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## Medline to the Frontline - April COVID-19 Communications

April 6, 2020

Dear Valued Customers,

With all the news surrounding PPE items, supply constraints, and issues with our southern border, I want to share with you what Medline is doing to bring inventory into Canada.

We are confident in our capabilities and our supply chain even in these vastly changing times. We have 66 containers of PPE items on the water and en route to Canada, 48 containers shipping in April, 46 containers shipping in May, and 105 containers shipping in June. As a company, we are making the tough decisions by allocating inventory thoughtfully, not allowing hoarding and blocking inventories in channels not considered high risk. We take our mission of **Together Improving Lives** seriously, and we will not compromise.

That said, here are the proactive actions we have taken to manage our supply chain:

### Frontline Priority

- Since January, we have prioritized existing frontline customers: hospitals, long-term care communities, EMS, Infusion Clinics, Treatment Centres, and recently, COVID-19 rapid testing sites.

### Strategic Allocation

- We placed all PPE, infection protection, and pandemic related items on allocation, based on historical demand and our on-hand supply.
- We have done our best to stop inventory hoarding and have kept watch on our pricing while raw material costs, freight, and labour costs have dramatically increased.

### Ramping up Production and Expanding the Supply Network

- We focused ordering on critical items and reduced the number of items ordered to reduce raw material stress and increase throughput.
- We are fast-tracking our audit and onboarding process to expand our sourcing network, while ensuring compliance with Health Canada and Medline standards of quality.

### Accelerating Distribution

- In Canada, we are using airfreight to accelerate distribution where applicable.
- We are prioritizing pandemic orders ahead of our regular orders.
- We added people capacity with our Customer Care and Distribution Centre teams to process and fulfill orders faster. We are operating 7 days a week.





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### **Proactively Working with Government and Health Authorities**

- We are proactively working with federal, provincial, and regional governments and health authorities to ensure equitable distribution of products and provide guidance on how to optimize supplies.
- We are encouraging customers to not to stockpile goods and asking for acceptance of readily available, equivalent substitutions in their order deliveries.

That said, 90% of our products are in stock and available for shipment, including incontinence, wound care, and skin care products, and general nursing supplies, so you should feel confident in ordering these items.

Medline Canada is deeply committed to supporting the frontline of healthcare. Please let us know what more we can do to be a partner to you in the COVID-19 fight. We will get through this chapter together.

Together Improving Lives,

Ernie Philip  
President  
Medline Canada

