transportation

Osceola Community Health Services

Operating a mobile van that brings patients to and from their medical appointments

Primary One Health

Launching a prenatal care program that provides a car seat/stroller system to expectant mothers who complete the program

Vista Community Clinic

Piloting the UberHealth app as a tool to transport pregnant women taking part in a perinatal support program

Getting clinical care to underserved people

Many people in our society are marginalized and underserved and face difficulties getting even the most basic healthcare. We're committed to helping ensure everyone has an equal opportunity to reach their full health potential, regardless of their circumstance. That's why we award Community Impact Grants to health facilities aiding vulnerable members of our society. Awardees each received \$10,000 from the Medline Foundation in 2019. Here's how they're using the donations to improve access to care:

Angel Harvey Family Health Center of the Infant Welfare Society of Chicago

Delivering therapy services to children with or at-risk of developmental delays

Camillus Health Concern

Helping people experiencing homelessness get screened for colorectal cancer, the third most commonly diagnosed cancer in the U.S.

Central Virginia Health Services

Screening patients for diabetic retinopathy, a common eye problem for diabetic patients

Chicago Family Health Center

Opening a school-based health center for at-risk youth that has s o far served 258 students

Community HealthNet

Purchasing monitoring devices for a program that helps people with diabetes and other chronic issues manage their conditions

Virginia Garcia Memorial Health Center

Purchasing medical equipment to improve quality of care for patients, many of whom are low-income, uninsured or under-insured

Employee-led contributions

Our people lead the way in improving the health and well-being of every community we touch. That's why we take time to recognize them and support the causes they care most about. We do this through our Employee Recognition Program, which celebrates employees making an impact in their community through volunteerism and gives charitable donations on their behalf.

In 2019, we recognized 10 employees through the program and gave \$30,000 to the organizations they support.

Amy Jeter, Acute Care Sales, Alaska

Amy volunteers her talents as a clownette to help the Ladies' Oriental Shriners of North America spread cheer and laughter at Shriner hospitals and fundraising events. As a result of her efforts, Amy has raised over \$20,000 for Shriners hospitals and outreach clinics for children in Alaska.

Ilya Ayzenshteyn, Commercial Financial Planning and **Analysis/Finance, Illinois**

Ilya volunteered to manage logistics for the Leukemia Research Foundation's ABC 7 Gibbons 5K run in 2019. His support helped the foundation host a successful event that raised money for blood cancer research and enriched the lives of those touched by this disease.

Jennifer Cerami, IDN Sales, Florida

Women of Tomorrow inspires, motivates and empowers at-risk young women to live up to their full potential through mentorship and scholarship opportunities. Jennifer is a mentor for the program. She works with high school girls in a low-income school in Florida to help them enter college and break the cycle of poverty and violence that they grew up around.

Jessica Kavanagh, Post-Acute Care Sales, Maryland

Jessica co-founded Vetlinks.org in honor of her late husband, U.S. Army Major Brian Kavanagh. Vetlinks helps combat veterans with post-traumatic stress and substance abuse disorders, and has so far donated over \$100.000 and reached 45 families.

John Stempkowski, Post-Acute Sales, Indiana

John is a volunteer operations manager for the Grace Care Center Foundation, an organization that provides relief to underprivileged families through food banks and referral, vehicle and ESL services. John has served in many volunteer roles, alongside his wife and kids, to ensure all aspects of the care center are running for the people who need them.

Josmene Guerrier, Training, Georgia

The Flanbwayan Haitian Literacy Project helps young Haitian newcomers stay in school and was there for Josemene when she first came to America. As a thank you, Josemene volunteers her time with the organization to help girls involved complete their college applications. She also provides career coaching and coordinates group events.

Karen Harris, Medline ReNewal, Illinois

Karen is a licensed veterinary technician who supports Our House of Hope, an animal welfare organization. Karen volunteers her time to educate people about exotic animals and uses her veterinary skills to care for these animals at Our House of Hope's main center. She also arranges internships for staff interested in veterinary education.

Lilianna Hibbeln, Regulatory Specialist, Illinois

Lilianna is a volunteer board member of Casa Colibri, a nonprofit helping rural and indigenous communities in Guatemala. Along with raising funds for Casa Colibri, Lilianna serves as a translator on medical and dental mission trips.

Loren Eby, Engineering, Oregon

Loren helps support pediatric therapy for children in central Oregon by volunteering with Treehouse Therapies. He has helped the nonprofit build multiple indoor play structures and rock climbing walls, and is now helping remodel a newly-acquired farm that will be used to care for children.

Lynn Honeck, Information Systems, Illinois

Lynn is on the board of directors of Ten Thousand Villages, an organization promoting fair trade and ethical consumerism. In 2019, Lynn helped organize Ten Thousand Villages' 18th annual rug event. During the event, over \$50,000 in rug sales were made, more than 50 percent of which went back to the families who produced them.

Our service to Illinois

Our company and employees live and support causes all across the country. Here are the ways we gave back to Illinois—the state where our company was founded and where our current headquarters reside—in 2019.



American Heart Association

Hundreds of our employees, family members and friends took part in the 2019 American Heart Association (AHA) Heart Walk hosted at our headquarters in Northfield, Illinois. The walk raised money to support AHA's mission to fight heart disease and encourage healthy living. Since 2014, Medline and its employees have donated \$491,000 in total to support AHA's mission.



Chicago Botanic Garden

We help the Chicago Botanic Garden, a living plant museum just a few miles away from our headquarters, provide programs and activities that enrich the community. In 2019, our donation helped the organization gain a record-breaking 1.25 million visitors.



Northfield Township Food Pantry

Each week we donate food from the cafeteria at our headquarters to the Northfield Township Food Pantry. In 2019, these items became part of the pantry's food distribution programs, which reach over 790 households each month.



United Way of Lake County

We donated \$50,000 to children and families involved in the Home Visiting Program run by the United Way of Lake County. The program provides high-risk children with early-intervention services and healthcare to ensure they reach key developmental milestones and begin life on equal footing with their peers.



Zacharias Sexual Abuse Center

We're long-time supporters of the Zacharias Sexual Abuse Center, which provides a safe place for survivors of sexual abuse. In 2019, we sponsored the center's annual Race to Zero event and spring luncheon. These events raised money for the center to advocate for and deliver counseling services to survivors. In 2019, the center counseled over 900 people and delivered prevention education to 7,600+ students in Lake County.



Volunteering in our communities

We believe having a high sense of social responsibility begins from the inside out. That's why we encourage our employees to go out into their communities to volunteer. And we're creating opportunities to help them do just that.

From backyard giving to disaster relief, our volunteer opportunities are diverse. One way employees can get involved is by joining our Service Corps. The Service Corps is a volunteer group that's committed to furthering our Global Health, Community Impact and Sustainability initiatives. To date, the Service Corps has over 600 members.

Other ways employees volunteer are through programs we coordinate and host annually, such as our holiday giving program, blood drives and events to pack meals.



Holiday giving

Each year, hundreds of employees volunteer in our holiday giving program, where they purchase holiday gifts, hygiene kits, cleaning supplies and gift cards for underserved families. In 2019:

- 150 employees at our Northfield headquarters volunteered with United Way of Lake County to fulfill 39 wish lists, donate 138 care kits and donate 106 gift cards totaling \$2,255.
- Employees at our Mundelein campus partnered with Family Focus, a United Way of Lake County partner, to donate four pallets full of toys, clothing, diapers, car seats, strollers, and non-perishable foods to 20 families.
- 103 of our Waukegan employees volunteered with the Salvation Army to fulfill 175 holiday wish lists. Together, these donations made a noticeable difference in the lives of many families.



Donating blood

We have partnered with Vitalant for over 30 years to host blood drives at multiple locations throughout our company. One pint of blood has the potential to save up to three lives and in 2019, employees donated nearly 700 pints.



Feeding undernourished children

Feed My Starving Children (FMSC) gives community members the chance to keep children from going hungry by packing nutritional meals for them. FMSC seals, boxes and ships these meals to partners in developing countries around the world. In 2019, 139 of our employees volunteered for FMSC. Over 690 boxes were packed with 150,000 meals and shipped to seven different countries.



Mentoring students

We also give employees the chance to help the next generation succeed. In 2019, 20 of our employees mentored 13 rising seniors from Baker College Prep, a charter high school on Chicago's south side. During a week-long visit to Medline, our mentors helped students develop their professional skills and learn more about different career paths available to them.

Take a closer look at how we're making a difference in our local communities

NOBLE SCHOOLS

Chicago students participate in a summer internship program

Students learn about the Medline business, from getting to know our products to understanding our healthcare customers and their challenges.

BECKER'S ASC REVIEW

Medline awards nonprofit organizations grants to tackle breast cancer

Discover organizations Medline is supporting to raise awareness around breast cancer and early detection services.

View article

NEWSROOM

Five health centers advancing community care needs

Explore the five community health centers Medline is backing to help more people access the healthcare they deserve.

Read story

CHICAGO TRIBUNE

Employee celebrates 100th blood donation

Meet Rhonda Hinks, the Medline employee who's donated blood 100 times in the past 30 years.

Read story



Sustainability



Protecting our future by protecting our planet

We're committed to helping healthcare run more sustainably. We take several measures to become more eco-friendly and energy efficient, and encourage our partners to do the same by offering solutions that help them reduce waste while saving on cost.











Creating sustainable solutions for our partners

We help health systems throughout their sustainability journey, listening to their challenges and problem-solving, together. We then create sustainable programs that meet our partners' unique needs. The solutions we develop are designed to reduce waste while lowering costs. Here are our programs at a glance:



Medline ReNewal

We help our partners reduce waste by reprocessing their medical devices so that they may be used again. In 2019, Medline ReNewal took in 5,290,544 instruments to be reprocessed and diverted 1,037,431 pounds of waste from landfills, an amount equivalent to 37.052.650 water bottles.



Waste-to-Energy Gloves Program

This program transforms exam gloves into clean, renewable energy. Since its launch in 2018, we have collected 1,355 pounds of gloves from 18 different partners.



Tote Exchange

The Tote Exchange program delivers products in reusable totes instead of cardboard containers. This program plays a significant role in reducing the amount of corrugated cardboard in our supply chain and is offered to our partners nationwide. This program has resulted in an annual savings of over 36,000 pounds of corrugated cardboard.



OR Towel Take-Back

Rather than having our customers pay to dispose of used operating room (OR) towels, we facilitate a pick up free-of-charge. Instead of being sent to the landfill, the towels are repurposed to be used in non-healthcare industries. On top of the environmental savings, our partners can save several thousand dollars each year through this program.

Reducing waste throughout our supply chain

Hospitals produce more than 5 million metric tons of waste each year.1 Conserving raw material and energy resources is key to reducing environmental impact.

At Medline, we're making progress by ensuring surplus products are put to good use, responsibly sourcing materials for our own products and making eco-friendly products accessible to our partners across the healthcare continuum.

Product donations

We donate our surplus product to clinics in need around the world. In 2019, we diverted 116 metric tons of waste from landfills by providing nonprofit organizations with unused supplies that fill a crucial gap for healthcare facilities in low-resource countries.



Greener options

We consider our responsibility to the environment when sourcing materials and developing our products. We do this through offering a selection of green products that have fewer materials or more sustainably-sourced materials.

Today we have 40+ unique product types that meet Kaiser Permanente's Environmentally Preferred Purchasing guidelines, which make purchasing green products easier. The guidelines offer criteria for suppliers like Medline regarding chemicals of concern and waste reduction as it relates to their products.

In addition to offering greener options, we're committed to making these products easier to find and purchase. One of the ways we're doing this is by engaging thought leaders and industry work groups. Our collaborators include:

Greenhealth Exchange

Greenhealth Exchange (GX) is a cooperative of health systems committed to sustainability and furthering the adoption of sustainable products through aggregated contracting. We work with GX to explore ways of accelerating the design and adoption of sustainable healthcare products.



The working group we've formed consists of Medline manufacturing, product development and supply chain experts and supply chain and value analysis experts from five major health systems across the nation. Our partners include Dartmouth-Hitchcock, Dignity Health, Gundersen Health System, Marshfield Clinic Health System, Mayo Clinic, Partners HealthCare and University of Vermont Health Network.

Clean Production Action

Clean Production Action (CPA) develops tools for analyzing safer chemicals and better materials. The organization is working on a GreenScreen certification tool designed to assess and benchmark materials found in green products.

In 2019, we began collaborating with CPA and a major health system in a pilot to become one of the first suppliers to certify products through the GreenScreen tool.

Group purchasing organizations

We're working with group purchasing organizations to organize and present the positive environmental attributes of our products. We also share data around chemicals of concern, and measures taken to responsibly source materials or optimize the packaging of our products. All this data is made available to hospitals as they make purchasing decisions.



Investing in renewable energy

To preserve Earth's natural resources, we invest heavily in renewable sources of power. We established our renewable energy portfolio in 2009, when our first geothermal facility was built, and it's been growing ever since.



Medline now has three geothermal facilities located in Mundelein, Illinois; Arnhem, Netherlands; and Dubuque, Iowa. Geothermal technology heats and cools buildings using the constant temperature below the earth's surface, which is warmer than the air above it during the winter and cooler in the summer.



Since 2016, we've invested \$12.6 million in solar energy globally. Our portfolio consists of 1.2 million square feet of solar rooftop space that holds over 24,000 solar panels.

Our solar energy portfolio at a glance

Location	Total Rooftop Square Footage	Percentage of Rooftop Space with Solar Panels	Solar Panel Count	Investment (USD)	Power Capacity (MW)	January - December 2019 kWh Production	Estimated Annual Energy Offset
Aisai, Japan	130,000	38%	1,665	\$868K	0.4	509,426	32%
Auburndale, Florida	830,000	30%	5,077	\$2.8M	1.7	2,465,163	102%
Kleve, Germany	390,000	33%	3,770	\$1.2M	1	1,038,708	24%
Northfield, Illinois	235,000	47%	2,754	\$1.7M	1	-	12%
Rialto, California	1,100,000	16%	3,152	\$1.9M	1.1	1,674,748	75%
Sydney, Australia	270,000	4%	376	\$82K	0.1	133,186	9%
Tracy, California	1,000,000	47%	7,389	\$4.1M	1.5	3,173,627	73%
Total	4,000,000	30%	24,183	\$12.6M	7	8,994,858	

Building with sustainability in mind

We build and operate our facilities in sustainable ways. Today more than 15.1 million square feet (92%) of our distribution space is Leadership in Energy and Environmental Design (LEED) certified and new Medline buildings are constructed to meet LEED certification standards.

We also have eight locations that are certified according to ISO 14001, a set of global environmental standards set by the International Organization for Standardization (ISO). ISO 14001 lays out the necessary criteria for an environmental management system (EMS) and outlines the steps a company or organization should follow to set up an effective EMS.

Conserving energy and other resources is critical to curbing climate change, and an integral part of achieving ISO 14001 certification.

We're meeting ISO standards by:

- Installing LED lighting in production and warehouse areas
- Identifying and executing alternative means of waste disposal
- · Updating our equipment and processes to use less water
- · Making our equipment and processes more efficient



ReadyCare facility Waukegan, Illinois

Our ReadyCare facility manufactures patient wipes and lotions. In January 2019, the facility figured out a way to redirect wastewater to a larger, more efficient break tank. By recirculating approximately 2 gallons of wastewater per minute, on average, the facility conserves thousands of gallons of water annually.



SPT manufacturing facility **Chateaubriant, France**

For the past three years, employees at our Chateaubriant manufacturing facility have led the way in reducing waste across our business. This facility produces standard procedure trays (SPTs) used in operating rooms across Europe. In 2019, the facility recycled over 90% of the waste they generated.

Transporting products more fuel efficiently

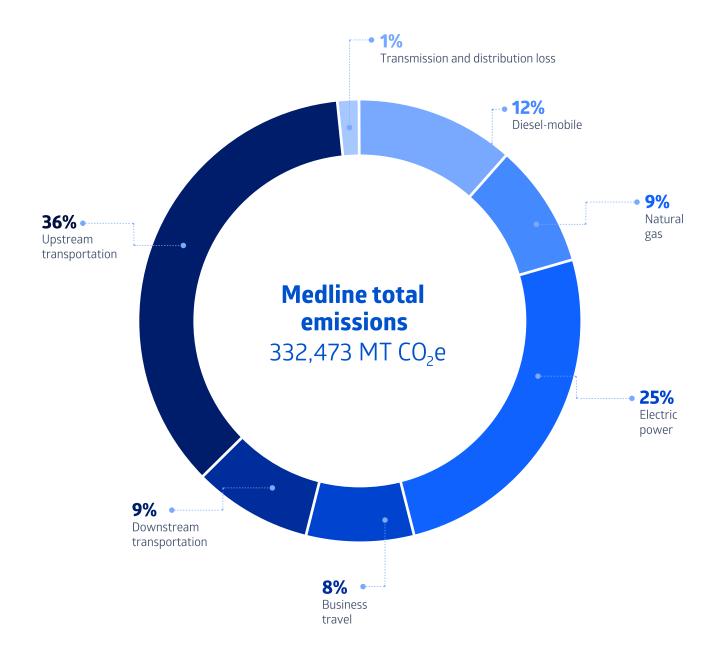
We're reducing our carbon footprint on the road by operating vehicles more fuel efficiently, investing in technology to monitor driving performance and streamlining deliveries and transportation services whenever possible.

We're a part of EPA SmartWay®, a partnership between the Environmental Protection Agency (EPA) and freight industry that provides guidelines and tools for improving fuel efficiency and increasing environmental performance. SmartWay® guidelines inform how we operate a portion of our fleet and how we choose our carriers. We also use partner tools, including GPS-based tracking software, to monitor the speed of our trucks, idle time, fast starts and stops and other operator and vehicle activities. Despite driving more miles in 2019 than in previous years, we reduced our CO₂ emissions by 3,784.3 metric tons in 2019, in part due to these tools.



Being transparent about our progress

We openly share information about our environmental impact so that our partners and communities can see our progress toward becoming a more environmentally responsible company. Along with sharing data, we track our environmental performance over time, and are committed to improving it year after year. In 2018, Medline North America and Medline Europe added more sites and increased square footage space, yet our total emissions decreased 5% per square foot.



Here's how we're sharing and tracking data related to our emissions:

Greenhouse gas inventory

We measure our carbon emissions in North America and Europe through an annual greenhouse gas (GHG) inventory. We use the data we gather to develop strategies to better manage our footprint. Our GHG inventory measures our emissions in North America and Europe within three scopes. The majority of our emissions come from upstream and downstream transportation and business travel.





Medline North America and Europe Combined GHG Emissions FY2018*

(measured in metric tons CO₂e**)







- * Greenhouse gas emissions data represents the 2018 calendar year
- ** CO₂e stands for carbon dioxide equivalent and is a standard unit to measure carbon footprints. It is used to compare the emissions from various greenhouse gases based upon their global warming potential.



Source: GHG Protocol, 2013. Scope 3 Accounting and reporting standard

CDP

We annually report emissions data to CDP (formerly known as the Carbon Disclosure Project). CDP is an international organization that helps companies disclose data on their environmental performance. They grade our corporate progress through questionnaires on topics such as climate change, forests and water security. In 2019, we raised our score in these categories from a B- to a B.

Learn about our latest sustainability efforts

NEWSROOM

Medline ReNewal: What medical device reprocessing looks like today

Get an inside look at the world of medical device reprocessing.

Read story

NEWSROOM

How exam gloves transformed into Michigan forests

Discover what medical exam gloves and northern Michigan forests have in common.

Read story

NEWSROOM

Unconventional ways organizations are tackling sustainable healthcare

Meet the organizations teaming up to make safer, more effective green products.

Read story

Employee health and well-being



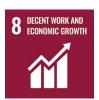
Helping our people be their best

The foundation of our success is our people. Their tireless dedication and hard work is what enables us to make healthcare run better for patients and families all over the world.









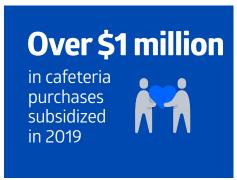
We're dedicated to creating a work environment that promotes the health and well-being of every employee.

We want people to feel proud to be a part of our company and excited to serve others, whether at work, at home or in their local communities. To achieve this, Medline provides benefits and programs focused on improving health and wellness and helping employees grow—both personally and professionally.

Our impact, by the numbers









Benefits to support our people's well-being

We offer comprehensive benefits to support the physical, financial and emotional well-being of our employees, including:

- A retirement savings plan with company matching contributions
- A variety of health plans for employees and their families
- · Flexible work hours
- Paid time off for vacation, holidays, parent leave and more
- Reimbursements for healthy lifestyle programs, tuition and professional development opportunities
- Access to our Employee Assistance Program, which provides employees and their families free, confidential counseling 24/7 on personal and work-life issues

- Free preventive health services, including biometric screenings, flu shots and mammograms
- Opportunities to participate in well-being competitions, including the annual HealthyWage Weight-Loss Challenge, and employee appreciation events
- Scholarships for children of employees, awarded by the Medline Foundation

Encouraging healthy lifestyle choices

We offer the following benefits to our 2,000+ employees working at our Illinois facilities in Northfield and Mundelein:

- 24/7 access to a free on-site fitness center with indoor and outdoor basketball courts
- · Fitness and yoga classes for a nominal fee
- · Free commuter benefits and public transportation incentives
- · A full-service cafeteria with subsidized healthy eating options
- · An on-site credit union and dry cleaning service
- · Outdoor walking paths and vegetable gardens
- · Access to a full-time nurse and certified personal trainer



Growth opportunities

Enabling employees to grow as people and professionals is vital to fostering well-being. That's why we're committed to helping our employees develop new talents and skills so that they can continue to grow both professionally and personally. Two ways we do this are through our rotational assignment and internship programs.



Rotational Assignment Program

The rotational program enables new hires to explore various roles and divisions within our company, based on their skills and interests.



Internship Program

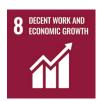
Our summer internships give college seniors short-term roles at Medline that have the potential to lead to full-time positions once they graduate. In 2019, we welcomed 60 interns over the summer.

Ethics and Compliance



Doing what's right, not just what's required

We're committed to high ethical and business standards and expect all our employees to behave honestly and with integrity in every part of our business. That's why we developed an extensive ethics and compliance program and Code of Conduct.







Our program

Medline's ethics and compliance program exists to promote ethical conduct throughout our business. Our Chief Ethics and Compliance Officer, based in our global headquarters in the U.S., leads the program globally. A compliance officer based in the Netherlands aids in coordinating and supervising compliance and ethics in Europe.

To ensure our program reaches all employees, members of our Office of Ethics and Compliance help our Chief Ethics and Compliance Officer implement and review the effectiveness of our ethics and compliance program. The office is supported by a network of compliance liaisons on our European human resources team and by our European data protection committee.

The program includes a Code of Conduct, training and education, channels for effective communication, monitoring and evaluative activities, disciplinary standards and a response mechanism.



The Medline Code of Conduct

Our Code of Conduct is the foundation on which our ethics and compliance program is built. The code defines our core values and principles and how we interact with governments, partners, competitors and each other. It covers a wide range of topics, including anti-discrimination, workplace safety, employee privacy, data protection, political participation, anti-bribery and anti-corruption.

Live by the Code

From our Code of Conduct, these are some of the guiding principles we expect every Medline employee to follow:

- · Act with integrity in all that you do.
- Watch for situations that seem unethical or could violate the spirit of the Code.
- Ask questions if you have concerns that a business activity may be unethical or illegal, or may violate the Code or other compliance policies.
- Report suspected violations of the Code, compliance policies or other rules or regulations to the appropriate personnel.
- · Cooperate fully in any investigation or audit of business practices, possible ethical violations or illegal conduct.



Standards we follow globally

Medline is committed to being law-abiding, honest and trustworthy in all our business dealings. We practice good business by adhering to the highest standards to protect our company and the planet we call home. We follow all legislation and regulations in the countries where we operate and comply with industry-leading standards.



MedTech Europe

We're a member of the MedTech Europe trade association and comply with their Code of Ethical Business Practice. In compliance with their code, we avoid conflicts of interest when balancing our customer relations and charitable work. We also do not donate cash or products to, or at the request of, healthcare providers in Europe.



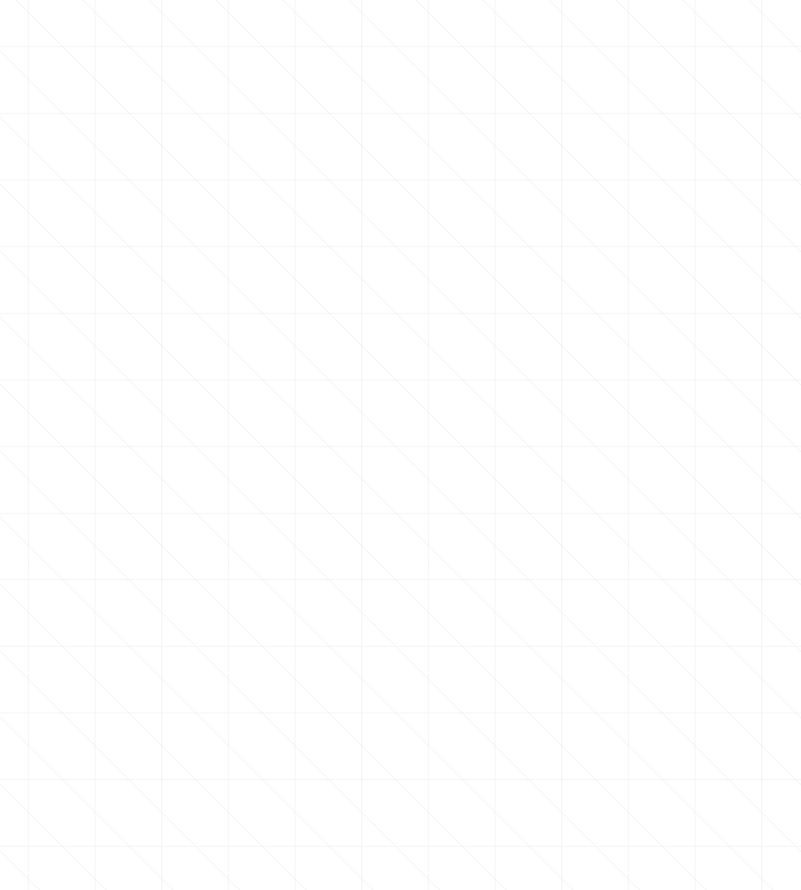
Advanced Medical Technology Association

As a member of the Advanced Medical Technology Association (AdvaMed), we support its mission to advocate for the highest ethical standards and patient access to safe and leading medical technologies.

Looking ahead

In 2020, we're focused on preventing slavery and human trafficking in our supply chain, and on making significant changes to our ethical sourcing program to ensure it meets the needs of our partners while supporting the well-being of workers throughout our product supply chain. In 2020, we plan to introduce an Ethical Sourcing Committee and Supplier Code of Conduct which will detail our standards on topics such as labor and human rights, health and safety and environmental protection.

For questions or feedback on the report, please contact us by email.





Medline Industries, LP

Three Lakes Drive, Northfield, IL 60093 Medline United States | 1-800-MEDLINE (633-5463) medline.com | info@medline.com



Medline Canada

1-800-268-2848 | medline.ca | canada@medline.com

Medline México

01-800-831-0898 | medlinemexico.com | mexico@medline.com