



May 31, 2024

Canada Forced Labour in Supply Chains Act – Attestation:

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed within. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within.

A handwritten signature in black ink that reads "Ernie Philip".

Ernie Philip

President, Medline Canada Corporation



Modern slavery and transparency statement 2023



Introduction

Medline views modern slavery, forced and child labor, and human trafficking as critical human rights issues. To: (i) prevent these practices from occurring in Medline's global operations and supply chain; and (ii) address violations or abuses of workers' human rights, Medline is committed to implementing systems and controls throughout its organization to monitor both its internal operations and those of its suppliers. In doing so, Medline utilizes widely recognized international human rights standards, including the United Nations Guiding Principles for Business and Human Rights (UNGPs), and similar international conventions and frameworks.

This Modern Slavery and Transparency Statement is published in accordance with the United Kingdom's Modern Slavery Act of 2015 (UK MSA), the California Transparency in Supply Chains Act of 2010, Australia's Commonwealth Modern Slavery Act 2018 (CMSA) and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act of 2022 (CFLA) and outlines the steps Medline takes to combat modern slavery, forced and child labor, and human trafficking in its operations and supply chains. This statement applies to Medline's 2023 financial year that ran from January 1, 2023 to December 31, 2023. This statement is referenced in Medline's global ESG report and is publicly available online. It will also be referenced in European, Canadian, Australian or other market-specific ESG reports as necessary.

Medline Industries, LP publishes this statement on behalf of the Medline group (collectively, "Medline") that includes Medline International B.V., subject to the UK MSA; Medline Stellar Australia Pty Ltd. and Medline International Two Australia Pty. Ltd., subject to the CMSA; and Medline Canada Corporation, subject to the CFLA.

Medline takes a continuous, multi-tiered approach that maintains ethical standards, monitors human rights issues and mitigates risk throughout its global operations and supply chain. Medline starts with evaluating tier 1 of its supply chain, an ongoing effort that requires constant due diligence. Medline is also expanding the scope of its efforts to include the lower tiers of its supply chain, in an effort to more fully manage and remediate risks from raw material through final product.

Medline's structure, operations and supply chain

Medline is the largest privately held manufacturer and distributor of healthcare supplies (e.g., exam gloves, protective apparel, packs and gowns, and surgical trays and services) in the United States of America, with global headquarters in Northfield, Illinois.

Medline International B.V. (MIBV) is a wholly owned subsidiary of Medline Industries, LP and serves as a hub for Medline's operations in Europe, the United Kingdom, Asia, Australia and New Zealand.

Medline Canada Corporation is a wholly owned subsidiary of Medline Industries, LP and is the legal entity under which Medline conducts business in Canada.

Medline operates numerous assembly and manufacturing facilities, distribution centers, service centers and commercial offices around the world.

335,000+
medical and
surgical products

38,000+
employees
worldwide

US\$23.2B
in global
company sales

100+
countries and
territories where Medline
does business

Medline's supply chain

Medline has a diverse and complex product supply chain spanning thousands of tier 1 suppliers globally. The majority of Medline's suppliers are based in Asia and North America with products shipped globally to meet customers' unique needs.

Modern slavery risks in Medline's operations and supply chain

Medline prohibits forced labor, child labor and other practices that violate basic human rights throughout its operations. Similarly, Medline's Supplier Code of Conduct applies these prohibitions to suppliers of Medline-branded products. Medline takes a risk-based approach to due diligence using a process that applies internationally recognized standards such as the International Labor Organization (ILO) conventions, the United Nations Universal Declaration of Human Rights (UDHR), the UNGPs, and other similar agreements.

Risks in Medline's operations

Medline operates a global network of manufacturing and distribution centers. Medline recognizes that its network presents potential for risk and takes steps to prevent modern slavery in each of its facilities. Medline's Employee Code of Conduct reflects the company's commitment to providing Medline employees a safe, healthy working environment free from violations of their fundamental human rights, no matter their role or responsibilities, and includes prohibitions against forced labor, child labor and any other practices that violate basic human rights. Medline regularly monitors and assesses compliance with these standards not only for full-time employees, but also contract and temporary employees.

Risks in Medline's supply chain

Medline contracts with numerous suppliers to produce Medline-branded products. As a condition of the business relationship with Medline, suppliers of Medline-branded products are expected to comply with Medline's Supplier Code of Conduct. Medline regularly assesses risk in its supply chain and conducts audits for evidence of health and safety risks, and forced labor, child labor and

other potential violations of basic human rights. Medline is committed to continued partnership with its tier 1 suppliers to improve transparency, monitoring and mitigation efforts, with the long-term goal of extending and maintaining visibility into the lower tiers of its supply chain.

Medline achieves its global reach via strategic relationships with suppliers on six of the seven continents. With a supply chain that incorporates such geographic diversity, Medline monitors and mitigates risk for workers around the world. For example, Medline applies heightened levels of due diligence when there is potential risk from the use of certain raw materials; migrant, temporary or contracted employees; or jobs with increased physical demands.

Actions Medline takes to assess and address modern slavery risks

Medline's policy framework

Medline is committed to legal, ethical and socially responsible business and employment practices, and treats workers with dignity and respect throughout its global operations and supply chain. Group-wide policies and procedures relevant to preventing slavery, forced and child labor, and human trafficking include Medline's Supplier Code of Conduct, Employee Code of Conduct, Misconduct and Non-Retaliation Policy, and Ethical Sourcing Guidelines.

Medline's policies incorporate widely adopted international human rights principles detailed in agreements including core ILO conventions and the UDHR. Additionally, Medline complies with local labor laws and regulations at national and local levels, and requires its suppliers to do the same.

Addressing modern slavery risk in Medline's operations

Compliance with Medline's recruitment and employment policies and Employee Code of Conduct is tracked by local human resources representatives at all Medline-owned factories, distribution centers and sales offices. Medline's aim is to avoid modern slavery, forced labor, child labor or human trafficking in its business operations and direct workforce. Medline implements strict employment practices and procedures that adhere to local labor laws across its global business.

Medline's operations comply with all applicable environmental laws and regulatory requirements, and abide by strict health and safety measures. All employees are required to act in accordance with standards set out in the Employee Code of Conduct in the course of their work.

Medline has grievance mechanisms in place to allow Medline personnel to confidentially raise concerns about working conditions or violations of law.

Addressing modern slavery risks in Medline's supply chain

Medline benchmarks its ethical sourcing policies and procedures against the UNGPs and other international standards. Further, Medline monitors the global regulatory and policy environment to ensure its Ethical Sourcing Program complies with the law and employs widely accepted best practices.

Medline's Ethical Sourcing Program promotes respect for human rights in its global operations and supply chain and is based on 11 pillars:

1. Roles and responsibilities, including oversight to Medline's Ethical Sourcing Program
2. Ethical Sourcing Standards
3. Risk assessment
4. Supplier engagement
5. Social compliance audits
6. Grievance mechanisms
7. Remediation
8. Customer engagement
9. Training and capacity building
10. External reporting and communication
11. Assessing effectiveness

Governance and oversight

The commitment of senior leadership is essential to the effectiveness of the Ethical Sourcing Program. Medline's senior leadership, including Jim Boyle, CEO, and Jim Pigott, President and COO, consider ethical sourcing to be Medline's moral obligation, believe that Medline should meet any legal obligations in this area, and expect the same mindset from all employees. Medline created an Ethical Sourcing Committee to oversee Medline's Ethical Sourcing Program that includes representatives from Legal; Ethics and Compliance; Environmental, Social and Governance; and Quality Assurance and Regulatory Affairs (including Sourcing) functions.

Independent risk assessment

Medline takes a risk-based approach to ethical sourcing to focus efforts where the risks are greatest and where Medline can assert leverage to achieve positive change. As noted above, this involves additional scrutiny of suppliers associated with relatively higher human rights risks. Medline engages third-party consultants to provide independent due diligence to assess the risk profiles of potential suppliers. This due diligence continues as Medline's relationship with each supplier evolves. Depending on the risks identified through such assessments, Medline may implement a variety of mitigation measures, such as obtaining documentation from suppliers, ongoing monitoring, and/or on-site social audits. Risk assessment practices extend beyond tier 1 of Medline's supply chain, and mitigation measures are taken in circumstances when the company learns of risks that call for further review. Risk assessment and mitigation measures are taken regardless of whether the business learns of risk from internal due diligence or external sources.

Actions we take to assess and address modern slavery risks, continued

Medline performs risk assessments of all new tier 1 suppliers. Depending on the results of the risk assessment, Medline may require an on-site social audit, additional due diligence or corrective actions, or decline to enter into a business relationship with the supplier before procurement begins.

Supplier engagement

Medline's Supplier Code of Conduct applies the prohibition of forced labor, child labor and other practices that violate basic human rights to every tier 1 supplier that provides the business with raw material, component parts or finished Medline-branded products. Tier 1 suppliers are further required to conduct appropriate due diligence to determine whether their suppliers, subcontractors and labor brokers apply standards consistent with Medline's Ethical Sourcing Program.

Medline requires suppliers to meet minimum standards in relation to, among other things, compliance with applicable laws relating to wages and benefits, worker health and safety, and working hours. All tier 1 suppliers must agree to adhere to the Supplier Code of Conduct as a condition of their relationship with Medline, and must apply Medline's standards to lower tiers of the supply chain. Where necessary, Medline works with suppliers to enhance their performance against the standards set forth in the Medline Supplier Code of Conduct. For example, if Medline determines a supplier hired workers who paid recruitment fees for their job, Medline requires a full payback plan, and would monitor that supplier to ensure adherence and compliance.

Social audits

Medline continuously evaluates risk using assessment and audit processes built on internationally recognized human rights standards, conventions and principles.

Medline uses audits as both an assessment tool for new suppliers and a monitoring tool for existing suppliers. If a potential supplier is classified as high-risk during the assessment process, Medline conducts an audit of the supplier to better understand its risk profile and what remedial steps may be required to proceed with the relationship.

Medline also conducts audits of existing tier 1 suppliers to assess compliance with its Supplier Code of Conduct and Ethical Sourcing Standards. Audits may be routine and related to a supplier's risk profile or conducted in response to a specific grievance or incident. Audits may be performed by Medline personnel or third-party auditors, and they may be announced or unannounced. All audits are conducted consistent with best practices concerning social auditing, including SA8000® principles. Audits are conducted by trained, qualified auditors. In 2023, Medline conducted 645 social audits globally.

Where issues are identified, Medline works with suppliers to develop remediation plans. Where possible, Medline uses its business leverage to work with suppliers to improve their performance and conditions for workers. However, where suppliers are unwilling or unable to meet Medline's standards within a reasonable timeframe, Medline will discontinue the supplier relationship.

Grievance mechanisms

Medline has grievance mechanisms that allow both Medline personnel and workers in suppliers' facilities to confidentially raise concerns about potential violations of law or Medline's Ethical Sourcing Standards. Information about grievance mechanisms is posted in appropriate local languages in tier 1 suppliers' facilities, and employees are encouraged to report concerns about potential labor or human rights abuses. Medline encourages its suppliers to install effective grievance mechanisms of their own. However, if workers feel that they cannot present a grievance to their direct employer, they are encouraged to reach out to Medline directly.

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
 - Phone numbers, per country, are listed on Medline's Open Talk website

The Open Talk online portal and toll-free hotline, also referred to as the Medline Ethics and Compliance Helpline, are accessible globally by both Medline employees and external parties including suppliers and their workers.

Medline's policies prohibit retaliation in all forms, and Medline's reporting systems are designed to protect the individuals who use them from potential retaliation.

Actions we take to assess and address modern slavery risks, continued

Remediation

Medline seeks to respond to all actual or potential risks of modern slavery, forced or child labor, or other violations of basic human rights in accordance with best practices, including through supplier engagement, enhanced due diligence, training and capacity building, social auditing, and implementing corrective and preventive action plans. Medline Ethical Sourcing personnel follow up regularly with suppliers to ensure they are complying with agreed to plans, including financial compensation for employees when appropriate and in a manner that is sensitive to the potential for unintended negative impacts on vulnerable workers and their families.

As recommended by internationally recognized standards, such as the UNGPs, Medline uses its influence to improve working conditions in its suppliers' facilities. However, where necessary, Medline terminates its business relationship with non-compliant suppliers.

Training

A fundamental component of Medline's approach to ethical sourcing is training its employees to identify and respond to risks in its global supply chain. All employees are familiarized with the Ethical Sourcing Program in new hire training, and thereafter on an annual basis. This training informs employees about Medline's commitment to human rights and social compliance, and provides them with a basic understanding of the Ethical Sourcing Program. Employees in key functions, such as quality assurance, product management and compliance receive specialized training that includes deeper discussion of topics such as modern slavery, forced labor, child labor and human trafficking.

Assessing effectiveness

Medline evaluates the effectiveness of its Ethical Sourcing Program on an ongoing basis to assess whether it is implemented appropriately, has responded effectively to identified human rights risks and impacts, and has adapted to any changes in its business activities over time.

Medline annually reviews the sufficiency of the Ethical Sourcing Program by measuring it against a set of key performance indicators to gauge its performance in relation to certain targets and commitments. Medline also undertakes further effectiveness assessments at the request or recommendation of the Ethical Sourcing Committee, or if otherwise deemed necessary, such as after an incident with serious human rights and/or legal implications. Medline implements improvements to its processes depending on the outcome of these assessments.

Medline's process of consultation

The policies and procedures described in this statement apply globally across Medline's business.

Medline understands that compliance programs cannot be static and must evolve to address risk effectively. Medline is committed to annual review of its Ethical Sourcing Program, and additional assessments of the program and its subcomponents may be conducted when recommended by the Ethical Sourcing Committee.

All reviews are based on appropriate qualitative and quantitative performance indicators and draw on feedback from both internal and external sources, such as grievances communicated by affected stakeholders. Representatives of Medline's Australian reporting entities have contributed to the description of salient risks in this statement and are aware of the actions that need to be taken to mitigate the risks.



Conclusion and approval

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

Medline Industries, LP is a privately held company, whose principal governing body includes:

- Jim Boyle, CEO
- Jim Pigott, President and COO

Approved by:



Jim Boyle, Chief Executive Officer

Additional information

[Visit our U.S. website and explore our international locations](#)

[Download the Medline Ethical Sourcing Guidelines](#)

[Visit Medline's global ESG report hub](#)



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