



# Medline Supplier Code of Conduct

Medline Industries, Inc.

# Introduction

Medline is committed to conducting business in an ethical manner and to promoting good labor, human rights, and environmental practices with our business partners. The Medline Supplier Code of Conduct explains what Medline expects from its suppliers and forms part of our approach to ethical sourcing.

Recent legislation across a range of countries has increased the importance of transparency and accountability in supply chains. Medline is committed to keeping up to date with evolving legislation and best practices, and to reflecting these developments in our day-to-day operations.

We value our relationships with suppliers and seek to ensure that these relationships reflect our company ethos. When you accept any purchase order from Medline, you agree to operate in line with this Code in your provision of goods and/or services to Medline.

Medline may terminate agreements or purchase orders with suppliers in the event suppliers violate this Code and/or fail to remediate any non-compliances identified.

Introduction .....	2
1.0 Purpose .....	3
2.0 Labor and Human Rights .....	3
3.0 Health and Safety .....	5
4.0 The Environment .....	7
5.0 Other Ethical and Governance Issues .....	9
6.0 Management Systems.....	9
Signature Form: Supplier Code of Conduct.....	12

# 1.0 Purpose

**This Code of Conduct sets out our Ethical Sourcing Standards. We expect our suppliers to comply with these standards, including implementing the appropriate management systems necessary to do so.**

- 1.1** Medline Industries, Inc. and all its affiliates and subsidiaries worldwide are committed to ensuring that working conditions in Medline’s supply chain are safe, that workers are treated with respect and dignity, and that manufacturers are environmentally responsible.
- 1.2** Medline’s suppliers are obligated, in all of their activities, to operate in full compliance with the laws, rules, and regulations of the countries in which they operate.
- 1.3** This Code of Conduct is based on recognized standards, conventions, and principles, including the United Nations Guiding Principles on Business and Human Rights, International Labor Organization (ILO) declarations and standards, the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Global Compact, Worldwide Responsible Accredited Production (WRAP), Social Accountability International (SAI)/SA8000, and the OECD Guidelines for Multinational Enterprises.
- 1.4** As our business relationship develops, we expect suppliers to raise their standards and improve working conditions, minimize any negative impacts on the environment, and always engage in ethical business practices, taking into account internationally recognized standards.
- 1.5** Medline may require evidence of suppliers’ adherence to the Code of Conduct.
- 1.6** Suppliers must conduct appropriate due diligence to ensure that their own suppliers and sub-contractors and labor brokers apply Medline’s Ethical Sourcing Standards. On request, suppliers agree to provide Medline with names and addresses of their suppliers, sub-contractors and other agents to assist with Medline’s due diligence.

# 2.0 Labor and Human Rights

**Medline suppliers shall uphold the rights of workers and treat them with dignity and respect in line with international standards.**

## **2.1 Forced Labor is prohibited**

Medline prohibits all forced, bonded, trafficked, prison, or slave labor. No individual shall be subject to misleading or fraudulent practices in the course of recruitment, such as failing to disclose key terms and conditions of employment. No workers shall be required to pay “deposits” or recruitment fees to their employer, or any labor broker or agent. No worker shall be required to relinquish possession of identity papers such as passports, ID cards, or work permits to their employer. All workers must be free to leave their employer after reasonable notice.

## **2.2 Child Labor is prohibited**

Medline prohibits the use of child labor. The minimum age for employment of any worker shall be either 15 years of age, the minimum age for employment in the relevant country, or the age for completing compulsory education in the relevant country, whichever is higher (the “Minimum Age”).

Persons under 18 but over the Minimum Age may be employed, for example through workplace apprenticeships and internships, but they shall not perform work that is likely to harm their health, safety, or morals. The working hours of juvenile workers and other terms and conditions of employments must comply with local laws and regulations.

## **2.3 No harsh or inhumane treatment is allowed**

All workers shall be treated with dignity and respect. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse, mental coercion, or other forms of intimidation are prohibited.

## **2.4 Freedom of association is respected**

All workers shall have the right to join or form trade unions or other workers’ organizations of their own choosing and to bargain collectively. Workers shall not be subject to detriment, such as dismissal or other prejudice to their employment terms, based on union membership or participation in other such activities outside working hours. Worker representatives shall not be discriminated against and shall have access to carry out their functions in the workplace. If the right to freedom of association and collective bargaining is restricted under law, the employer must not hinder the development of alternative means for independent and free association and bargaining.

## **2.5 Decent wages are paid**

Workers shall be paid at least the legal minimum wage. Before they enter employment, all workers shall be provided with clear, written information about their employment terms and conditions regarding wages. Workers shall be paid in a timely manner and each time they are paid, they shall be provided with detailed information about their wages in writing for each pay period. Workers shall be paid overtime premiums in line with applicable laws.

## **2.6 Working hours are not excessive**

Working hours must comply with national laws and collective agreements, whichever affords the greater protection for workers. All overtime shall be voluntary and paid for in accordance with local law.

The total hours worked in any seven-day period shall not exceed 60 hours, unless allowed by law or any applicable collective agreement. Alternatively, an exception to the 60 hours requirement may be acceptable if the employer can demonstrate that exceptional circumstances apply, including but not limited to: unexpected production peaks, accidents, or emergencies. Under these circumstances, appropriate safeguards must be implemented to protect the workers’ health and safety. Workers shall be provided with at least one day off in every seven-day period.

## 2.7 Discrimination is prohibited

Discrimination in all aspects of employment is prohibited, including hiring, compensation, access to training, discipline, promotion, termination, or retirement. No person shall be discriminated against on the basis of their race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, gender identity, union membership, or political affiliation. Workers shall not be subjected to pregnancy tests and pregnant workers shall not be discriminated against, except where affirmative action is required by applicable laws.

Suppliers shall not require workers to undergo medical tests except where required by applicable law or regulation or prudent for workplace safety.

# 3.0 Health and Safety

**Medline recognizes that integrating sound health and safety management practices into all aspects of business is essential for workers' well-being and maintaining high morale and productivity. Suppliers must provide safe working conditions and a healthy work environment for all of their workers.**

## 3.1 Occupational Safety

Suppliers shall provide appropriate controls, safe work procedures, preventative maintenance, and protective measures to mitigate health and safety risks in the workplace. When hazards cannot be adequately controlled by these means, suppliers must provide workers appropriate personal protective equipment free of charge. Workers must have the right to refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

## 3.2 Building Structural Safety

Upon request, suppliers must provide Medline with the applicable certificates and permits to demonstrate that their facilities meet the local laws and regulations on building safety. Some of the steps suppliers can take to enhance building safety include, but are not limited to:

- Visually inspecting floors, walls, and ceilings for signs of distress, cracking, dampness, erosion, or lack of performance that may need attention.
- Engaging qualified service providers with the requisite specialist knowledge and equipment for building renovations, extensions, and new construction projects.
- Testing in situ structural elements or materials, or construction materials to confirm strength or other characteristics.
- Paying adequate attention to the location of various equipment, manufacturing processes, and storage to ensure the loads (e.g. weight, vibrations, noise, etc.) can be borne without compromising building safety.

### **3.3 Electrical Safety**

Upon request, suppliers must provide Medline with the applicable certificates and permits to demonstrate that their facilities meet the local laws and regulations on electrical safety. Some of the steps suppliers can take to enhance electrical safety include, but are not limited to:

- Ensuring that a qualified electrician regularly inspects and maintains all electrical systems, including switches, power outlets, and trips/surge protectors.
- Avoiding exposed or loose wiring and ensuring that cables are tidy and in good conditions.
- Providing complete enclosures with covers.

### **3.4 Industrial Hygiene**

Suppliers shall identify, evaluate, and control worker exposure to hazardous chemical, biological, and physical agents. When hazards cannot be adequately controlled by engineering and/or administrative means, suppliers must provide workers appropriate personal protective equipment free of charge.

### **3.5 Emergency Prevention, Preparedness, and Response**

Suppliers shall anticipate, identify, and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures. These include, minimally:

- Emergency reporting.
- Worker notification and evacuation procedures.
- Worker training and drills, including safety training that covers the nearest fire alarm, emergency exits, and assembly points.
- Appropriate first aid supplies.
- Regular testing of emergency lighting.
- Adequate number of outward opening emergency exits that lead to safe assembly points.
- Recovery plans.

### **3.6 Occupational Injury and Illness**

Suppliers shall establish procedures and systems to manage, track, and report occupational injury and illness. Such procedures and systems shall encourage worker reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes, provide necessary medical treatment, and facilitate the workers' return to work.

### **3.7 Physically Demanding Work**

Suppliers shall identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks. Where required by law, operators must have a certificate or permit to operate heavy machinery.

### **3.8 Housing and Canteens**

Housing for workers and management that is provided by suppliers must be separate from the facility production buildings and warehouses. Suppliers shall provide workers with an adequate number of toilets in the production facility and in the workers' housing and these toilet facilities must be kept clean. Access to free drinking water in the production facility and in the workers' housing, as well as sanitary food preparation and storage facilities in the canteen must also be provided. If food is prepared in the on-site canteen, food safety certificates and health certificates must be held as required by any local law.

Workers' housing provided by the supplier or a labor agent must be clean and safe, and provide adequate emergency egress, heating/ventilation, and reasonable personal space. Fire evacuation drills must be conducted in workers' housing.

If a supplier provides a childcare facility, this facility must comply with all applicable laws.

### **3.9 Communication**

In order to foster a safe work environment, suppliers shall ensure that workers receive appropriate workplace health and safety information and training, including written health and safety information and warnings in the primary language(s) of its workers.

### **3.10 Worker Health and Safety Committees**

Suppliers are encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to promote worker input regarding health and safety issues in the workplace.

## **4.0 The Environment**

**At Medline, environmental considerations are an integral part of our business practices. Suppliers must be committed to reducing the environmental impact of manufacturing processes and materials, including through management of hazardous substances, water, product packaging, and waste disposal.**

### **4.1 Suppliers and facilities shall obtain environmental permits and shall comply with all conditions**

Suppliers and facilities shall have in place and maintain all environmental permits, registrations, authorizations, or similar consents required to lawfully engage in their business activities.

Suppliers shall comply with operational conditions and reporting requirements associated with these permits.

Facilities should have in place appropriate and robust environmental management systems and qualified personnel, ideally certified in accordance with internationally recognized systems certifications (e.g. ISO 14001).

#### **4.2 Hazardous substances shall be appropriately managed**

Facilities shall comply with any applicable laws prohibiting, restricting, or otherwise regulating hazardous substances and mixtures, including in products.

Hazardous substances shall be safely handled, moved, stored, recycled, reused, and disposed of in compliance with applicable laws, including those relating to human health & safety, transport of dangerous goods, transboundary movement, environmental permit conditions, and waste duty of care principles.

Hazardous substances shall be classified, labeled and packaged in accordance with all applicable laws. Material Safety Data Sheets shall be prepared and accompany any hazardous substances, and shall be provided in the primary language(s) of workers for any hazardous or toxic substances and workers who come into contact with such substances shall be adequately trained.

#### **4.3 Waste shall be appropriately managed and minimized where possible**

Waste shall be managed in accordance with all applicable laws and waste duty of care principles, including in relation to storage, handling, movement, and disposal.

Facilities will implement appropriate conservation measures in order to reduce or eliminate waste and wastage of all types, including water, energy, and non-recyclable or single-use plastics.

Suppliers shall aim to reduce the amount of non-recyclable packaging used or produced as part of their activities.

#### **4.4 Water shall be appropriately managed**

Wastewater and solid waste generated from operations must be monitored, controlled, and treated as required by applicable laws before discharge or disposal.

Facilities will implement appropriate conservation measures to reduce water consumption, reuse water where possible and safe, improve efficiency of water use, minimize direct diversion or abstraction from natural water bodies, and minimize as far as possible any flood-related risks associated with any managed operations or facilities.

#### **4.5 Emissions to air shall be appropriately managed with the aim to minimize or eliminate harmful particulates or emissions**

Emissions of greenhouse gases (GHGs), volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals, and combustion by-products generated from operations must be monitored, controlled, minimized, treated, and reported as required by applicable laws and permits, and in line with best practice where possible.

## 5.0 Other Ethical and Governance Issues

**Medline suppliers must be committed to the highest standards of ethical conduct when dealing with stakeholders, including workers, suppliers, governments and customers. Suppliers must act in line with the following principles.**

### 5.1 Anti-corruption and bribery

Suppliers must not tolerate bribery, corruption, extortion, and embezzlement in their business operations or supply chain. Suppliers shall never offer, accept, or support bribes or other means of obtaining undue or improper advantage (anything of value, either directly or indirectly through a third party) in order to obtain or retain business or to direct business to another party or otherwise gain an improper advantage.

### 5.2 Fair business and competition

Suppliers must conduct business fairly and transparently in line with applicable laws. Compete fairly and uphold fair business standards in advertising and sales.

### 5.3 Non-retaliation

Suppliers must ensure that workers who disclose information in good faith, or report concerns about non-compliance or other issues related to the content of this Code are protected from retaliation.

### 5.4 Confidentiality, data, and intellectual property

Suppliers must safeguard confidential information received from third parties and protect the personal data of employees, customers, and other individuals in accordance with all applicable laws. Innovation and knowledge sharing between Medline and its Suppliers is encouraged, and we respect all intellectual property rights laws in doing so.

## 6.0 Management Systems

**Medline suppliers should establish and implement management systems to ensure compliance with this Code and all applicable laws and regulations, identify and mitigate related operational risks, and facilitate continuous improvement.**

The management system should contain the following elements:

### 6.1 Company Commitment

An ethical sourcing statement (or equivalent) affirming the supplier's commitment to compliance and continual improvement, to be posted in the primary local language(s) at all of the supplier's worksites.

**6.2 Management Accountability and Responsibility**

Clearly identified company representatives responsible for ensuring implementation and periodic review of the status of the supplier's management systems.

**6.3 Legal Requirements and Medline Requirements**

A process to identify, monitor and understand applicable local laws and regulations and the requirements imposed by this Code.

**6.4 Risk Assessment and Management**

A process to identify environmental, health and safety, and labor practice risks associated with their operations, determine the relative significance of each risk, and implement appropriate procedures and physical controls in order to manage and mitigate the identified risks.

Risk assessments for health and safety should include warehouse and storage facilities, plant and facility support equipment, laboratories and tests areas, toilet facilities, kitchens, canteens, and workers' housing.

**6.5 Performance Objectives and Implementation Plans and Measures**

Written standards, performance objectives, targets and implementation plans, including a periodic assessment of the supplier's performance against those objectives.

**6.6 Training**

Program for training managers and workers to implement the supplier's policies, procedures and improvement objectives.

**6.7 Communication**

A process for communicating clear and accurate information about the supplier's performance, practices and expectations to its workers, suppliers and customers, as well as an anonymous complaint mechanism.

**6.8 Grievance mechanisms**

Effective procedures through which all workers can raise concerns or complaints about the standards set out in this Code. Procedures should be made accessible to all workers, including consideration of local languages for foreign workers. Suppliers must record any complaints received through grievance mechanisms.

**6.9 Audits and Assessments**

Periodic self-evaluations to ensure that the supplier are complying with this Code and with applicable laws and regulations.

Medline may visit (and/or have external monitors visit) supplier facilities to assess compliance with this Code. Suppliers must allow Medline and its third party representatives to inspect their premises and records and to meet with the Supplier's personnel.

**6.10 Corrective Action Process**

A process for timely correction of any deficiencies identified by an internal or external audit, assessment, inspection, investigation, or review.

**6.11 Documentation and Records**

Creation of documents and records to ensure regulatory compliance and conformity to this Code, with appropriate confidentiality measures to protect privacy. Suppliers must keep records relating to the supply chains of all goods and services provided to Medline.

**6.12 Examples of Management Systems**

WRAP, SA8000, and ISO 14001 may be useful references for suppliers in designing and implementing their own management systems.

## Signature Form

# Supplier Code of Conduct

*Please complete and send this signature form to Medline.*

The supplier has received and will comply with the Medline Supplier Code of Conduct (SOP-00040).

The supplier further acknowledges and agrees that Medline may revise or supplement this Supplier Code of Conduct from time to time, at Medline's sole discretion. The most up to date version of the Code of Conduct is available on Medline's website (<https://www.medline.eu/about-medline/social-responsibility/ethical-supply-chains/supplier-code-of-conduct>)

Any deviations from the Medline Supplier Code of Conduct shall be reported to Medline in a separate Statement of Deviation. In the event of deviations, describe your process for monitoring social compliance in your owned or contracted manufacturing facilities. Medline will use your Statement of Deviation to engage in further dialogue with you and arrive at mutually agreed solutions.

Supplier/Company name:

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Country:

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Signature of authorized representative:

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Print name of authorized representative:

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Title/role of authorized representative:

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Date (dd-mm-yyyy):

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Company stamp (place on page):

Medline recognizes that some of our suppliers may undergo third party audits in accordance with social compliance standards such as WRAP (Worldwide Responsible Accredited Production), SA8000, SMETA, BSCI and similar. We encourage our suppliers to carry out such audits. Please share the resulting certificates or audit reports with Medline. However, acknowledgement of the Medline Supplier Code of Conduct is required even in instances where a supplier has been certified or audited by a third party.