SOLUTIONS AT SCALE
Building Capability for Sustainable Global Health

2018 Responsibility and Sustainability Review

HENRY SCHEIN®
SOLUTIONS FOR HEALTH CARE PROFESSIONALS
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2018 Recognition

• FORTUNE’S Change the World list 2018

• FORTUNE’S World’s Most Admired Companies 2018 – 17th consecutive year

• Ethisphere® Institute World’s Most Ethical Companies 2018 – 7th consecutive year

• JUST Capital America’s Most Just Companies List – 2nd consecutive year

• Forbes America’s Best Employers List – 4th consecutive year

• Barron’s 100 Most Sustainable Companies

• Gartner’s Healthcare Supply Chain Top 25 List

“Team Schein is at the forefront of a growing global movement of leaders committed to building great companies that sustainably deliver superior economic and social value.”
– Russ Eisenstat, Executive Director, Center for Higher Ambition Leadership

2018 Charitable Contribution Recipients

For a list of organizations that received in-kind support through Henry Schein Cares, please visit www.henryschein.com/CSR-Recipients

For a list of organizations that received financial support from the Henry Schein Cares Foundation, please visit www.hscaresfoundation.org/grants.asp

For a list of organizations that received in-kind support from the Henry Schein Cares Foundation, please visit www.hscaresfoundation.org/inkind.asp

Henry Schein Connects More Than 3,200 Suppliers to Over 1 Million Health Care Providers

Nearly $12.5 million in cash and in-kind donations provided in 2018 through Henry Schein Cares and the Henry Schein Cares Foundation, Inc.
Message from the Chairman of the Board and Chief Executive Officer

As a company, we ensure that health care providers have the business, clinical, technology, and supply chain solutions they need to provide quality care effectively and efficiently. For far too many individuals and communities, however, quality care remains out of reach.

This is why building health care capacity is a critical function of our corporate social responsibility (CSR) programs. Almost all of our CSR work not only “helps health happen” in its immediate impact, but also contributes to the education and professional development of health care providers so they can have a greater impact going forward.

This year, we are pleased to celebrate several significant milestones in our work to build capacity and provide solutions for global health at scale.

We celebrated in 2018 the 10th anniversary of the establishment of the Henry Schein Cares Foundation, which has accelerated our efforts to strengthen the health care safety net.

2018 also marked the 10th anniversary of our Global Student Outreach Program, a partnership with dental schools to support student-led oral health outreach missions. The program continues to expand access to care for people in need while also preparing students for the clinical and public health demands of tomorrow.

And for 20 years, our Global Product Donation Program has provided a broad selection of health care products and supplies, totaling almost $80 million over two decades, to nonprofit clinics and nongovernmental organizations working to meet health and humanitarian needs around the world.

Of course, building capacity is not just about growing successful programs, but looking for new solutions to address health challenges. As the link between oral health and overall health becomes more apparent, we are working with numerous partners to build capacity within our health care system for integrated and humanistic care. We are also providing leadership to advance global health security, an essential step in achieving UN Sustainable Development Goal 3 – to ensure healthy lives and well-being at all ages.

In 2018, we continued to build our capacity to comprehensively track and disclose data related to our sustainability activities. In this review, we are pleased to provide greater disclosure of our carbon footprint than was possible in past years. In years to come, we look forward to continuing to improve the measurement and reporting of our environmental impact, CSR programs, and partnerships.

The achievements described in this report would be impossible were it not for the professionalism and engagement of our Team Schein Members. We will continue to invest in our team so they in turn can support our customers as well as our public and private partners in advancing health. By focusing on building capacity internally and externally, we can deliver sustainable solutions to create a healthier world for all.

Stanley M. Bergman
Chairman of the Board and Chief Executive Officer, Henry Schein, Inc.
2018 Henry Schein Cares Medal Winners

ORAL HEALTH

Mary’s Center for Maternal and Child Care, Inc., Washington, DC (gold medalist) – Recognized for its commitment to building better futures for its clients through the delivery of health care, education, and social services. The organization fulfills this mission by embracing culturally diverse communities and providing the highest quality of care regardless of ability to pay. The silver medalist was My Community Dental Centers, Inc. (Boyne City, Michigan), and the bronze medalist was Community Treatment, Inc. (Festus, Missouri).

ANIMAL HEALTH

Massachusetts Society for the Prevention of Cruelty to Animals, Boston, Massachusetts (gold medalist) – Recognized for its commitment to protecting animals, relieving their suffering, advancing their health and welfare, and preventing cruelty. It fulfills this mission by providing direct, hands-on care to a wide variety of animals through its Animal Care and Adoption Centers, hospitals, and animal protection programs. The silver medalist was Animal Refuge League of Greater Portland (Westbrook, Maine), and the bronze medalist was Brooke USA, Inc. (Lexington, Kentucky).

MEDICAL

The Night Ministry, Chicago, Illinois (gold medalist) – Recognized for its commitment to provide housing, health care, and human connection to community members struggling with poverty or homelessness. It fulfills this mission by utilizing a multidisciplinary approach that addresses the immediate physical, emotional, and social needs of its clients, while building and maintaining relationships with them. The silver medalist was Care 2 Communities (St. Paul, Minnesota), and the bronze medalist was Community Volunteers in Medicine, Inc. (West Chester, Pennsylvania).

View interviews with each of the gold medalists by visiting www.henryschein.com/schein chats.
Celebrating 20 Years of Building Capacity Around the World to Improve Health

2018 marks an important milestone in our formal efforts to expand health care capacity. For 20 years, through innovative partnerships with community health centers, clinics, and academic institutions, Henry Schein has helped ensure that health care providers have the training and the tools they need to improve health.

The Henry Schein Cares Foundation Turns 10

Powered by partnerships across the entire Henry Schein community, the health care industry, nongovernmental organizations (NGOs), and professional associations, the Henry Schein Cares Foundation has focused on building the capacity of nonprofit organizations, institutions, and providers dedicated to increasing the delivery of health education and care.

On the occasion of the Foundation’s 10th anniversary, Steve Kess, Henry Schein’s Vice President of Global Professional Relations and President of the Henry Schein Cares Foundation, spoke with Co-Chair Louis W. Sullivan, MD, on the work and impact of the Foundation.

Steve Kess: Your broad vision of health care and your understanding of the need to engage partners to improve access to care was the impetus for the formation of the Henry Schein Cares Foundation. As co-chair of the Foundation, what has it meant to you and what important work has it done?

Dr. Louis Sullivan: I was so pleased to see the Company form the Foundation because it makes a statement about the importance of access to care, which has stimulated others to partner with us to improve health. One of the Foundation’s most impressive efforts has been in reaching people in need in the area of oral health, because we now fully understand that oral health is critical to improving general health status and life expectancy.

SK: Why do you think it is important for the Foundation to engage in public-private partnerships?

LS: Partnerships are crucial because they leverage the abilities of different players to help people and communities. Health is everyone’s responsibility. By providing leadership and developing partnerships with private organizations as well as governmental agencies, the Foundation has been able to magnify the impact of its initiatives to improve the health of people in underserved communities. Good health benefits everyone, and the impact of improved health for the underserved reaches far beyond just a healthier individual. A healthier population is also a more productive and potentially wealthier population.

SK: One of our areas of focus for the Foundation is capacity building. We’ve supported community and local health personnel who struggle to deliver contemporary care because of the cost of equipment and technology. We’ve also supported schools that want to introduce new areas of study but need the actual instruments and equipment in order to implement the program. Together with our industry partners, the Foundation has provided the tools of the trade so that dentists, hygienists, and other health professionals can provide care to at-risk populations, train students and local health care providers, and educate communities on maintaining health. Why do you feel it is important for the Foundation and its partners to provide the tools to teach, the tools to care, and the tools to engage?

LS: I had the pleasure of accompanying Stan Bergman to Meharry Medical College in Nashville in 2014 to present a gift of dental equipment, which improved the school’s ability to train professionals and, in turn, their ability to provide services to underserved communities. This is a very powerful way to “help health happen.” We really need more examples of this type of collaboration. The leadership that Henry Schein has shown in partnership with many others really helps to change the health landscape. I think the Foundation’s impact over the past 10 years has been very significant, but I am even more excited about what we will accomplish together in the future.
“Partnerships are the cornerstone of our success and ensure the sustainability of our programs. Our outreach program in Jamaica, for example, relies on the volunteer efforts of our students and faculty; the support of a local NGO partner to guarantee follow-up care for patients even after the outreach trip is over; and consumables and dental materials supplied by Henry Schein Cares. The work we do with Henry Schein’s support has a major impact not only on individuals’ oral health, but also on their quality of life.”

– Eve Cuny, Director of Global Initiatives, University of the Pacific Arthur A. Dugoni School of Dentistry

In 2008, Henry Schein Cares partnered with the NYU College of Dentistry to establish the Global Student Outreach Program, an effort to address public health and access to care issues in dentistry and oral health through student-led missions to underserved communities around the world. Since that time, the innovative program has expanded to include partnerships with nine U.S. schools and two schools in the U.K.

Under the Global Student Outreach Program, Henry Schein provides teams composed of dental students and faculty from each school with a donation of oral health supplies. The teams use these products during missions to provide oral health care education, emergency dental services, screenings, prevention, sealant application, and restorative treatment to children and adults in communities in need. Over the past five years alone, Henry Schein has donated more than $1.65 million in oral health care products and equipment to participating dental school partners.

In addition to providing treatment, the Global Student Outreach Program teams assess the oral health needs of each targeted community and work to implement a sustainable oral health system including the identification and training of local members of the community who can sustain oral health education and care after the visit concludes.

While providing needed access to quality oral health care, the program also enriches the education of the students who participate by creating exposure to public health needs, providing hands-on clinical instruction and experience, and nurturing their desire to serve others. By supporting the students of today, Henry Schein and its partners are building capacity that will impact the patients of tomorrow.

“...The sponsorship by Henry Schein Cares has allowed NYU College of Dentistry to focus its efforts on sustaining the impact of oral health interventions within host communities while crafting exceptional service-learning experiences for our students. We are able to conduct meaningful public health research and transform the way future health care providers view their roles in society.”

– Stuart M. Hirsch, DDS, Vice Dean of International Initiatives and Continuing Dental Education at NYU College of Dentistry

NYU School of Dentistry students provide care to children in Nepal as part of the Global Student Outreach Program.
Dr. Bari Levine’s Growing Smiles Foundation Gets Its Start Through the Global Student Outreach Program

In 2012, Dr. Bari Levine had finished her first year in a dual public health and dental medicine program at Temple University when she had the chance to join a medical outreach trip to an orphanage in Peru. Recognizing the children’s pressing need for oral health education and supplies, Dr. Levine spent the next year designing a comprehensive oral health education program that she and other dental students could deliver at the orphanage.

“When I returned with my mother, a pediatric dentist, and a group of Temple dental students to screen and educate the children on proper oral hygiene, we found that over half the children had at least one cavity,” said Dr. Levine.

Ten months later, and with the support of the Henry Schein Cares Global Student Outreach Program, Dr. Levine embarked on a second outreach mission with her fellow dental students to find that the education they had previously provided made a difference. “In comparison to children who didn’t participate in our education program, those who did had significantly less decay and fewer abscesses,” said Dr. Levine.

Dr. Levine then launched the Growing Smiles Foundation, and after four more annual outreach trips, she and her team have treated more than 1,300 patients in Peru, administering nearly 900 cleanings and fluoride treatments, more than 350 restorative treatments, over 1,300 sealants, and hundreds of extractions and other minor operations when necessary.

In addition to the care and education provided to patients, the trips have proved an amazing learning experience for the dental students who participate each year, both from the U.S. and the Lima, Peru-based Universidad Peruana de Ciencias Aplicadas (UPC). UPC students shadow the Growing Smiles team during their visits and attend lectures delivered by the visiting dentists. And once Dr. Levine’s team leaves, UPC students visit the children three times a week throughout the school year to provide education and preventive services and refer patients for follow-up care.

“The support we receive from Henry Schein Cares is invaluable,” said Dr. Levine. “By providing us with all the restorative dental materials and instruments we need, Henry Schein has made it possible for us to provide the highest-level dental care just as if we were in a pediatric dental office in the States. The Company’s support also helps foster a generation of dental students who understand the beauty of offering one’s skills and expertise to help the underserved.”
Our Global Product Donation Program (GPDP) has enabled us to make valuable use of excess product while enhancing the capacity of our program partners to respond to health and humanitarian needs when needed, where needed. The program also pre-positions health care products and personal protective equipment with NGO partners for quick response when disaster strikes. In 2018 alone, the program supplied more than $78 million worth of product to 92 nonprofit clinics and NGO partners. All the while, GPDP keeps tons of excess product out of landfills. Since the program’s inception, we have donated tens of thousands of unique SKUs worth a total of almost $80 million.

**GPDP partner Direct Relief equips doctors and nurses with life-saving medicines and supplies needed to care for the world’s most vulnerable people.**

Direct Relief was formed 70 years ago to support people in need with access to health essentials, seeking to leverage the skills and resources of the private sector for humanitarian purposes.

Today, Direct Relief plays the same role, working closely with businesses to distribute excess medicines and supplies where most needed in all 50 U.S. states and more than 80 countries. As one of the longest standing grantees of the Henry Schein Cares Global Product Donation Program, Direct Relief has received $2.4 million in products from the program since 2002.

**Q:** What has GPDP meant to Direct Relief and the people you serve?

**Thomas Tighe, President and CEO, Direct Relief:** Each of the 300,000 items we’ve received through GPDP just over the past 10 years translates into the provision of services that would not otherwise be available. So, the benefit of the donations far exceeds the dollar value of the products.

Another important dimension of our work together is supporting providers who are invested in serving patients in need. Brain drain among trained health care providers is a real problem in many places in the world. We can’t prevent it, but with Henry Schein’s involvement, we are able to give people the tools to do what they have trained to do and want to do in the places they care most about.

**Q:** How does Direct Relief ensure that the products it distributes are doing the most good?

**TT:** It’s easy to send stuff anywhere in the world and call it good. What Direct Relief tries to do is identify and qualify end-user partners who are doing good work, who are well qualified, and who have the trust and confidence of the communities in which they work. Then we equip them with what they ask for and need to do their jobs.

**Q:** How is GPDP unique from other in-kind product donations that you may receive?

**TT:** What’s unique about Henry Schein is the scale of products that you have available. You are a one-stop shop for all your customers’ medical needs. We are trying to be the same for people who aren’t paying customers. Henry Schein’s broad range of product availability makes it possible to get the right things to the right people.

I remember getting a significant infusion of dental instruments through GPDP that we provided to dentists here in California who were setting up dental stations at a community health center. When the dentists saw the instruments, they were like kids in a candy store. Their excitement really drove home for me what they confront every day — people who live in pain and who can’t afford to have their dental health taken care of. To see and hear from these dentists how much they appreciated the tools and what they meant, more importantly, for the patients they encounter every day was quite touching.
A shipment of critical medicines and supplies bound for Puerto Rico leaves Direct Relief’s Goleta warehouse. Direct Relief has been a recipient of supplies through Henry Schein’s Global Product Donation Program since 2002. Photo by Lara Cooper/Direct Relief.
Enhancing Capacity to Improve Global Health

Henry Schein has been an early champion for, and is working collaboratively with, many in the health care industry and public health arena to break down the silos that separate the various elements of the health care system and promote an integrated approach to health care. We do this by:

Championing the integration of oral care into primary care
Recent studies indicate that including dental benefits within primary health care coverage will reduce overall health care costs. As a member of the corporate leadership board of the Harvard School of Dental Medicine Initiative to Integrate Oral Health and Primary Care, we are working with academics and leaders in the health care community to guide the development of public policy, advocate for integrating oral health and primary care, and develop innovative strategies for improving oral and systemic health outcomes.

Advocating for oral care coverage for the elderly
Most Medicare beneficiaries in the U.S. lack coverage of oral care even though it is integral to the management of numerous diseases and conditions. Henry Schein has lent its support to the efforts of more than 80 leading organizations seeking the extension of evidence-based coverage of medically necessary oral and dental health therapies to Medicare beneficiaries. We are also a member of the Santa Fe Group, a dental think tank, which is working to develop policies and options for seniors to gain access to oral health care.

Advocating for increased oral health care for people with physical, intellectual, and developmental disabilities
We joined forces with The Viscardi Center to create Project Accessible Oral Health (PAOH), an international public-private partnership committed to raising awareness of, and addressing the significant need for, increased oral health care for people with disabilities in order to improve their overall health and quality of life.

Contributing to global efforts to recognize and act on oral disease as among the world’s most common noncommunicable diseases (NCDs)
Untreated oral infections are associated with a wide range of costly NCDs, including diabetes, heart disease, dementia, and stroke. Henry Schein co-hosted with NYU College of Dentistry and NYU College of Global Public Health an event following the Third United Nations General Assembly High-level Meeting on NCDs. Panelists, including a representative from the World Health Organization (WHO), discussed integrating oral health in policies and health systems.

Co-founding and acting as private sector lead of the Pandemic Supply Chain Network
This partnership of nearly 30 private and public organizations, including the WHO, World Food Programme, and the World Economic Forum, is focused on strengthening supply chain and logistics capacities and developing an information platform to more equitably match health care products with demand during a pandemic.

Contributing as a partner to the World Economic Forum Epidemics Readiness Accelerator
This public-private effort is addressing challenges to readiness during outbreaks in the areas of supply chain and logistics, travel and tourism, legal and regulatory, communications, and data innovations.

Serving as a member of the Global Health Security Agenda Private Sector Roundtable
In an effort to help countries prevent, detect, and respond to health-related crises and strengthen systems for health security, this invaluable platform effectively harmonizes the efforts of like-minded companies with the public sector.

Leading on these issues through CEO Stan Bergman’s co-chairmanship of the World Economic Forum Global Health and Healthcare Governors
This group of industry leaders is working to ensure the long-term promotion of wellness, prevention, value-based health care, and access to care.

“Good oral health is a crucial element of overall health and, as such, part of the human right to health ... Although most oral diseases are preventable, poor oral health causes millions of people to suffer from devastating pain, increases out-of-pocket financial burdens, and seriously affects the quality of life and well-being of people worldwide.”

–Svetlana Axelrod, Assistant Director-General for Noncommunicable Diseases and Mental Health, World Health Organization, at the Third United Nations High-level Meeting on Noncommunicable Diseases, New York, USA, September 2018
Senior Dental Leaders Programme
Although the global dental community has the clinical knowledge and skills to prevent dental disease, many countries and communities lack leaders who can ensure that this knowledge is being best utilized to advance oral health. Co-sponsored by Henry Schein and Colgate-Palmolive, the Senior Dental Leaders Programme is an annual conference designed to develop the necessary high-level leadership and management capabilities in oral health leaders from around the globe. First conceived in 2007 at King’s College London by Professor Raman Bedi, DDS, the Programme has trained nearly 200 oral health professionals from more than 40 countries to advance oral health agendas and improve the dental health of children.

International College of Dentists
The International College of Dentists (ICD) is an honor society that recognizes service and advancement of dentistry to benefit humankind, with more than 12,000 Fellows in 122 affiliated countries. We have partnered with ICD to celebrate the organization’s centennial anniversary through a series of events designed to recognize the outstanding contributions of ICD and its members to carry out education, training, and humanitarian initiatives. In addition, Henry Schein extended its four-year commitment to ICD’s Global Visionary Fund, which provides financial assistance to ICD Fellows and other volunteers doing charitable work, focusing its support on humanitarian dental care projects and continuing dental education initiatives.
PILLAR 1: ENHANCING ACCESS TO CARE

Henry Schein “helps health happen” by taking a three-fold approach to health care access. We do this by **building capacity for the delivery of health care**, as well as:

**Promoting Wellness, Prevention, Treatment, and Education**

We leverage our expertise and the global scope of our operations to donate health care supplies, support community health initiatives, and develop innovative public-private partnerships to provide care for those in need.

**Strengthening Emergency Preparedness and Disaster Relief Efforts**

We use our global supply chain and network of public- and private-sector partners to swiftly send life-saving supplies to those in need, and are a long-standing champion for planning, preparation, and pre-positioning products with NGO partners to be ready before disaster strikes.

### 2018 HIGHLIGHTS

**Supporting oral health care for the underserved**

Henry Schein has been partnering with America’s Dentists Care Foundation (ADCF) since it was formed in 2008 to meet the needs of the expanding Mission of Mercy dental clinics organized by state dental associations to provide free dental care. In 2018, we committed $250,000 in health care products to ADCF.

**Advancing the fight against cancer**

Since 2006, Henry Schein has donated more than $1.5 million in support of research, prevention efforts, and early detection of cancer, and to help improve access to care. We also engage our customers through the **Practice Pink** marketing initiative, which offers health care professionals a selection of pink products to help raise awareness of the disease.

**Elevating the human connection in health care**

Henry Schein is a founding member of the Arnold P. Gold Foundation’s Gold Corporate Council, formed to further the foundation’s mission of promoting humanism in health care — that is, placing human interest, values, and dignity at the core of providing care. As a member of the Council, Henry Schein recognizes and promotes humanism as a critical element of quality patient care. According to the Gold Foundation, studies show that a humanistic approach is associated with better clinical outcomes, higher rates of patient satisfaction, reduced costs, and reduced physician burnout.

“Our goal is to make the doctor and patient experience at the Mission of Mercy dental clinics as close to an in-office experience as possible. This just isn’t possible without partners like Henry Schein. Because of our relationship, we can get the best supplies on the market and go into every single clinic knowing that we can deliver.”

— Bill Blasing, Executive Director, ADCF
• Together with our supplier partners, supported 14 free Healthy Lifestyles, Healthy Communities (HLHC) events hosted by community health centers, providing each with a $5,000 donation of health care products from the Company and a $5,000 cash grant from the Henry Schein Cares Foundation.

• Donated together with our supplier partners more than $1 million in oral health care products to ADA Foundation’s Give Kids A Smile program to provide free oral health services to nearly 300,000 children at more than 1,300 locations.

• Received the 2018 William J. Gies Award for Vision, Innovation, and Achievement for the Alpha Omega-Henry Schein Cares Holocaust Survivors Oral Health Program, which provides free oral health care to Holocaust survivors living in poverty across North America. As of 2018, members of the Alpha Omega International Dental Fraternity, in partnership with dental labs Town and Country Dental Studios and Orthodont, Ltd., have provided free dental care valued at more than $2.3 million to more than 1,200 Holocaust survivors.

• Joined forces with the Professional Baseball Athletic Trainers Society® (PBATS), the Taylor Hooton Foundation, and Major League Baseball (MLB) players for the 6th consecutive year to help kids understand the importance of eating right, staying fit, making healthy choices, and visiting their doctor and dentist regularly as part of PBATS’ Promoting a Lifetime of Activity for Youth (PLAY) Campaign.

• Co-hosted an expert-led Recovery Empowerment Symposium with the Florida Dental Association, the Florida Dental Association Foundation, the Florida Medical Association, Emerald Coast Medical Association, and the Florida Veterinary Medical Association to help health care professionals restore and re-open their practices following the devastation caused by Hurricane Michael.

• Formed a multi-year partnership with Special Olympics to support the organization’s efforts to deliver health care screenings and education to its athletes at select Special Olympics events. Henry Schein’s donation will support Healthy Athletes health screenings at 200 events in the U.S., Canada, Germany, Israel, Jamaica, and the U.K.

• Together with our supplier partners, donated over $50,000 worth of product and equipment to MCW (Miracle Corners of the World) in support of its ongoing efforts to strengthen the capacity of oral health care provision in Tanzania. Since 2008, MCW has collaborated with MUHAS Dental School in Dar es Salaam, Tanzania, and more than 30,000 patients were treated through this partnership in 2018 alone.

Henry Schein Animal Health Enhances Access to Care

In 2018, Henry Schein Animal Health (HSAH) partnered with others to respond to disaster, enhance access to care, and recognize excellence. In February 2019, Henry Schein spun-off and merged the Animal Health business with Vets First Choice to form a new, independent public company called Covetrus.

Donated product to treat those affected by California wildfires

HSAH donated almost $15,000 in products to the School of Veterinary Medicine at the University of California, Davis, where veterinary students and staff treated animals hurt in the Camp Fire blaze at no charge to their owners. HSAH also donated $5,400 in product to The Little Angels Project, a nonprofit organization that treated animals suffering from burns and dehydration as a result of the Woolsey Fire.

Supported volunteers who raise service dogs

As it has since 2015, HSAH teamed up with Canine Companions for Independence, Inc.—the first and largest assistance dog organization in the U.S. helping people with physical disabilities—to support the volunteers who raise Canine Companions puppies and the veterinarians who provide care. In 2018, the puppies’ veterinary caregivers delivered 450 of the program’s care packages. Since its inception, these care packages have provided more than $1.5 million worth of products to volunteers raising the next generation of service dogs.

Recognized excellence in veterinary community service

Henry Schein Cares awarded its sixth annual International Veterinary Community Service Award and $5,000 to Malaysia’s Dr. Gopinathan Gangadharan. Dr. Gangadharan was recognized for his role as the longest continuously serving committee member of the Malaysia Small Animal Veterinary Association (MSAVA) and as the coordinator of the Animal Care Project, a nationwide social welfare initiative designed to improve the awareness of animal welfare and care among the public.
Playing our part in combating climate change

We understand that climate change is an urgent issue and that it is the responsibility of every future-focused business to contribute to the global efforts to tackle it. According to the United States Environmental Protection Agency (EPA), the transportation sector is one of the largest contributors to greenhouse gas emissions in the U.S., so we are committed to managing the impact of our logistics and transport operations, and working together with our suppliers and partners to cut emissions along the supply chain.

Our primary sources of carbon emissions are from:

- Fuel consumption of our fleet (Scope 1 emissions)
- Electricity consumption in our distribution centers and office buildings (Scope 2 emissions)
- Transport-related fuel consumption by our logistics partners (Scope 3 emissions)

Since 2008, we have tracked the carbon emissions of our fleet of service technicians, which form our Scope 1 emissions. The emissions-per-vehicle for our fleet has decreased by 10.6% since the 2008 baseline, mainly due to vehicle and vehicle power train selections (e.g., moving from V8 to V6 engines).

Energy consumption, primarily in the form of electricity purchased from our local energy suppliers, is the source of our Scope 2 emissions. We take efficiency measures at our distribution centers to save electricity where we can, and cut down our Scope 2 emissions.

Both of our headquarter buildings have LEED® Silver Certification, and total LEED-certified square footage at our offices amounts to 285,000. Automatic lighting in 80% of our U.S. distribution centers and 41% of our European distribution centers enables us to reduce electricity consumption for lighting. At our U.S. distribution centers we increasingly use energy-efficient lighting including LED fixtures and motion sensors, HVAC (heating, ventilation, and air-conditioning) controls, energy efficient heating/cooling units, and high-efficiency battery chargers and conveyor motors. As a result of these and other initiatives since our base year of 2007, electricity consumption in our U.S. distribution centers has decreased by 22% or 4.3 million kWh. This is an equivalent of removing 646 cars from the roads for one year.

A key component of our Scope 3 emissions is transport-related carbon emissions from our logistics partners. Henry Schein partners with transportation operations that participate in the EPA’s “SmartWay” program, a public-private collaboration that helps us transport our goods in the cleanest, most efficient way possible.

In 2018, UPS transported approximately 120,080 tons of packages for Henry Schein, amounting to just over 27,000 metric tons in Scope 3 emissions, or 0.23 metric tons per tonne of goods transported.

In the same period, CH Robinson moved over 60,100 tons of product with the resulting Scope 3 emissions totaling approximately 11,800 metric tons, or 0.20 metric tons per tonne of goods transported. Combined transport-related Scope 3 emissions from UPS and CH Robinson totaled approximately 38,900 tons, or 0.22 metric tons per tonne of goods transported.

Responsibly managing our environmental footprint is critical to the sustainability and success of our business. Our key environmental priorities are:

- Reducing energy and fuel consumption and increasing energy efficiency
- Cutting carbon emissions
- Minimizing waste to landfill
- Recycling and reusing materials

1 Our Scope 1 emissions are direct emissions from Henry Schein’s owned or controlled sources
2 Scope 2 emissions are indirect emissions from the generation of energy that we purchase from suppliers
3 Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of Henry Schein, including both upstream and downstream activities
We share a commitment to environmental sustainability and work together to cut down emissions and make the transport sector less carbon intensive every day. With Henry Schein’s global network of distribution centers, the opportunity for making a positive impact at scale is significant.

In 2018, Henry Schein and UPS embarked on a joint study to quantify the carbon footprint reduction resulting from the use of an enhanced network of mostly ground transport, which applies to our core five distribution center network in the U.S. and uses special operating plans to reach certain customers by ground in one day. Without this enhanced network, we would have to use air transport to guarantee the same one-day delivery service that our customers rely on.

Using more ground service and less air lowers our carbon emissions, and the difference is significant. Calculated for shipping the same weight of approximately 120,000 tons of packages in 2018 in both scenarios, our unique ground network leads to emissions of approximately 27,000 metric tons, whereas the standard network incorporating air needed to achieve next-day service would lead to over 109,000 metric tons — four times the emission levels of the enhanced network.

We’ve been able to generate 75% less emissions by using the enhanced network — an equivalent of removing more than 17,500 passenger vehicles from the roads for one year.

Working with UPS to develop and optimize this enhanced network, without compromising on service or speed of delivery, has been a great achievement. Through our long-term strategic relationship, we continue to work together to optimize our supply chain solutions and reduce emissions.
PILLAR 2: ENVIRONMENTAL SUSTAINABILITY

Keeping materials out of landfills

We recycle much of the material we use at our distribution centers to prevent them from ending up in landfills; this consists mainly of packaging and pallets. The categories that we recycle include wood, corrugated paper and cardboard, plastic, and paper. In 2018, we recycled approximately 11,100 tons of material at our North American distribution centers; 97% of our recycled material was wood pallets and corrugated packaging. Preventing the landfilling of this material saved over 6,500 tons of carbon emissions, an equivalent of removing over 4,700 cars from our roads.

Our distribution centers also apply resource-efficient thinking and environmental awareness to the purchase and consumption of goods and material. In 2018, 77% of our Safety Data Sheets were made available electronically (up 3% from 2017), as opposed to printing and including them in shipments to customers. This saved an estimated 16 million sheets of paper.

We use mostly recycled materials for shipping cartons, and many of our distribution centers opt for eco-friendly and recycled supplies, such as copy paper, printer cartridges, packing dunnage, corrugated material, and cleaning products.

In our Melville headquarters, we collect batteries from TSMs and facility staff for recycling. In 2018 we collected 540 pounds of batteries for recycling purposes. In the years we replace our UPS battery modules (every 4 years), this number rises to 4,000 pounds. We also recycle fluorescent lightbulbs (over 800 per year), however, this number is decreasing as we switch to LEDs.

In addition, by donating more than $7.8 million in health care products to nearly 92 global medical, dental, and animal health humanitarian organizations through the Henry Schein Cares Global Product Donation Program, we kept thousands of tons of imperfectly packaged products out of landfills in 2018.

Supporting the environmental efforts of our customers

We believe that environmental initiatives can have more impact and scale if encouraged among all of our constituencies, including health care practices. We sponsor the American Association of Dental Office Management’s Green Leader Initiative to recognize and aid in the adoption of environmentally conscious practices in the dental office. We also help practice-owners design spaces that meet globally recognized standards for environmental sustainability through our Integrated Design Studio. Meanwhile, we offer customers a range of products, including items made with biodegradable, recycled, chlorine-free, and natural materials, which can help them to reduce their own carbon footprint.

PILLAR 3: TEAM SCHEIN ENGAGEMENT

Building the capacity and engagement of our Team Schein Members (TSMs) underlies both our business success and the sustainability of our efforts to strengthen our communities. We offer our team rich opportunities for professional growth and foster an environment of open communication, collaboration, support, and mutual respect.

Embracing and encouraging diversity and inclusion in our workplace and beyond

• Added two female directors to our Board of Directors in 2018
• Earned a perfect score for the third consecutive year on the 2018 Corporate Equality Index, a national benchmarking survey and report on corporate policies and practices related to LGBTQ workplace equality administered by the Human Rights Campaign Foundation
• Signatory to the Paradigm for Parity, a coalition of business leaders dedicated to addressing the corporate leadership gender gap and achieving full gender parity by 2030

Developing talent

Henry Schein strives to create an environment in which TSMs can realize their full potential by supporting the professional and academic development of our TSMs through formal and informal learning opportunities.

• Henry Schein is a founding member of the Center for Higher Ambition Leadership (CHL), a growing community of purposeful leaders working together to build leadership and organizational capabilities to sustainably deliver superior economic and social value. In 2018:
  - 28 of our senior leaders have participated in CHL’s Higher Ambition Leadership Institute to develop their capabilities as leaders with higher ambitions for themselves and their institutions
  - 37 of our directors, senior directors, and executive directors have attended a two-day education session at the Conant Leadership Boot Camp to support their development as higher ambition leaders

Women’s Leadership Network celebrates one-year anniversary

Henry Schein’s Women’s Leadership Network (WLN) celebrated its one-year anniversary in 2018 with a panel discussion entitled “How Henry Schein Customers are Leading Change in Health Care.” Panelists shared their perspectives on the challenges facing women in health care, their own professional journeys, and advice for attendees on how to move forward in their own careers.

Since its founding in 2017, WLN has grown to four chapters globally with more than 700 members, 18 internal partnerships, and 11 external partnerships. To date, WLN has hosted 12 career development events, four corporate social responsibility events, and 10 networking events for its members.
**PILLAR 3: TEAM SCHEIN ENGAGEMENT**

**Team Schein wellness**

Henry Schein supports the health and well-being of our TSMs through numerous initiatives, including:

- A “Know Your Numbers” campaign, which encourages TSMs to know their blood pressure, cholesterol level, and body mass index
- Voluntary biometric screenings
- Free cardiovascular screenings
- Lunchtime yoga and meditation sessions

**Henry Schein’s Back to School program celebrates its 20th anniversary**

Since its inception in 1998, Henry Schein’s Back to School program has sent more than 50,000 children back to school with everything they need to thrive in the classroom. A true collaborative effort, the program is supported by our TSMs, who buy children entire outfits for their first day of school; our supplier partners, who donate health and hygiene products; and the Company, which donates backpacks and all school supplies. Recipients are identified by local nonprofit social service organizations and are invited to a Henry Schein facility for a special party and distribution event staffed by TSM volunteers.

“The Back to School program is a big financial help for many of the families we work with, but more importantly, it provides students with the tools they need to meet the challenges of a new school year,” said Theresa Sparrow-Gill, Director of Residential Services at Bethany House, Long Island, NY. “Every child deserves the opportunity to return to school confident in the knowledge that they have the tools to succeed. We are so thankful to have a partner in Henry Schein who understands that, and we thank Team Schein for its commitment to helping families in need.”

**Team Schein engagement in strengthening communities**

TSMs around the world volunteer thousands of hours annually to flagship corporate volunteer and community service programs:

- Built 17,450 personal hygiene kits at six national sales meetings globally through Henry Schein’s We Care Global Challenge. The kits were delivered to children and adults living in international emergency areas.
- Donated new clothes and backpacks filled with supplies to more than 5,000 children at 30 locations through Henry Schein’s Back to School program. Since the program’s inception in 1998, it has helped more than 50,000 children head back to school equipped for success.
- Donated toys, clothing, games, and other gifts to more than 1,200 children and their families at Henry Schein’s annual Holiday Cheer for Children events at 22 locations around the world.
Building Hygiene Kits for People in Need Through the “We Care Global Challenge”

Through the Henry Schein Cares inaugural “We Care Global Challenge,” an initiative that brought colleagues together to benefit children and communities in need, TSMs from around the world collaborated to build hygiene kits for children and adults living in international emergency areas, as well as special hygiene kits for adolescent girls in Malawi.

Beginning at the Henry Schein Germany National Sales Meeting in January and continuing at the National Sales Meetings for the Company’s Canada Dental and U.S. Animal Health, Medical, Special Markets, and Dental businesses, TSMs worked in partnership with global nonprofit organization, Heart to Heart International to assemble 17,450 kits containing essential health and hygiene items.

The kits were donated to Save the Children and distributed to Syrian refugees living in Europe, adolescent girls in Malawi, children living in communities affected by natural disasters in Canada and the United States, and children at the U.S.-Mexico border.

Henry Schein had more than **22,000** TSMs as of the end of 2018

In 2018, TSMs completed more than **563,800** training hours

56 locations offered wellness programs in 2018

In 2018, we had **194** TSMs attend Executive Education sessions hosted by Board Members and Executive Management Committee Members

More than **3,000** TSMs participated in leadership development training in 2018

More than **11,000** TSMs participated in wellness programs in 2018

Almost **12,000** volunteer hours donated by TSMs in 2018 for Company-supported initiatives around the world

More than **5,000** TSMs participated in global Company-sponsored community service programs in 2018

Syrian refugee children in Germany show off hygiene kits that were “Packed with Love” by Team Schein. Kits were assembled in partnership with the PowrServ division of Heart to Heart International, and delivered by Save the Children. Photo courtesy of Save the Children.

TSMs at the Henry Schein Medical National Sales Meeting go above and beyond to show their Team Schein spirit while assembling hygiene kits.
Since 1932, Henry Schein’s success rests on our deep, trust-based relationships with all our stakeholders — Team Schein Members, customers, supplier partners, investors, and communities and civil society organizations ("society") — and our steadfast commitment to ethical corporate governance, social responsibility, and sustainability. This commitment, which starts at the top and permeates every level of the organization, enables us to create shared value with each of our stakeholders and propels our success. Our dedication to "doing well by doing good" has been recognized by many industry groups and leading organizations that monitor corporate social behavior.

Stakeholder engagement
Understanding the interests and needs of our stakeholders is fundamental to our success as a company. We are committed to ongoing engagement with these stakeholders to be able to create value for them long into the future, and to secure our business prospects. Dialogue with stakeholders is ongoing, regular, and both formal and informal – and is grounded in a core set of principles:

- **Transparency**: Respect the diversity of views and values that stakeholders bring, and engage openly to provide them with the information they need, and include stakeholder voices in our decision-making
- **Inclusiveness**: Include a wide-range of stakeholders to get varied perspectives and to better understand our impacts, risks, and opportunities
- **Consistency**: Maintain a regular and consistent engagement platform to ensure continuity and meaningful communication
- **Accountability**: Inform stakeholders of how our decision-making and plans affect them, and how their needs, concerns and interests are incorporated into our business strategy

Our business and operating environments are constantly evolving and it is essential that we understand the issues that influence us and impact our stakeholders. We believe that an inclusive approach ensures long-term success and helps us gain a competitive advantage. As such, we prioritize focus and advancement in the following areas: innovative business, clinical, technology, and supply chain solutions; service and reliability; customer success and satisfaction; employee recruitment and retention; diversity and inclusion; access to care for the underserved; environmental sustainability; governance, ethics and compliance.

**Worldwide Business Standards**
Articulate the values and responsibilities that apply to every Team Schein Member across Henry Schein’s domestic and global business units, departments, and subsidiaries to:

- Market and provide high-quality health care products and services to our customers
- Maintain high standards for transparency, accuracy, and completeness in the documentation and reporting of our financial information

**Board of Directors’ leadership structure**
We believe effective corporate governance requires a strong, independent Board of Directors:

- Two-thirds of the members of our Board of Directors are independent directors
- 40% of independent directors are women
- Our Board of Directors’ committees are each comprised solely of independent directors and each has a separate chairperson
- Our independent directors hold regular meetings in executive session

We believe that a single leader serving as Chairman and Chief Executive Officer, together with an experienced Lead Director, is the best governance model for our Company and our shareholders.
Global Supplier Code of Conduct

Suppliers and vendors who do business with Henry Schein worldwide are expected to comply with our global standards in the areas of:

- Business integrity
- Labor practices
- Employee health and safety
- Environmental management

Supplier Social Accountability

Adopted elements of Social Accountability International’s SA8000 standard into our Quality Systems Audit program for evaluating Asia-based private-label supplier partners in areas such as:

- Health and safety
- Working hours and wages
- Child labor
- Forced labor

Cybersecurity

To protect information critical to our customers, their patients, and our supplier partners, Henry Schein:

- Leverages a layered security framework
- Takes commercially reasonable precautions to keep the information that we have been entrusted with, to secure against unauthorized access and use
- Continuously reviews our security measures

Read more about Henry Schein’s governance policies on the corporate governance page of our website at: www.henryschein.com/corporategovernance.

Henry Schein’s Board of Directors. Front row, left to right:
Carol Raphael, Senior Advisor for Manatt Health Solutions and Former President and Chief Executive Officer, Visiting Nurse Service of New York; Barry J. Alperin, Retired Vice Chairman, Hasbro, Inc.; Shira Goodman, Former Chief Executive Officer, Staples, Inc. and Advisory Director for Charlesbank Capital Partners, LLC; Stanley M. Bergman, Chairman of the Board and Chief Executive Officer, Henry Schein, Inc.; Philip A. Laskawy, Lead Director, Henry Schein, Inc., and Retired Chairman, Ernst & Young, LLP; Anne H. Margulies, Vice President and Chief Information Officer, Harvard University; Joseph L. Herring, Former Chief Executive Officer, Covance, Inc.

Back row, left to right:
Gerald A. Benjamin, Executive Vice President, Chief Administrative Officer, Henry Schein, Inc.; Mark E. Mlotek, Executive Vice President, Chief Strategic Officer, Henry Schein, Inc.; Kurt P. Kuehn, Former Chief Financial Officer, UPS; James P. Breslawski, Vice Chairman of the Board and President, Henry Schein, Inc.; Steven Paladino, Executive Vice President and Chief Financial Officer, Henry Schein, Inc.; Paul Brons, Former President of Organon International BV; Bradley T. Sheares, Ph.D., Former Chief Executive Officer, Reliant Pharmaceuticals and Former President of U.S. Human Health for Merck & Co.; E. Dianne Rekow, DDS, Ph.D., Former Dean of the Dental Institute at King’s College London and Professor of Orthodontics, Former Professor of Orthodontics, Senior Vice Provost of Engineering Technology, and Provost of Polytechnic Institute at New York University.
About Henry Schein, Inc. (As of May 2019)

Henry Schein, Inc. (Nasdaq: HSIC) is a solutions company for health care professionals powered by a network of people and technology. With more than 19,000 Team Schein Members worldwide, the Company’s network of trusted advisors provides more than 1 million customers globally with more than 300 valued solutions that improve operational success and clinical outcomes. Our Business, Clinical, Technology, and Supply Chain solutions help office-based dental and medical practitioners work more efficiently so they can provide quality care more effectively. These solutions also support dental laboratories, government and institutional health care clinics, as well as other alternate care sites.

Henry Schein operates through a centralized and automated distribution network, with a selection of more than 120,000 branded products and Henry Schein private-brand products in stock, as well as more than 180,000 additional products available as special-order items.

A FORTUNE 500 Company and a member of the S&P 500® and the Nasdaq 100® indexes, Henry Schein is headquartered in Melville, N.Y., and has operations or affiliates in 31 countries. The Company’s sales from continuing operations reached $9.4 billion in 2018, and have grown at a compound annual rate of approximately 13 percent since Henry Schein became a public company in 1995.

For more information, visit Henry Schein at www.henryschein.com, Facebook.com/HenrySchein, and @HenrySchein on Twitter.

About Henry Schein Cares

Henry Schein Cares stands on four pillars: engaging Team Schein Members to reach their potential, ensuring accountability by extending ethical business practices to all levels within Henry Schein, promoting environmental sustainability, and expanding access to health care for underserved and at-risk communities around the world. Health care activities supported by Henry Schein Cares focus on three main areas: advancing wellness, building capacity in the delivery of health care services, and assisting in emergency preparedness and relief.

Firmly rooted in a deep commitment to social responsibility and the concept of enlightened self-interest championed by Benjamin Franklin, the philosophy behind Henry Schein Cares is a vision of “doing well by doing good.” Through the work of Henry Schein Cares to enhance access to care for those in need, the Company believes that it is furthering its long-term success. “Helping Health Happen Blog” is a platform for health care professionals to share their volunteer experiences delivering assistance to those in need globally. To read more about how Henry Schein Cares is making a difference, please visit our blog: www.helpinghealthhappen.org.

About the Henry Schein Cares Foundation, Inc.

Established in 2008, the Henry Schein Cares Foundation works to foster, support, and promote dental, medical, and animal health by helping to increase access to care in communities around the world. The Henry Schein Cares Foundation carries out its mission through financial and health care product donations to non-profit organizations supporting health care professionals and community-based programs focused on prevention, wellness, and treatment; disaster preparedness and relief; and capacity building of health institutions that provide training and care.

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Contributions to the Foundation are tax-deductible as provided by law. To learn more about the Henry Schein Cares Foundation, please visit: www.hscaresfoundation.org.
THANK YOU TO OUR SUPPLIERS

Our suppliers are integral to our business and to our efforts to enhance access to care and “help health happen.” We would like to extend our sincere thanks to the many suppliers who have partnered with us to make our Henry Schein Cares programs such a success.