



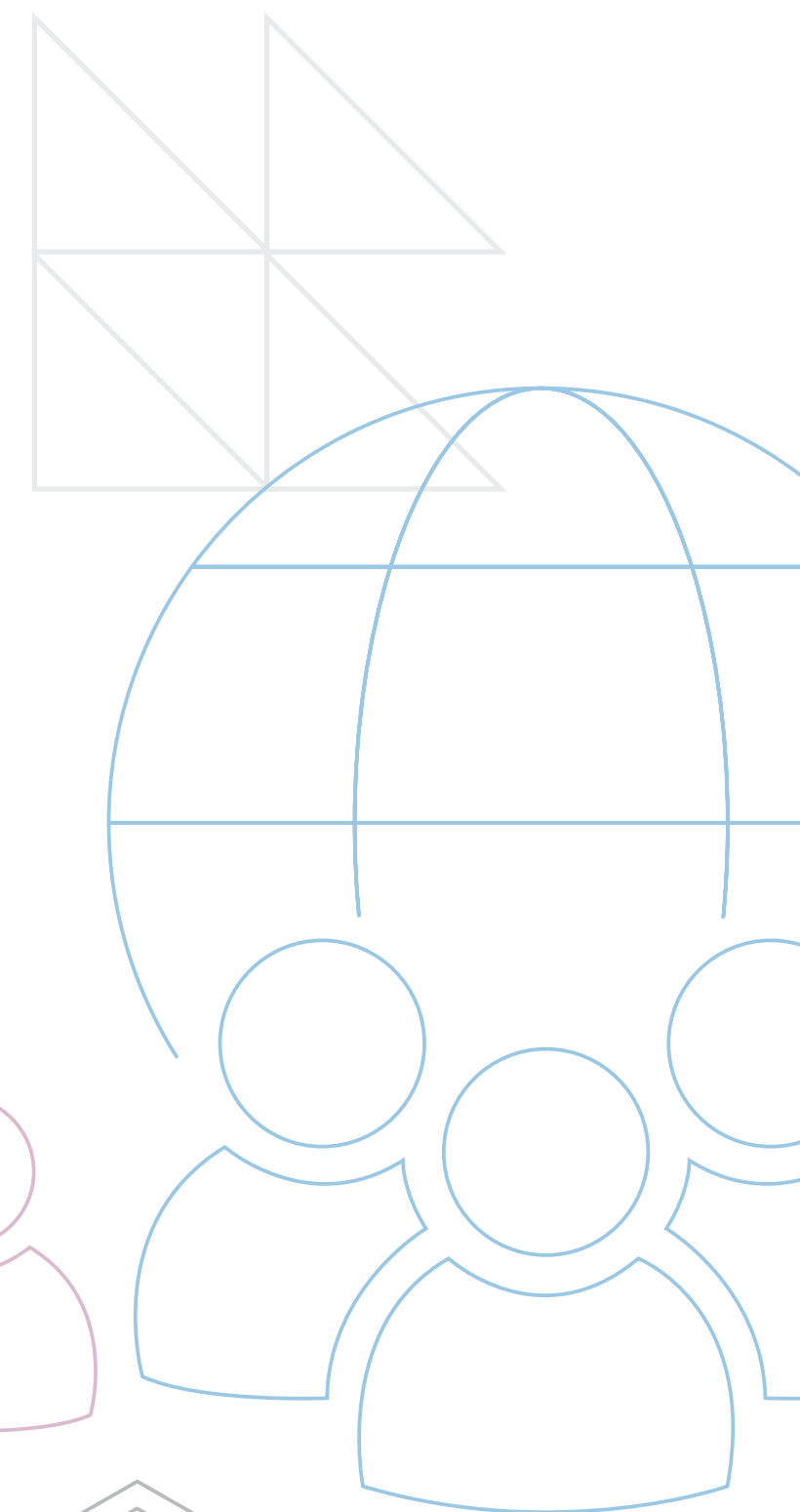
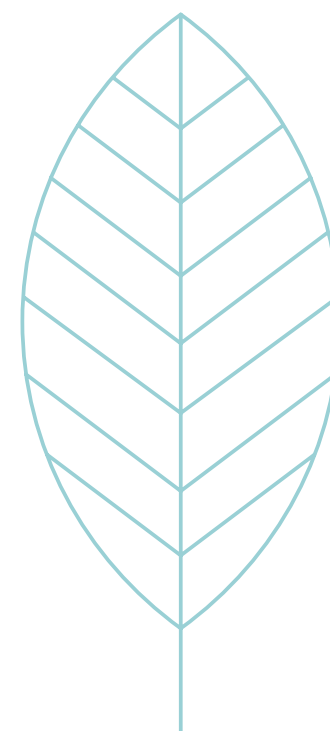
Delivering Solutions for a **HEALTHIER TOMORROW**

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ABOUT HENRY SCHEIN, INC.

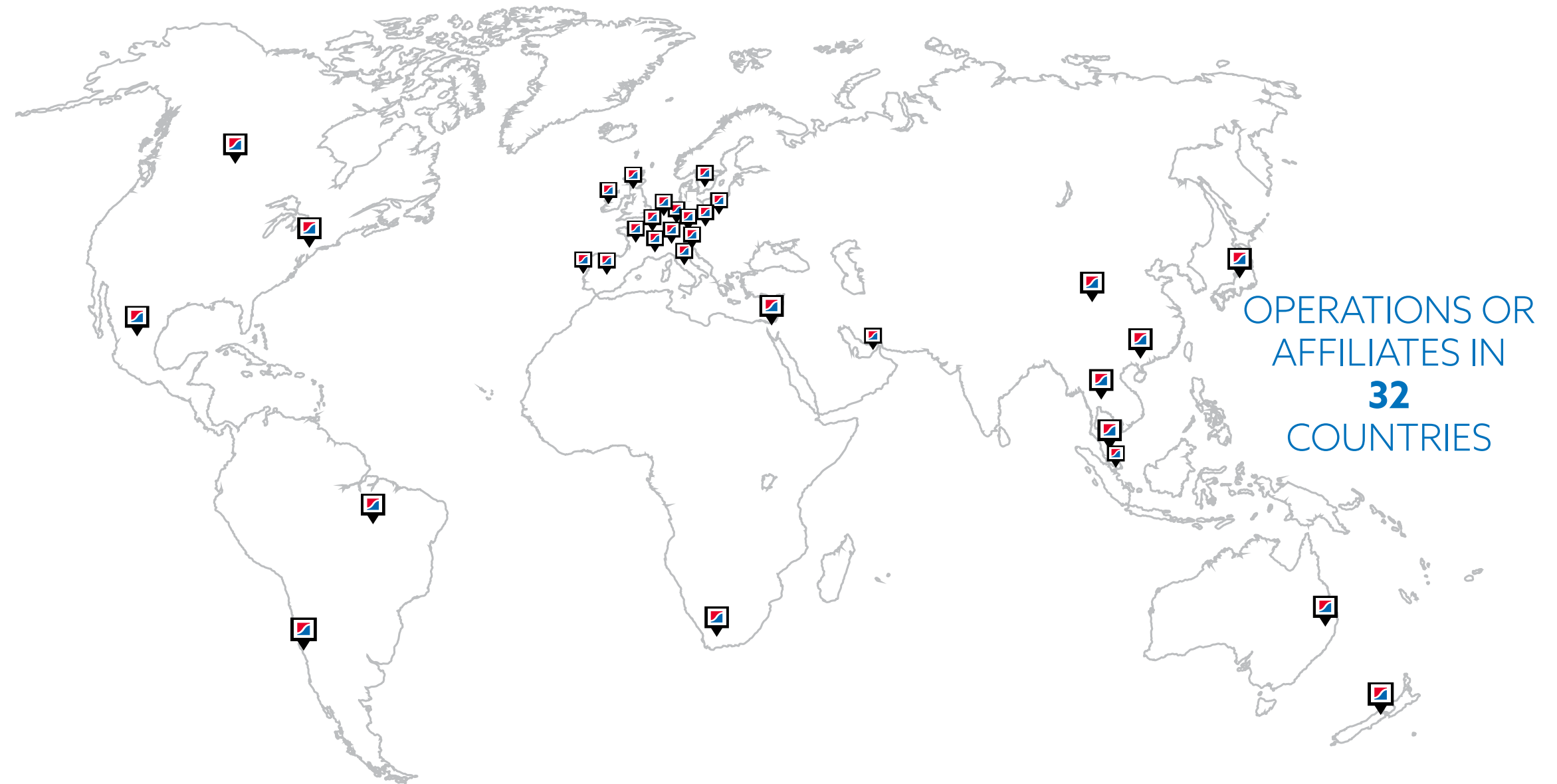
Henry Schein, Inc. (Nasdaq: HSIC) is a solutions company for health care professionals powered by a network of people and technology. With more than 22,000 TSMs Team Schein Members worldwide, the Company's network of trusted advisors provides more than 1 million customers globally with more than 300 valued solutions that help 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 300,000 branded products and Henry Schein corporate brand products in our distribution centers.

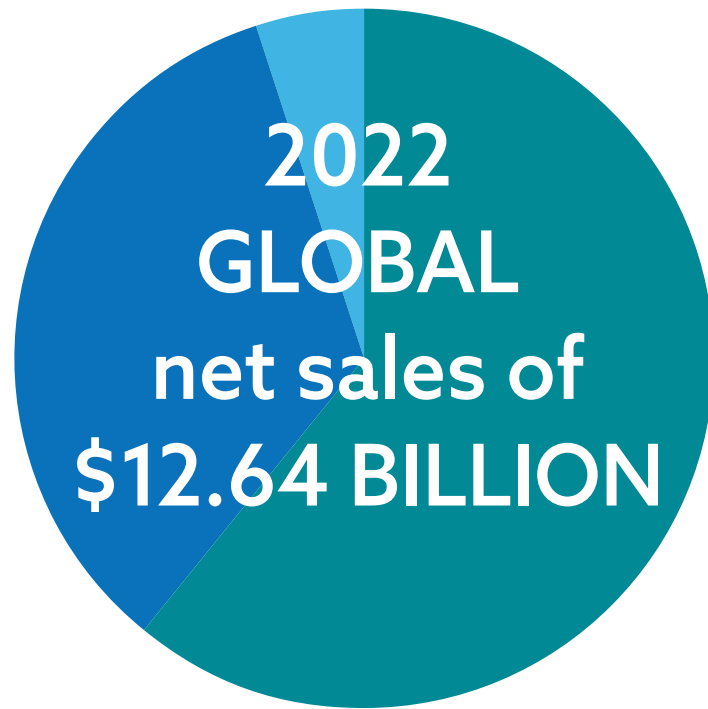
A FORTUNE 500 Company and a member of the S&P 500® index, Henry Schein is headquartered in Melville, N.Y., and has operations or affiliates in 32 countries and territories. The Company's sales reached \$12.6 billion in 2022, and have grown at a compound annual rate of approximately 12.1 percent since Henry Schein became a public company in 1995.

For more information, visit Henry Schein at

www.henryschein.com,
[Facebook.com/HenrySchein](https://www.facebook.com/HenrySchein),
[Instagram.com/HenrySchein](https://www.instagram.com/HenrySchein), and
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HENRY SCHEIN AT A GLANCE



FORTUNE 500 RANKING
OF THE LARGEST U.S.
CORPORATIONS
(16 YEARS)

A FORTUNE
WORLD'S MOST
ADMIRED
COMPANY
(22 YEARS)

AN ETHISPHERE®
INSTITUTE WORLD'S
MOST ETHICAL
COMPANY
SINCE 2012

COMPONENT OF
S&P 500® INDEX
(6 YEARS)

[click to see more](#)



- 59% DENTAL
- 35% MEDICAL
- 6% VALUE-ADDED SERVICES

From the Chairman of the Board and Chief Executive Officer

At Henry Schein, our success rests on our long history of holding ourselves accountable to our five key constituencies, who together form what we call our **Mosaic of Success**: our supplier partners, customers, Team Schein Members (TSMs), shareholders, and society at large. Our purpose-driven management approach and stakeholder strategy of aligning and delivering results for and among our constituencies ultimately creates trust. It is this trust that enables Henry Schein to catalyze change in the markets we serve to **deliver solutions for a healthier tomorrow** by adapting to the dynamic realities of an evolving world.



Our stakeholder engagement model calls for us to align and balance the objectives of our Mosaic of Success. For our supplier partners, this means **working cooperatively** to create an environment that enables us to grow our respective businesses in the spirit of partnership. We want our suppliers to view us as the best partner to grow their business in service of the health care customers who are the ultimate users of their products and services.

For our customers, our goal is to **serve as trusted advisors** providing products and solutions of the best quality and value, helping to build and grow sustainable practices, and enhancing practice management efficiency and profitability to help deliver high-quality care to patients. We are there to

*As of June 30, 2023

help in all aspects of their practices. These include educational opportunities, along with financial, practice transition, staffing, and revenue cycle management services to help customers operate a more efficient practice.

We foster a **connected community** in which TSMs invest in their **career journey** and encourages everyone to contribute in a collaborative way to Henry Schein's mission of **making the world a healthier place**. Our Team Schein Values have driven our growth and success for over 90 years and reflect the belief that TSMs are our greatest asset, and we together build an inclusive and collaborative culture that helps us achieve our goals. We are committed to living our values and providing TSMs with opportunities to engage with each other authentically. Purpose and meaning are hallmarks of our culture where our team is a part of a broader community, illustrated by our long-standing commitment to corporate citizenship and volunteerism.

For our shareholders, we endeavor to provide **steady growth and profitability of their businesses, delivering a consistent and steady return**, quarter after quarter. Our focus on strong and ethical governance, purpose, and profits has yielded a compound average return of 13%* to shareholders since we went public in 1995.

Finally, we engage each of our constituencies to "help health happen". We believe strongly in Benjamin Franklin's notion of "enlightened self-interest" and have found that by creating an ecosystem in which we engage our stakeholders to create shared value for society, we can **"do well by doing good."** Our efforts to **enhance access to health care for underserved and underrepresented populations around the world** include strengthening wellness and prevention efforts, furthering humanitarian relief and disaster response particularly our continued COVID-19 pandemic support and enhancing health care advocacy and education. We also partner with diverse health care industry groups such as the American Dental Association Diversity in Leadership Institute, National Dental and Medical Associations, and National Hispanic Medical and Dental Associations, and so many more to **support diversity in the health care professions**.

Through our 2022-2024 BOLD+1 corporate strategic plan, we are committed to continuing to deliver sustained results for our five constituencies. We are building on the high level of trust that has always been the lifeblood of our success to ensure a bright future for our business, our stakeholders, and our world.



Our **BOLD+1** strategy focuses on **building** complementary software, specialty, and services businesses for high growth; **operationalizing** our One Distribution approach to deliver exceptional customer experience, increased efficiency, and growth; **leveraging** all the businesses and solutions that comprise Henry Schein to broaden and deepen relationships with our customers; and **driving** digital transformation for our customers and for Henry Schein. It is the **"Plus 1"** that aligns all our stakeholders and is why we are pleased to share our progress and continued efforts in **Delivering Solutions for a Healthier Tomorrow**, the title of our 2022 Sustainability and Corporate Social Responsibility (CSR) report.

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



Together, Making a Healthier World

Against the backdrop of the ongoing COVID-19 pandemic and humanitarian crises in Ukraine and other regions, we continued our efforts in 2022 to drive an overall culture of wellness and engagement for our Team Schein Members (TSMs). Within a new hybrid work environment, we bolstered our supply chain resiliency and advanced health equity to better support our customers, their patients, and our communities.

At Henry Schein, we have a strong values-based culture that cultivates a meaningful employee experience centered around people. We know our business success is built on the engagement and commitment of our team, which is dedicated to meeting the needs of fellow TSMs, our customers, supplier partners, stockholders, and society.

We modified our work arrangements as a result of the pandemic and have continued to be responsive to the needs of our team by implementing more flexible working arrangements for our office-based workers, including permanent work from home, hybrid and office-based arrangements. To maintain our collaborative culture and ensure that every TSM feels connected and empowered to advance our business and our mission to make a healthier world, we have been:

- Bringing TSMs together in a meaningful way through virtual education sessions and networking events;
- Listening to the needs of TSMs through virtual and in-person roundtables hosted by our CEO and Executive Management Committee (EMC) as well as our global culture survey;
- Driving a culture of wellness for our TSMs by fostering an environment where they can feel engaged, included, and psychologically safe;
- Continuing the expansion of our employee resource groups (ERGs), which serve as cultural drivers and play an important role in connecting our team across the globe;
- Hosting “TSM Experience Panels” featuring team members willing to share with colleagues their authentic experiences and offer advice and best practices on various topics;

- Continuing to offer a variety of volunteer opportunities for team building and community engagement through community programs including the We Care Global Challenge, Back to School, and Holiday Cheer; and
- Giving TSMs the opportunity to “help health happen” through initiatives with industry partners, customers, and suppliers, such as Gives Kids A Smile®; Healthy Lifestyles, Healthy Communities®; and Release the Pressure.

At the same time, even as product shortages resulting from the COVID-19 pandemic have receded, new challenges such as the Ukraine humanitarian crisis that began in 2022 highlight the critical importance of strengthening access to care for underserved communities and continued supply chain resiliency. Lessons from the pandemic remain. That is why we continue our work in partnership with suppliers, industry, government, and international organizations to ensure a resilient, ethical, and sustainable global supply chain, including:

- Driving innovation in the supply chain together with partners and suppliers;
- Launching a human rights compliance training course in 2023;
- Chairing the Private Sector Roundtable on Global Health Security; and
- Supporting the creation of market intelligence platforms that enable the appropriate sharing of real-time supply chain data, including as private sector lead of the Pandemic Supply Chain Network, in conjunction with the World Health Organization.



Finally, the disruptions of the past several years and the disparate impact of those disruptions on different groups of people have only deepened our long-standing commitment to “help health happen” and validated our stakeholder-inclusive approach to tackling shared challenges around health equity and access to care. By leveraging our central position among key health care stakeholders, we catalyze and contribute to trust-based public-private partnerships that are addressing these issues. In 2022, we continued initiatives and programs to reduce gaps in access to health care for underserved and underrepresented communities, promoted pathways of opportunity to encourage greater diversity within the health care professions, and increased awareness of health equity needs globally by:

- Collaborating with community clinics in underserved areas to improve facilities, equipment, and technology;
- Supporting clinical and research-oriented academic centers and institutions to enhance learning opportunities for the next generation of dental and medical professionals;
- Working in partnership with diverse professional associations to open up new pathways for diverse populations to enter the health professions;

- Deepening cultural competency among health care professionals to more effectively work with diverse patient populations;
- 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; and
- Planning, preparing, and pre-positioning products with leading global NGO partners to ensure the availability of life-saving supplies for health care professionals responding to disasters.

Our ability to work with our partners to make a healthier world is directly connected to our business success, and that success reflects the commitment, hard work, and dedication of our TSMs. We look forward to continuing to provide both economic and social value to our TSMs, customers, supplier partners, stockholders, and society through the continued implementation of our corporate citizenship and environmental, social, and governance (ESG) strategy.

A Stakeholder-Inclusive ESG Strategy

This year, we continued the implementation of our 2022-2024 **BOLD+1** strategic plan to **Build** complementary software, specialty, and services businesses for high growth; **Operationalize** our One Distribution approach to deliver exceptional customer experience, increased efficiency, and growth; **Leverage** all the businesses and solutions that comprise Henry Schein to broaden and deepen relationships with our customers; and **Drive** digital transformation for our customers and for Henry Schein. The vision underlying our strategy is to deliver to our customers a reliable experience and differentiated solutions that will make their practices more successful and improve patient outcomes. We also remained laser-focused on generating value for all stakeholders — the “**PLUS 1**” of our overall strategy.

Among the major actions we took in 2022 to accelerate the implementation of our strategy included:

- Creating a Global Customer Experience Organization focused on delivering an exceptional customer experience across all of our sales channels;
- Creating a Global eCommerce Transformation Organization to accelerate the adoption of digital commerce technologies across the Company;
- Launching a Digital Revenue Team responsible for engaging our customers online to drive digital transactions and source new sales leads;
- Incorporating artificial intelligence for greater clinical support into Dentrrix®, our leading practice management software, and the announcement of a definitive agreement with the shareholders of Biotech Dental S.A.S. to acquire a majority ownership stake in a rapidly growing provider of innovative clinical software, oral surgery and orthodontic products based in Salon-de-Provence, France;
- Taking steps to provide a seamless experience for customers through our clinical workflow platform for better patient outcomes and ease of use of innovative specialty products; and
- Further integrating the management of our North America distribution businesses and tightening the integration of our distribution businesses outside North America to enhance the customer experience and maximize efficiency and performance.

At Henry Schein, creating shared value with all our stakeholders is not an afterthought but rather an instrumental part not only of our current strategic plan but also the way we have done business since our founding 90 years ago. The ESG priorities and accomplishments highlighted in this report are key to advancing our **BOLD+1** strategy and are grounded firmly in the pillars of our “**PLUS 1**” approach to creating shared value through:

Purpose

Our commitment to the success of our stakeholders has long been the foundation of our **purpose-driven** approach to corporate citizenship and commercial engagement, and continues to inform our bold efforts to create a healthier world.

Leadership

Through Henry Schein, Henry Schein Cares, and the Henry Schein Cares Foundation, we provide **leadership** in advocating for and advancing health care access and delivery to make the world healthier.

Uplift

We work in partnership with patient advocates, practitioners, and industry partners to advance health equity globally and accelerate access to care for vulnerable and underserved populations, including people with disabilities and special needs, seniors, veterans, refugees and disaster victims, and children in need. Because access to care in part depends on the availability and capacity of practitioners, we also partner with professional associations and academia to provide leadership development opportunities to practicing clinicians and open up new pathways into the healthcare professions for people of diverse backgrounds.

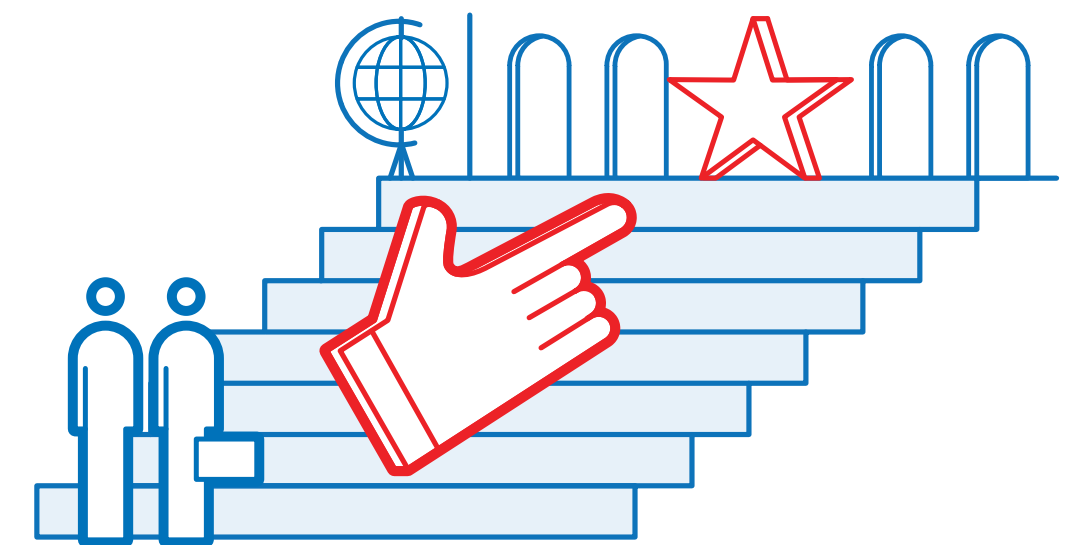
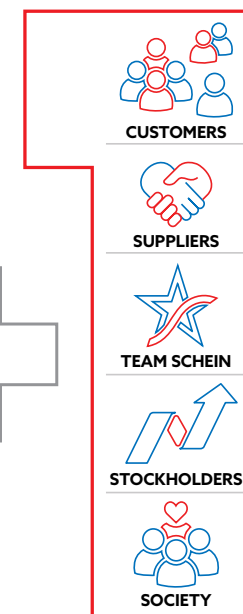
Sustainability

Finally, we are committed to creating a healthier world by advancing **sustainability** within the health care supply chain, profession, and industry. We do this by working with our own supply chain partners to help build a more resilient, ethical, and equitable supply chain. We also leverage our global position

in health care to strengthen supply chain sustainability, promote global health security, and provide relief to those impacted by crises through partnerships with professional associations, academia, United Nations agencies, and the World Economic Forum.

This report shares details about how we are delivering on our “**PLUS 1**” strategy to advance our ESG performance and, together with our many partners and stakeholders, drive sustainable growth while making the world healthier.

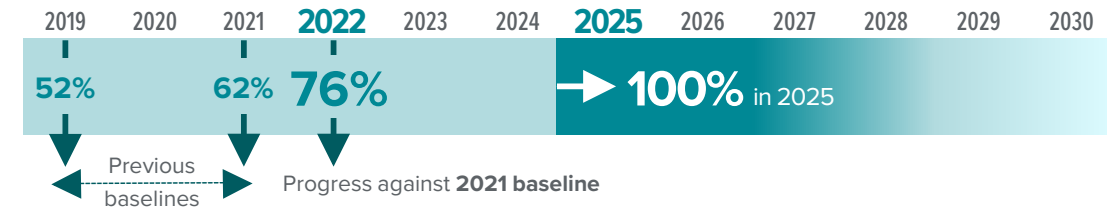
PURPOSE
LEAD
UPLIFT
SUSTAIN



Progress on Our Goals and Commitments

ENVIRONMENTAL SUSTAINABILITY

1 By 2025, we will have an **ALL-ELECTRIC OPERATIONS** lift truck fleet in our U.S. distribution centers.



2 By 2025, we will increase our North America distribution center **RECYCLING PROGRAM**, over 2020 metrics by 10%.

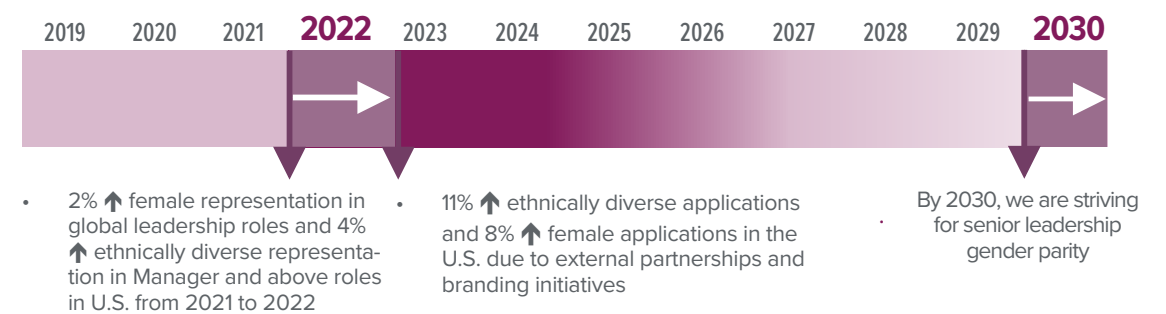


3 Committed to setting a **SCIENCE-BASED NET-ZERO TARGET** by the end of 2023.



SOCIAL PERFORMANCE

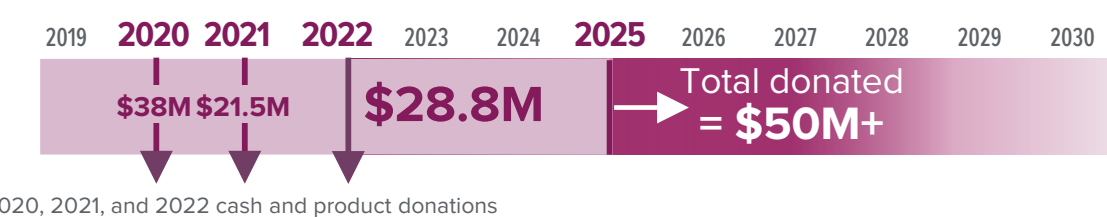
4 By 2030, in alignment with our commitment to **PARADIGM FOR PARITY**, we will strive to have gender parity at senior leadership levels globally (Director and Vice President). We are also committed to ensuring our senior leadership reflects the demographics of our customers and society as a whole, which we will look to achieve through our talent planning, compensation, and recruitment processes.



5 By 2022, educate globally all Directors and Vice Presidents on the key concepts of **DIVERSITY & INCLUSION**. By 2023, provide education for Managers globally and U.S. TSMs at all levels.



6 By 2025, **DONATE AT LEAST \$50 MILLION IN CASH AND PRODUCT** through Henry Schein Cares and the Henry Schein Cares Foundation to advance health equity.



GOVERNANCE & ETHICS

Our **GOVERNANCE STRUCTURE LAYS THE FOUNDATION FOR OUR SUSTAINABILITY EFFORTS** and helps us drive it in an effective, inclusive, and transparent way. It is well integrated into our business strategy and operations and helps us manage sustainability risks and opportunities appropriately to build a more resilient business.

UN Sustainable Development Goals – Everyone’s Business

The UN Sustainable Development Goals (SDGs) serve as a blueprint for people and the planet to prosper alongside one another. When the 193 member states of the UN General Assembly adopted the ‘Agenda 2030’ in 2015, it was as clear then as it is now that without the private sector, we have no hope of achieving the SDGs.

At Henry Schein, we believe that our societies need the active involvement and partnership of business to transform their way out of poverty, climate change, inequality and biodiversity loss, and to secure peace, health, clean water, clean energy, well-being, and other human rights everywhere, for everyone.

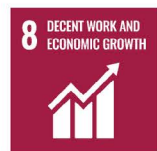
We see the continued importance of business as a force for good, as a solution to complex systemic problems, as a source of leadership, and as a vehicle for innovation. This is why we find it important to understand where we can add the most value to achieving the SDGs.

Since we first announced the SDGs that are strategically relevant for us in our 2020 CSR report, our top five relevant SDGs have remained unchanged. We have deepened our commitment to them every year and improved our reporting efforts and actions to support.

SUSTAINABLE DEVELOPMENT GOALS



- **GOOD HEALTH AND WELL-BEING.** From supporting our communities and governments for a more effective response to the pandemic, to our long-standing commitment to “help health happen” by tackling shared challenges around health equity and access to care, SDG 3 is arguably the most relevant of all 17 SDGs for us. Read more on how we contribute to it on pages 31 – 33.



- **DECENT WORK AND ECONOMIC GROWTH.** As a major employer, taxpayer, supplier and job creator in the communities where we are present, we play an important role in creating sustained and inclusive economic growth, and productive employment for all. Continued support of our TSMs, suppliers, and communities, as well as reliable and quality service to our customers is top of mind. Read more about our employment practices, how we keep our TSMs safe and support their wellbeing, and our Diversity & Inclusion efforts on pages 24 – 28, and our supply chain practices and customer-centric approach on page 18.



- **RESPONSIBLE CONSUMPTION AND PRODUCTION.** Unsustainable patterns of consumption and production globally are the root cause of climate change, biodiversity loss and pollution, with devastating impacts on people and communities. We manage our impact responsibly and smartly, making sure that we adopt circular practices where we can in our distribution centers, minimize waste generation and water usage, use materials sustainably such as plastics, metals and cardboard, and promote responsible practices with our customers too. Read more on pages 14 – 16.



- **CLIMATE ACTION.** With urgent climate action needed to achieve Net Zero, our commitment to SDG 13 remains strong. We have announced our commitment to setting net-zero science-based targets, and will submit and disclose them by the end of 2023. Read more about how we monitor and reduce Scope 1, 2, and 3 emissions on pages 12 – 13 and read our ‘TCFD report 2022’ to understand how we incorporate climate risks and opportunities into our decision-making.



- **PARTNERSHIPS FOR THE GOALS.** We recognize that no single sector alone can solve the challenges that our societies face today. From public-private partnerships to our DEI-focused collaborations internally and externally to working with our carrier partners to reduce joint climate impact, partnerships are how we do business to collectively solve for complex issues. Read about our partnerships across the report.

With our vast global footprint spanning 32 countries and our 29 strategically located distribution and 19 manufacturing facilities around the world covering approximately 3.8 million square feet of space, serving more than a million customers worldwide, we recognize our impact on the environment, and embrace our responsibility to manage that impact and drive positive change across our global value chain.

When facing climate and environmental issues, we focus on risks and opportunities for our business now and in the future. We are on a journey to better understand and measure these impacts and sensibly to mitigate them. But, we do not operate in isolation. We partner with our suppliers and customers to achieve and scale our efforts, and engage with stockholders and other stakeholders in shaping an effective and targeted approach.

Throughout this journey, we are committed to transparency and accountability. Sound governance and leadership help us navigate existing and emerging issues.

In 2022, our environmental performance includes:

- Publishing a Sustainability and CSR Report annually, detailing our environmental impact and our actions to mitigate it. Our reported KPIs are informed by stakeholder engagement and our priorities. We continually expand on data beyond our U.S. businesses to ensure global coverage of data across ESG goals. We made good progress on this in 2022.
- Reporting on our climate approach and performance on CDP annually and have released our second [Task Force on Climate-related Financial Disclosures \(TCFD\) report](#) this year, increasingly reporting on climate risks and opportunities for the business.
- Using target-setting as a powerful tool for action. We signed the Business Ambition for 1.5°C in 2021 and have committed to setting a science-based net-zero target by the end of 2023. We are improving and streamlining our climate data collection and reporting mechanisms, in preparation for establishing a 2022 baseline for our science-based targets in compliance with the Greenhouse Gas (GHG) Protocol.

Our climate and environmental approach and performance are overseen by the Board of Directors' Nominating and Governance Committee (see page 34). Additionally, we formed an Environmental Impact Council in 2022, a committee consisting of a cross-functional team of senior and middle management TSMs, tasked with driving, coordinating, operationalizing, and tracking our climate change along with other environmental impacts, risks, and opportunities.

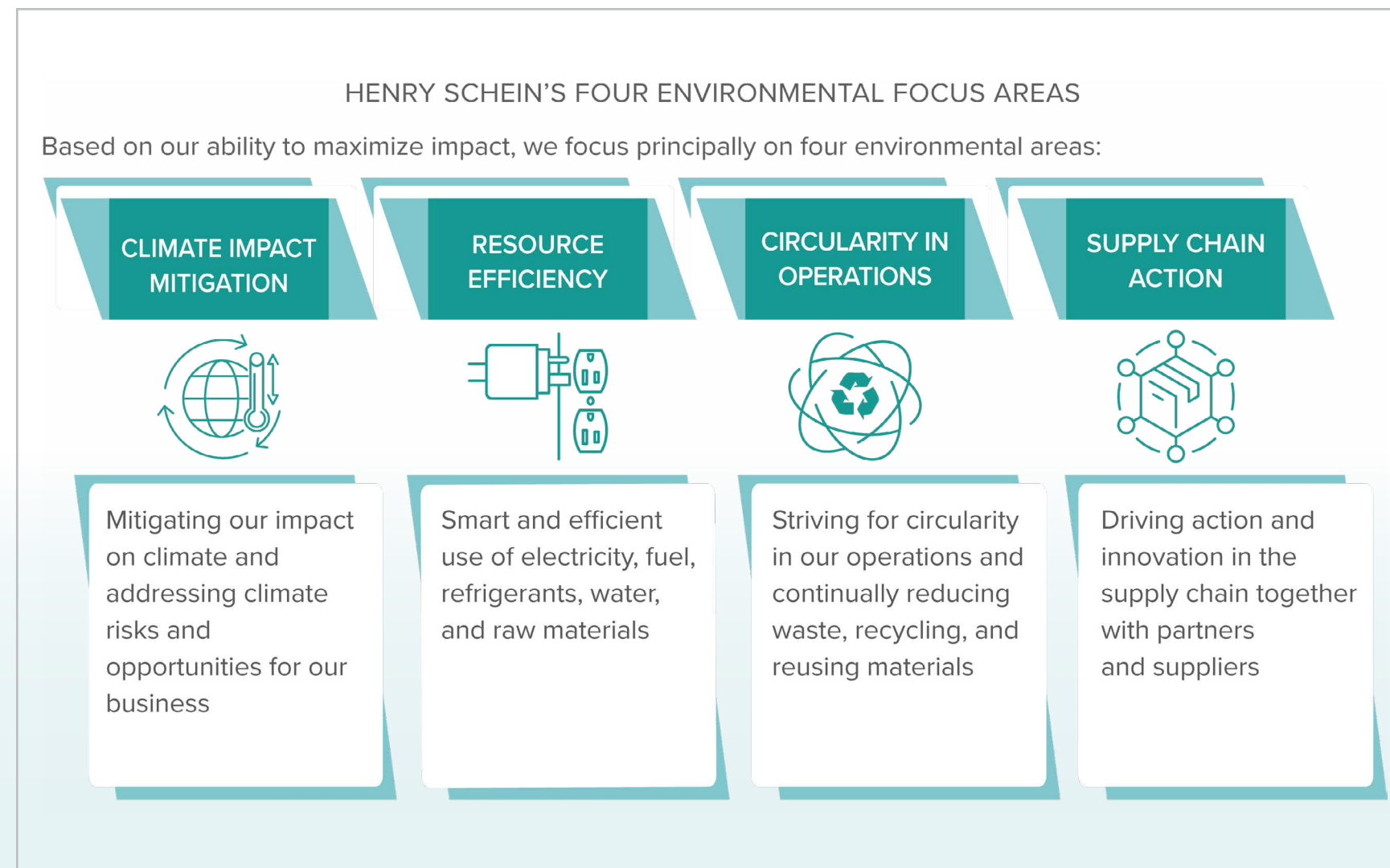
Innovation and Efficiency

We operate a centralized and automated distribution network in strategically located distribution centers around the world. This structure supports our operational efficiency and enables us to serve our customers.

We work to reduce our environmental impact and scale sustainable business practices in our value chain in collaboration with our suppliers, partners, and customers.

We have near-term targets in our North American distribution network to expand our usage of high-efficiency electric charging equipment, increase our recycling, and decrease our landfill waste by 2025. We have further regional goals in place at our DCs in Europe, Middle East, and Africa (EMEA), Australia and New Zealand which target waste reduction, minimization of landfilled waste, renewable energy sourcing and packaging circularity, which we are working to formalize and consolidate into global goals for Henry Schein.

We are building global climate roadmaps for distribution and transportation and continue to integrate them into our supply chain from our energy management to our transportation decisions. We have also engaged our upstream and downstream suppliers and transportation partners to collaborate on initiatives to drive climate resilience and sustainability across the value chain.



Climate Solutions Through Collaboration

We believe public-private partnerships are essential to tackling climate change and scaling mitigation and adaptation efforts.

We support global efforts and international treaties, including the UN SDGs and the Paris Agreement. We are a member of the World Economic Forum's (WEF) Alliance of CEO Climate Leaders, and a signatory to the Business Ambition for 1.5°C.

We do this not just to play our part in global efforts toward a climate-smart and circular economy, but because it makes good business sense. Climate change may affect our operations and supply chain by damaging assets and interfering with the supply chain (physical risks), or through existing and emerging technological, regulatory, and market impacts (transition risks). Other resource dependencies include access to energy and fuel, raw materials, transportation infrastructure, and human capital, each of which can be impacted by climate change.

After releasing our first [TCFD report](#) alongside our [2021 Sustainability and CSR Report](#) last year, we conducted a qualitative physical risk assessment late in 2022 to better understand how our DCs and headquarters may be impacted in the future by sea level rise, flooding, water stress, and other risks. We also screened climate transition risks and opportunities for the business and are integrating these findings into our overall approach to risk management. We will share our learnings and resulting actions in future reports. We are also conducting a formal scenario analysis this year to help quantify the financial impact of climate risks and opportunities.

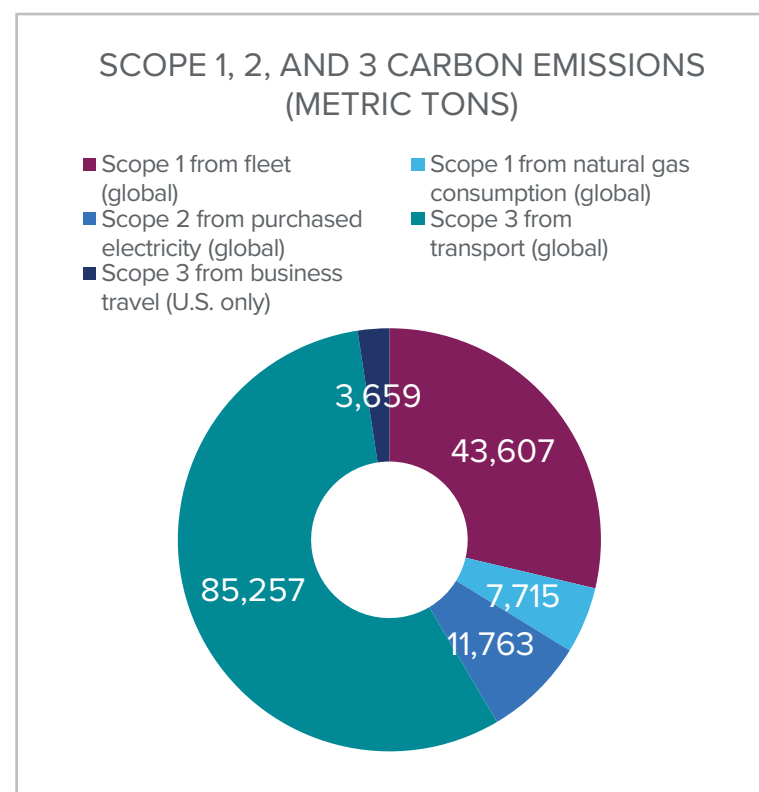
In addition to improving our understanding of climate risks, we are also improving on our baseline reporting and data collection efforts in preparation for submitting our net-zero targets to the Science-Based Targets initiative (SBTi) by the end of 2023. This requires us to report our emissions in compliance with the Greenhouse Gas Protocol.

We are continually addressing any gaps in our data collection, expanding our global reporting, and improving the granularity of our indirect emissions reporting (supply chain emissions).

Our primary sources of carbon emissions are:

- Fuel consumption by our service technician fleet¹ and at our DCs (Scope 1 emissions). We are currently evaluating the relevance and magnitude of Scope 1 emissions related to the use of refrigerants in our DCs.
- Electricity consumption from external (purchased) sources in our DCs and office buildings (Scope 2 emissions).
- Transport-related fuel consumption by our logistics partners, as well as other indirect emissions in our supply chain such as from business travel (Scope 3 emissions). We are continually expanding on our supply chain reporting, and plan to include significant upstream and downstream activities in our baseline reporting.

Our corporate GHG accounting standards include the GHG Protocol and the Corporate Value Chain (Scope 3) Standard, developed by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

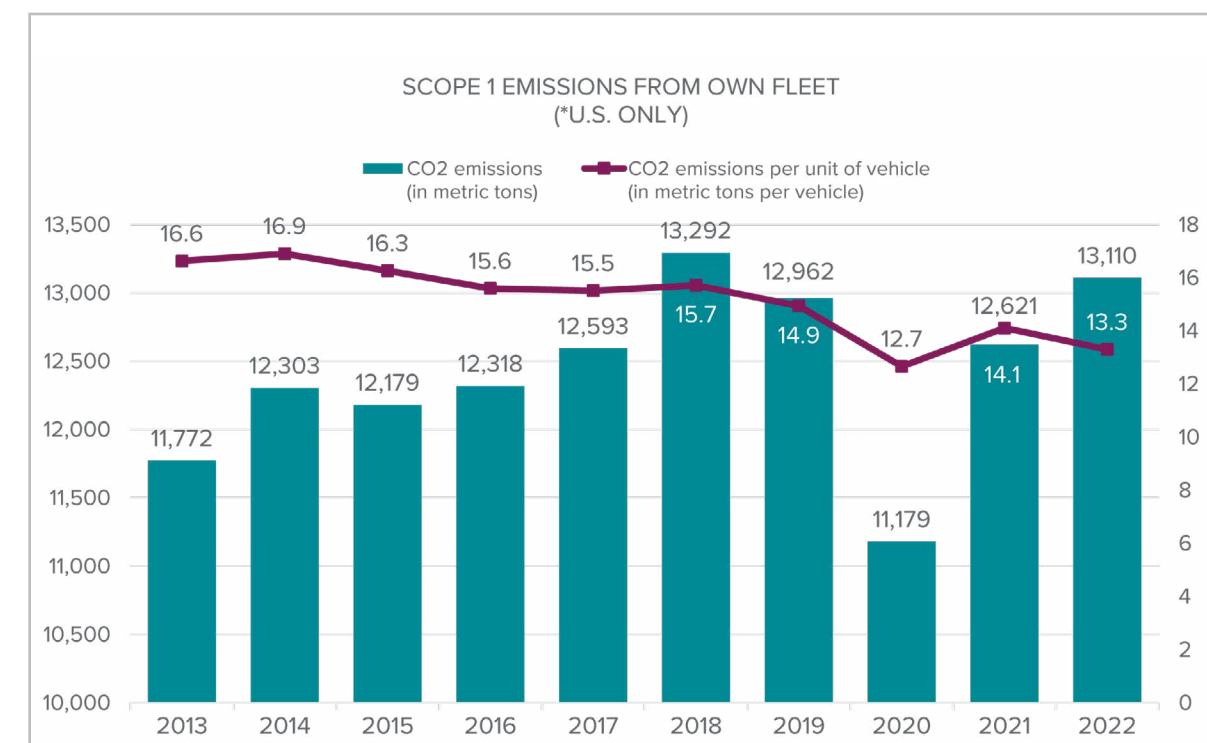


Scope 1 Emissions

Since 2008, we have tracked the carbon emissions of our fleet of service technicians in the U.S., which form part of our Scope 1 emissions. For our net-zero science-based target, we will also include our sales force vehicles as well as other company cars used by our management in Europe.

Our global fleet emissions were 43,607 metric tons, for North America, EMEA, Australia, and New Zealand during 2022². We currently believe that increases in our overall emissions due to increases in employees and corresponding number of vehicles will be generally limited to pre-pandemic levels as our efforts to utilize more fuel-efficient vehicles and improved dispatch routing will offset the double-digit percentage increase in the number of service technicians. Over the next several years, we plan to invest in technology that will create more efficient routing of technicians and a reduction in mileage and greenhouse gas emissions. In addition, we are working with our U.S. fleet providers to add our first set of hybrid vehicles to our service fleet in 2023.

In our EMEA region, most of our efforts to simultaneously reduce costs and emissions focus on efficient and smart use of trips made by our service technicians to support our customers while improving the footprint of our fleet.



COMMITMENT TO AND PROGRESS AGAINST OUR NET ZERO AND CARBON NEUTRALITY GOALS

We aspire to be carbon neutral in our supply chain emissions by **2050**, if not sooner. This year, we are preparing our baseline reporting for science-based net-zero target submission at the end of **2023** and working on a global climate roadmap to help us achieve our targets. As a priority, our Transportation and Supply Chain teams are building roadmaps for our distribution network, given the importance of this area in our overall emissions. Our global teams are developing a variety of regional targets to support this, and we look forward to sharing more.

2022

2023

2050

¹In EMEA, our fleet emissions also include sales force vehicles.

²EMEA fleet emissions are reported in 2022 for the first time, in line with our continual efforts to expand on our reporting. Global emissions in 2022 are therefore not comparable to historical data. Our EMEA fleet emissions include sales force vehicles in addition to the service technician cars.

We are currently piloting a few projects in our German network that aim to achieve the following:

- Using customized dispatch software to connect each customer with the service technician closest to them in our network, at any given time, to reduce unnecessary miles;
- Enhanced emphasis on service quality and maintaining the integrity of equipment to avoid unexpected, costly, and emissions-inducing repair activities. This means we can shift much of our capacity to pre-planned trips and optimized routes instead; and
- Careful analysis and troubleshooting of the problems raised by our customers to ensure the right solution and spare parts are identified, and repeats visits are avoided. This project also involves stocking our service technician vehicles with the necessary spare parts to save additional trips to the central dispatcher for parts.

These and similar efficiency projects globally are currently being piloted, tested, and rolled out with learnings shared globally through various exchange mechanisms, including our Environmental Impact Council. We will report on specific targets, results and progress in our future reports.

Another key contributor to our Scope 1 emissions is the use of natural gas (mostly for heating) at our DCs globally, and at our Melville, N.Y. headquarters. In 2022, this totaled 7,715 metric tons from 584,710 U.S. therms of natural gas.

We are currently evaluating the relevance of emissions related to refrigerant use as well as the use of diesel generators as emergency back-ups in some facilities. We expect both to form a minor component of our Scope 1 emissions, but we are

Our U.S. Core Distribution Network has made infrastructure investments and progress to further our 2025 goal of all-electric lift trucks with high efficiency charging equipment. As a result, we are currently at **76%** from the 2019 baseline of **52%**.

committed to exploring a variety of options to reduce emissions. For example, in many locations we have phased out, or in the process of phasing out refrigerants that have a disproportionately high global warming potential (GWP) as these could increase our Scope 1 emissions. We are also consolidating cold storage among select DCs globally.

Scope 2 Emissions

Electricity purchased from local energy suppliers is the source of our Scope 2 emissions. In our DCs, approximately 35,477 MWh of electricity was used in 2022, leading to Scope 2 emissions of 11,763 metric tons¹. We implement efficiency measures at our DCs to save electricity and reduce our Scope 2 emissions. In the U.S., Europe, Australia and New Zealand, our DC lift truck fleet is all-electric. In the U.S., a major objective is to convert the legacy lift truck battery charging equipment to a high frequency solution by 2025. This will allow us to better maintain the quality of charging while prolonging the lives of the batteries, reducing the time to properly charge the equipment, reducing battery swaps, and reducing overall electrical use in the facilities.

We are also exploring the role of energy sourcing and the origin of electricity in reducing our Scope 2 emissions. We are currently benefiting from lower carbon intensity of electricity from the local grid in some European and North American markets with a higher ratio of renewable and nuclear power sources, which

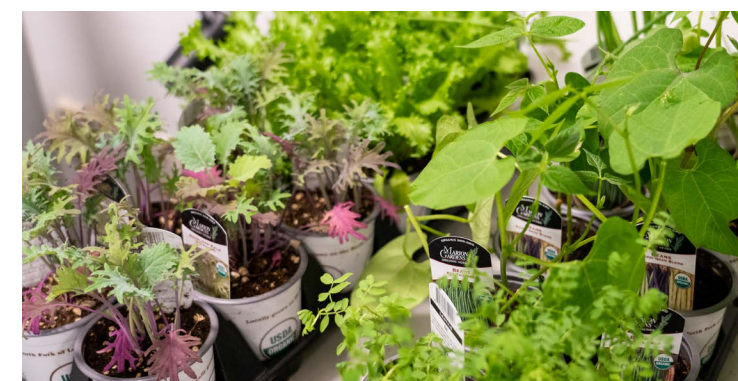
results in a lower carbon emission factor in those markets.

Our headquarters in Melville, New York has LEED® Silver Certification, and the total LEED-certified square footage at our offices is 285,000. Automatic lighting in most of

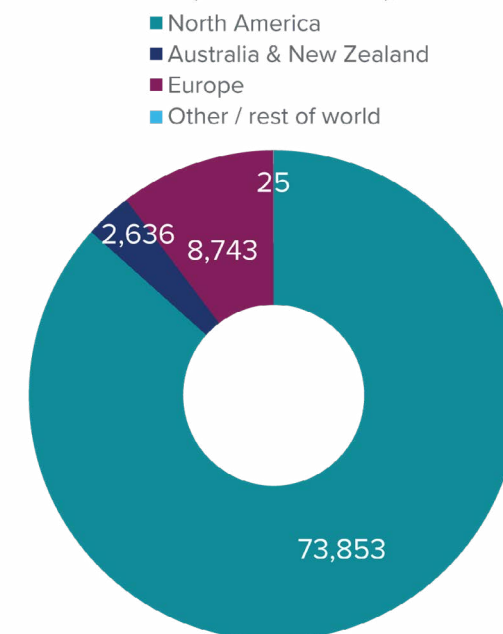
our U.S. DCs and a significant part of our European DCs enables us to reduce electricity consumption. Our U.S. DCs use energy-efficient lighting, including LED fixtures and motion sensors, HVAC (heating, ventilation, and air-conditioning) controls, energy-efficient heating/cooling units, high-efficiency battery chargers, and conveyor motors.

Scope 3 Emissions

In 2022, our combined transport-related Scope 3 emissions from transportation partners in North America totaled approximately 73,853 metric tons. These emissions in Australia and New Zealand totaled 2,636 metric tons; in Europe, they amounted to 8,743 metric tons and a further 25 metric tons, in other geographies. Our increase in reported Scope 3 transport-emissions from 80,090 metric tons in 2021 to 85,257 metric tons in 2022 is primarily due to our efforts to expand data capture and the inclusion of a wider base of operations in the calculation. We have also seen an increase in reported emissions from our transportation partners as they transition to more enhanced reporting tools and use the Global Logistics Emissions Council (GLEC) methodology. Our business travel-related emissions during the year in our U.S. operations were 3,659 metric tons up from 1,307 metric tons last year. The higher emissions partly reflect higher-quality, more complete data from our logistics partners for business travel, and partly the restored levels of business travel once the travel restrictions due to the pandemic were lifted.



TRANSPORT-RELATED SCOPE 3 EMISSIONS (METRIC TONS), BY REGION



COMMITMENT TO AND PROGRESS AGAINST OUR ALL-ELECTRIC GOALS

By **2025**, we have committed to an all-electric operations lift truck fleet in our U.S. distribution centers, while upgrading to high efficiency charging equipment from a **2019** baseline of **52%**.

Our core U.S. distribution network has made infrastructure investments and progress to further this **2025** goal. As a result, we are currently at **76%** from the **2019** baseline of **52%**.

In **2022**, we developed and implemented formal tracking classification categories throughout the core U.S. distribution centers to consistently track and document all recycling and waste goals across the U.S. We are currently on track and are monitoring these goals to ensure we achieve our targets by **2025**.



¹Excludes electric vehicles in our UK fleet, which have a negligible impact on our global Scope 2 emissions. They will be included in our 2022 baseline for net-zero science-based targets in future.

²EMEA fleet emissions are reported in 2022 for the first time, in line with our continual efforts to expand on our reporting. Global emissions in 2022 are therefore not comparable to historical data. Our EMEA fleet emissions include sales force vehicles in addition to the service technician cars.

Striving for Circularity in Our Operations

Responsible Use of Water at Our Distribution Centers

We have limited direct product manufacturing; therefore, our operations are not water-intensive. We use water mainly at our distribution centers and offices for drinking, sanitation, and cooling purposes, primarily from utility sources. Our water consumption during 2022 at our distribution centers globally, but also including our Melville office in the U.S. was 79 million liters. More than 50% of this water came from groundwater sources and was almost fully reused. Where we can, especially in areas of water stress, we implement more fundamental water saving measures. For example, at our Eastern Creek distribution center in Australia, we harvest rainwater at Interchange Park via large water tanks. This water is then used to supply the distribution center amenities on site and for gardening irrigation systems.

Henry Schein handpiece and small equipment solutions are committed to providing repair services for our healthcare customers with high quality, convenience and overall satisfaction. Repairing handpiece equipment is an environmentally sustainable solution to extend the lifetime of a handpiece. Handpiece equipment typically contains metals, plastics, and electronics that can take many years to decompose in landfills and may contribute to environmental pollution if improperly disposed.

- In 2022, the Henry Schein handpiece repair facilities supporting ProRepair, Hayes, and Brasseler repaired approximately 165,000 handpieces, keeping them in the hands of our customers and out of landfills.
- As part of the sustainability focus of the repair process, metals, batteries, and other recyclable materials are identified and sent to the appropriate facilities for recycling.

Reducing, Recycling, and Reusing Waste

We work to avoid landfilled waste, so we can retain precious raw materials in the economic cycle and prevent soil and water contamination, air pollution, and degradation of nature in and around landfills.

COMMITMENT TO AND PROGRESS AGAINST OUR WASTE REDUCTION AND RECYCLING GOALS

By **2025**, increase North American distribution center recycling program by 10% of our recycled paper, glass, plastic, wood, corrugated, and lift truck batteries in tons, out of total solid waste produced at our DCs, over **2020** metrics.

By **2025**, we will decrease the landfill waste disposed by our North American distribution centers by 5% over **2020** metrics, normalized to the relevant operational output (to be defined in our future reports).

In **2022**, we developed and implemented formal tracking classification categories throughout the core U.S. distribution centers to consistently track and document all recycling and waste goals across the U.S. We are currently on track and are monitoring these goals to help to ensure we achieve our targets by **2025**.

2020

2022

2023

2025

OUR RECYCLING EFFORTS



In 2022, we recycled approximately 16,010 tons of material at our distribution centers globally. Approximately 90% of our recycled material was wood pallets and corrugated packaging.



We sent a total of 2,506 metric tons of waste generated by our distribution network to landfills in 2022 and are working on reducing this number progressively.



Our total generated waste in 2022 in our distribution network was 19,544 metric tons, of which only 78 metric tons were categorized as hazardous waste to landfill.



Every four years, when we replace our UPS battery modules, we recycle 18,000 pounds of batteries.



We also recycle fluorescent light bulbs; however, this is decreasing as we switch to LEDs. In 2022, we recycled 227 pounds of light bulbs.



In addition, by donating over \$11.8 million in health care products to over 100 global medical and dental non-governmental organizations through the Henry Schein Cares Global Product Donation Program, we kept thousands of tons of products with superficially damaged packaging out of landfills in 2022.

Championing Practice Green Across Our Value Chain

Operating a global supply chain and serving customers around the world, we drive positive impact in our value chain by working upstream with our suppliers, and downstream with our customers on more sustainable practices. This is done through Practice Green™ – a new, global initiative designed to encourage health care practitioners to become more sustainable while providing high-quality patient care. Since 2008, Henry Schein has offered its customers environmentally friendly products through the U.S. Global Reflections® Program, which has since evolved into Practice Green and also launched in the EMEA region, Australia, and New Zealand earlier this year.



Through this new initiative, we aim to encourage communities to become more eco-friendly by providing solutions to support, educate, and enhance the environmental sustainability efforts of our customers and suppliers. The Practice Green portfolio includes a curated collection of dental products selected by Henry Schein as 'green' based on supplier partner product information. These products fall into at least one of the following categories: reusable, contain recycled materials, can be recycled, are biodegradable, stem from renewable sources, or have been manufactured with lower energy intensity than industry average or reduced waste.

By engaging with both customers and supplier partners on Practice Green, we aim to help enhance sustainable business practices across the value chain, driving positive change beyond our own operations. We expect the program's offerings to continue to expand over time, with new products, as well as services, and solutions as we respond to the everchanging health care landscape.

Sustainability in the Supply Chain

Our global supply chain is structured to create value locally and globally and help us meet our customer needs. We are collaborating with our partners and suppliers to mitigate the environmental impact of our supply chain such as CO₂ emissions from our distribution centers, transport activities, packaging, employee business travel and other sources, as well as to address the ethical and labor risks inherent in operating in and working with suppliers in higher-risk countries.

We continue to aim to co-create an ethical, inclusive, circular, and carbon-neutral supply chain, jointly manage our impacts, and innovate for sustainability.

Reducing the CO₂ Footprint of Our Supply Chain

We distribute our products from our strategically located distribution centers. Orders are electronically transmitted to the distribution center nearest to the customer's location. This helps us deliver high-quality service quickly to our customers and supports our climate goals by offering the shortest possible distance to deliver our products.

Our deliveries are outsourced to logistics partners, leading to transport-related Scope 3 emissions. Scope 3 emissions are indirect CO₂ emissions in our value chain, including upstream (inbound) and downstream (outbound) activities. We address upstream and downstream contributions in partnership with our carriers in North America, Europe, Australia, New Zealand, and other global regions.

We value partnerships with transportation providers that share our sustainability values and a joint commitment to decarbonizing the supply chain. We exchange data to increase the visibility of climate impact in the supply chain, work to improve the emission measurement and calculation methodologies, and use these insights to work on ways to reduce our joint impact. For example, we use an enhanced distribution network in our U.S. operations to minimize shipping via air. Many of our carriers are switching to electric or hybrid vehicles and adopting other efficiency measures such as the use of modern engines and efficient fuels to reduce the carbon intensity of transportation.

But we also recognize that we cannot eliminate or mitigate all transport-related emissions. In our path to Net Zero, we will also utilize carbon removal and offset mechanisms to address residual emissions that cannot be mitigated. Together with our partners, we are exploring credible offset strategies that are Net-Zero aligned and will provide long-term removal of carbon from the atmosphere. In 2022, working with select carriers, we offset 3,915 metric tons of emissions. This included a special initiative in our U.S. network to ship carbon neutral during the month of April in recognition of Earth Day. Supported projects included reforestation, landfill gas destruction, wastewater treatment, and methane destruction.

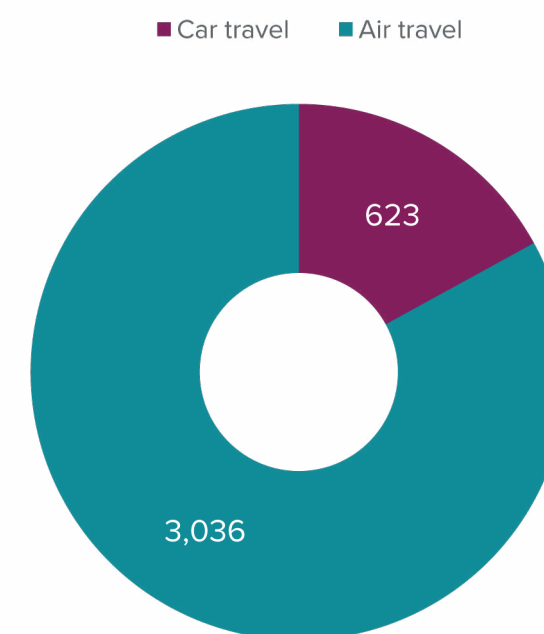
Transportation and Business Travel

In the U.S., we continue to work with United Parcel Service (UPS), one of our key transport partners on our joint commitment to sustainability. We operate an enhanced network of mostly ground transport which uses special operating plans to reach specific customers by ground in one day. Without this network, we would require air transport to guarantee next-day delivery service to our customers. We review and monitor the emissions from this enhanced network annually to avoid unnecessary emissions and identify further improvement opportunities.

Through the use of our enhanced network (which applies at this point to our core distribution centers in the U.S.), we mitigated our carbon impact in 2022 by 74%, which is equivalent to taking approximately 20,300 passenger cars off the road.

We report on our employee business travel in the U.S. using car travel or air travel, based on data which we started to capture in 2020. We aim to continue to expand the scope of regions and activity streams included in our Scope 3 reporting in our future reports.

SCOPE 3 EMISSIONS FROM BUSINESS TRAVEL IN THE U.S., BY SOURCE (IN METRIC TONS)



Packaging

Packaging matters to our business and customers as it protects the product during storage, distribution, and transport. However, our packaging also contributes to our emissions and environmental impact in the supply chain.

The choice of packaging material, the extent of damage prevention, and the product-to-package ratio help to determine the footprint of our packaging operation. Corrugated boxes and cartons are a significant part of our packaging and are inherently renewable and recyclable. We prioritize fiber-based packaging from sources certified as responsible forest products, such as those that conform with FSC®: Forest Stewardship Council®, PEFC: Programme for the Endorsement of Forest Certification, and SFI®: Sustainable Forestry Initiative®. Our packaging also includes recycled fiber. Our corrugated boxes and cartons in North America have been between 40–60% recycled content.

Damage prevention is an important aspect of sustainable packaging. If a product is sufficiently protected before it reaches the customer, it only needs to be manufactured once and shipped once. A repeat of these processes due to damage means further use of resources, additional emissions, and costs that would otherwise have been avoided. To address this, we have established a cross-functional Damages Committee that meets regularly to target high-frequency damage products and implement action plans. These include partnering with suppliers to redesign their packaging, engaging carriers on high damage transport lanes, and implementing product-specific packaging protocols in our DCs.

We take a variety of circularity measures at our distribution centers globally to reduce packaging impact. “Right-size packaging” is a common goal across our distribution network. In EMEA, we are consolidating orders to reduce packaging and reduce transport overall. In Australia and New Zealand we are packaging smaller orders in satchels, resulting in 10% lower emissions. Through our Damage

Committee, a change was implemented in February 2022 to a distilled water product that reduced the damages from 7% to near zero, which helped to avoid damage credit to customers and replacement freight costs. Water is a particularly damaging substance because if it leaks, it is likely everything else in the box will get damaged. Through new packaging, this product now results in a near zero damage rate.



We have worked with our logistics partners to assess our packaging processes. Together, we have used those observations and recommendations to improve our packaging processes, practices, and materials choices across our distribution centers. Based on widely accepted best practices in our industry, we have good packaging practices in place, including sufficient and consistent packaging operations, effective damage prevention practices, labeling techniques, and special sealing methods to stabilize larger packages.

Advancing a Sustainable Packaging Ecosystem in Australia

A member since 2018 of the Australian Packaging Covenant Organization – a not-for-profit leading efforts to develop a circular economy for packaging that keeps material out of landfills in Australia – Henry Schein Australia is changing its packaging in line with 2025 National Packaging Targets. To date, Henry Schein Australia's two smallest box sizes, previously bleached white using contaminants and made from 76% recycled materials, have been replaced by bleach-free, Forest Stewardship Council (FSC)-certified boxes made from 100% recycled materials. This resulted in using 8.5 tons of recycled content in 2022 – 1.9 tons more than would have been used for the same number of boxes before the switch. Although Henry Schein Australia has also conducted trials with larger boxes, single corrugated 100% recycled boxes proved too weak to protect the goods shipped and double corrugated boxes were heavier, adding both to shipping costs and the emissions associated with deliveries. We continue to work with cardboard suppliers to identify recycled options that enable us to protect customer orders while meeting our goals to increase the use of recycled and recyclable materials, minimize waste, and reduce the emissions associated with our packaging.

Lowering Emissions Through More Efficient Packaging

Several initiatives being implemented in our European DCs are enabling us to reduce the number and size of shipping cartons used to fulfill customer orders. Our DCs in France, Germany, Italy, Poland, Spain, and the U.K. have adopted automated cartonization systems that calculate the smallest possible shipping carton based on the volume of the items ordered. We are also in the first phase of implementing an automated carton cutting and closer system in our DC in France that, by cutting shipping cartons to the right size based on the intended content, it aims to reduce empty space in cartons by 75% and the total carton cubic meters to be loaded onto trucks by approximately 25%. In most European DCs, we seek to maximize order shipping consolidation. Order consolidation includes at times holding back orders for a few days and shipping with the next order, with customer approval, to avoid sending out separate cartons. These initiatives are expected not only to minimize the amount of packing and fill material used but also reduce the number of trucks needed to deliver the same amount of product, thus cutting our carriers' carbon emissions by roughly 15% for the same quantity of goods shipped.

Ethical and Labor Aspects in the Supply Chain

We are committed to upholding human rights standards in all areas of our business and support the UN Guiding Principles on Business and Human Rights, which provides a practical, useful framework for businesses to manage and address the Company's human rights impacts in the supply chain. Please see our Human Rights Statement [here](#). We also support various existing and emerging supply chain transparency laws, such as those in effect in California (the California Transparency in Supply Chains Act 2010), the Uyghur Forced Labor Prevention Act (2021), the UK (the UK Modern Slavery Act 2015), and in Australia (Modern Slavery Act 2018).

It is our expectation that our suppliers also conduct themselves in an ethical and lawful manner, and respect human rights in all

their business dealings. As part of this, we have developed a Global Supplier Code of Conduct to clarify our global expectations in the areas of business integrity, human rights, and employee health and safety. We have a variety of mechanisms in place that are designed to help us better detect and to guard against slavery and human trafficking in our supply chain including supplier verification, supplier audits and monitoring, supplier accountability for compliance with our policies, as well as role-based learning and communications for our own employees. In early 2023, we launched an updated human rights training course along with an internal supply chain transparency working group focused on ongoing monitoring and implementation of human rights standards.

We monitor key suppliers' ethical and labor performance, whose adherence to our Global Supplier Code of Conduct is assessed through various approaches such as desk audits, site visits, business reviews, supplier scorecards, or other means. We continue to expand our due diligence protocols with advanced standards, tools, and initiatives. This includes, for example, co-founding in 2022 the Responsible Glove Alliance, a collaborative established to prevent,

identify, and remediate forced labor in the medical supplies industry in Malaysia through recruitment transformation, collective influence, and the application of due diligence with advanced standards, tools, and programs.

For our Asia-based Henry Schein brand supplier partners, we use our social accountability checklist related to child labor, forced labor, health, safety, facilities,

working hours, wages, recruitment, etc. as the basis for the social aspects of our audit program. Since 2015, we have conducted audits throughout our supply chain with identified actions successfully addressed and closed. During 2022, due to the ongoing pandemic, most of our external supplier audits were conducted virtually or via desktop (similar to the prior year). We conducted a total of 77 audits during 2022, including 50 at our supplier sites in China, Malaysia, Thailand, and Indonesia.

Supplier Diversity

We are committed to working with a diverse supplier base that includes small businesses owned by ethnic minorities, women, LGBTQ+, disabled, veterans, service-disabled veterans, historically underutilized business zones (HUBZone), and small business enterprises, to provide

The [Responsible Glove Alliance \(RGA\)](#) was founded in March 2022 with Henry Schein as one of seven founding members. "All members commit to core principles that recognize the importance of promoting responsible recruitment and employment practices in the medical supplies industry" to reduce the risk of forced labor in rubber glove production in Malaysia.

our customers with the best selection of high-quality products and to foster innovation, additional perspectives, and develop stronger relationships with the communities we serve. Our supplier diversity program supports the U.S. Small Business Administration (SBA) goals, and we recognize its importance in contributing to a positive economic impact, locally and nationally.

Encouraging a diverse and inclusive workforce

A foundational element of our supplier diversity program is educating our supply chain, marketing, and product teams on the core concepts of diversity and inclusion. Understanding the key elements of a diverse and inclusive environment allows our team to understand the value and purpose of our supplier diversity program and creates an inclusive environment for our supplier partners. We encourage all of our supplier partners to adhere to our Global Supplier Code of Conduct.

Integrating supplier diversity into our processes

During our supplier evaluation process, each supplier partner is requested to complete our Business Partner Certification. This enables us to review diversity classification(s) and certification(s) before onboarding a supplier. To ensure the integrity of our data, we undergo a routine supplier diversity data enrichment process to review the accuracy of our reporting and to provide visibility to advance opportunities. As part of our RFP and bids processes, we make considerations to further opportunities with diverse suppliers.

Enhancing reporting and providing visibility

Having the right tools and reporting in place is essential to advancing our efforts. We have enhanced our capabilities in this area to track and monitor diversity spending. Furthermore, we continue to educate our teams on the importance of supplier diversity and have enhanced the visibility of our diverse supplier partners. This provides an opportunity to help support and advance our partners in a meaningful way.

Our dedication to supplier diversity is a continuous learning journey and our processes will continue to evolve. As the demographics of our customers and their patients change, we are committed to supporting them and partnering to serve their needs. We welcome opportunities to partner with our constituents on building meaningful programs that focus on advancing supplier diversity.

CREATING AN INCLUSIVE SUPPLY CHAIN

#scheinchats



Supplier diversity is a critical aspect of creating a more equitable business environment. Join Josh Naftolin, Business Development Executive, and Shermaine Pollard, a supply chain diversity leader and Director of Strategic Sourcing for Medstar Health, as they discuss the importance of partnering with diverse suppliers and how it can drive innovation for businesses and local communities alike.

Customer health and safety

Henry Schein maintains high quality standards and the Henry Schein Quality Policy reflects our commitment to quality at every level of the organization. As applicable, our facilities maintain worldwide-recognized Quality Management System certifications with the U.S. Food and Drug Administration (FDA) and International Standards such as ISO 13485:2016 or ISO 9001:2015. For our Corporate Brand products, we have received marketing authorizations from domestic and international agencies, such as the FDA, Health Canada, European Medicines Agency (EMA), and Therapeutic Goods Administration (TGA), and our Quality Management System includes product and service information, labeling, marketing communications, as well as any potential non-conformance with product specifications.

Consistent with our quality commitments to support our global Corporate Brand product distribution, a total of 77 supplier audits were conducted in 2022, including 35 on-site audits, 30 virtual audits and 12 desktop audits. In 2022, our Corporate Quality team received 4,118 product quality complaints and reports of 518 adverse events, 57 of which were reported to various government agencies globally. These numbers are similar to 2021. On average, we routinely investigate, address, and close all complaints within 60 days. Our quality processes also include monitoring proactively for potential issues, regular reporting of any incidents to senior management, and continuous process improvement through corrective and preventative actions. Pursuant to our Quality Management System, processes also exist to train TSMs about conformance to quality standards.

We have procedures designed to help ensure compliance with both the FDA's Drug Supply Chain Security Act (DSCSA) for pharmaceutical traceability throughout the supply chain and the Unique Device Identification (UDI) regulations for medical devices. We have procedures in place aimed at minimizing the health and safety risks of the products we distribute.

- **Supplier review process:** Through our vendor approval process, we conduct reviews to verify that suppliers maintain proper licensure and that their products are approved for sale with appropriate regulatory authority clearance. During 2022, we approved 231 suppliers through this procedure and established quality agreements with them to specify regulatory and post-market surveillance responsibilities. Given that the FDA routinely audits pharmaceutical manufacturers, our quality agreements with these manufacturers require them to notify us of any negative findings impacting any products that we distribute.



- **Communication of product safety and toxicity:** When any potentially toxic chemicals are contained in products, we require that our manufacturing partners, who have the expertise in product formulation, provide relevant information on the label and on the applicable Safety Data Sheets (SDS). The label and SDS could also contain information on training and education on the safe handling and storage of packaged products to meet the regulatory requirements of the FDA, Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), and other international agencies. The SDS is available on our on-line ordering platform.
- **Providing access to medical advice:** In the event of a concerning exposure, our customers can seek medical advice from a 24/7/365 hotline service by Chemtrec, with whom we have an ongoing and longstanding agreement, for shipments originating in North America and delivery anywhere in the world. The alignment with Chemtrec allows the SDS to be utilized by first responders in case of adverse exposure.

We have procedures designed to comply with FDA Risk Evaluation and Mitigation Strategies (REMS) for applicable drug products to the extent REMS's requirements are

applicable to wholesale distributors. We also have controls to help address the specific safety concerns and requirements for the covered drug product prior to the first distribution to a health care professional.

In addition, we continue to advance our efforts to comply with the European Union Medical Device Regulation (EU MDR). The EU MDR extension amendment was published in March 2023 in the Official Journal of the European Union. Henry Schein and our affiliates maintain their current project pathways despite the extension in order to successfully meet compliance requirements for extension dates of 2027 and 2028, dependent upon product classification.

We monitor the safe distribution of controlled substances and List I chemicals, conduct suspicious order monitoring, and employ "know your customer" due diligence on ordering these products. The goal of these processes is to help ensure that controlled substances and List I chemicals are only used within the scope of practice of medical and dental professionals and to prevent any diversion or abuse in line with the DEA requirements within the U.S. During 2022, our Verifications Team completed over 10,100 customer due diligence reviews, and our Regulatory Affairs Team conducted approximately 2,326 (38% increase from 2021) second-level due diligence customer reviews, all with a view to comply with the relevant DEA regulations. We seek to identify and address any potential customer risks related to potential abuse or misuse of the controlled substances we distribute within the U.S.

One of the top categories in which Henry Schein receives accolades from customers is our quick, accurate shipping and delivery. In our fulfillment survey, 94% of global customers indicated they had received their order on time; 85% of customers also gave us a 9 or 10 when asked how satisfied they were with their order on a 10-point scale.

We have expanded several initiatives to better understand customer interaction and sentiment such as our Henry Schein Voice of Customer (VoC) Program and Voice of

Business (VoB) Program. The VoC program is designed to gather feedback directly from our customers across key moments in their journey with Henry Schein and its footprint has expanded across new geographies and businesses. The VoB program is new for 2023 and gathers feedback from customer facing TSMs to ensure that our team's customer concerns are heard, which drives action for a better team and customer experience.

Brasseler USA Surgical Instrumentation manufactures a comprehensive line of high-quality orthopedic cutting accessories. In 2022, Brasseler:

- Reduced its hazardous waste volume by 93% through the communicated transition from nitric acid passivation to citric acid passivation;
- Recycled approximately 27 tons of stainless steel and other metals from manufacturing processes; and
- Initiated a project to replace fluorescent light fixtures with energy-efficient LED fixtures.

Putting Team Schein at the Center

Our Team Schein Members (TSMs) continue to be an important part of our Mosaic of Success. We have a strong values-based culture that cultivates a meaningful people-centered experience. Our business success is built in part on the engagement and commitment of our team, which is dedicated to meeting the needs of fellow TSMs, our customers, supplier partners, stockholders, and society.

Throughout 2022, we navigated a complex macroeconomic and market environment that continued to be impacted by the COVID-19 pandemic and the humanitarian crises in Ukraine and other regions. However, lessons learned from the initial start of the COVID-19 pandemic allowed us to transition smoothly through the market shifts to continue to serve our customers and quickly respond to market needs. As a result, our TSMs and customers wanted to help when our support was most needed, and we collectively contributed through our Ukraine Hygiene Pack Program. See more on page 32.

Change management across our Company was one key feature of 2022, with a focus on the wellbeing of our team as they continued navigating complex situations. In addition to internal and external shifts, we also experienced an expedited evolution of workplace culture and the work dynamic in general, triggered by the pandemic's long-term ripple effects impacting employee experiences and expectations, including modes of working.

We adapt to the future of work as the world changes, and we navigate through it as one team. Aiming to keep our TSMs safe, well, included, connected, engaged, empowered, and inspired remains one of our key goals. We know that it is good for our TSMs, good for the Company, and good for the societies we live in and serve, to foster an experience that provides purpose and opportunity to contribute meaningfully to making health happen.

The key people-related themes that helped us adapt to the future of work in 2022, included enhanced efforts to reinforce our culture of human connection, caring, and purpose; listening to our TSMs; and emphasizing the pursuit of overall wellbeing and balance.

Our TSMs at a Glance

In 2022, we employed more than 22,000 TSMs (full-time equivalent), with approximately 50% of our workforce based in the United States and approximately 50% based outside of the United States. Approximately 12% of our employees are subject to collective bargaining agreements.

With the current competitive landscape for talent, we have put a stronger emphasis on reviewing our voluntary turnover. We experienced a slightly higher voluntary turnover rate of 22% this year, from 15% in 2021, mostly attributable to our distribution centers (DCs) where the nature of those roles typically

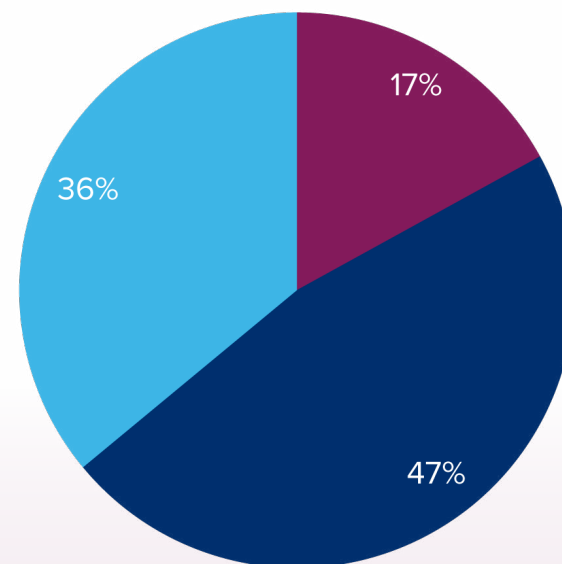
involve increased voluntary attrition. Excluding our DCs, our voluntary turnover remains below industry benchmarks at 15%, and we continue to evaluate our people-related practices to retain talent.

One of our most effective tools in attracting and retaining talent is our increasing emphasis on diversity and inclusion (D&I). Our promotional efforts and new strategic external partnerships in this regard, contributed to an 8% increase in female applications, and an 11% increase in ethnically diverse applications for U.S. positions.

At Henry Schein, we have a multi-generational workforce. We continue to evolve our culture and offerings to balance the needs of all generations of TSMs.

TSM AGE GROUPS ACROSS THE COMPANY IN 2022*

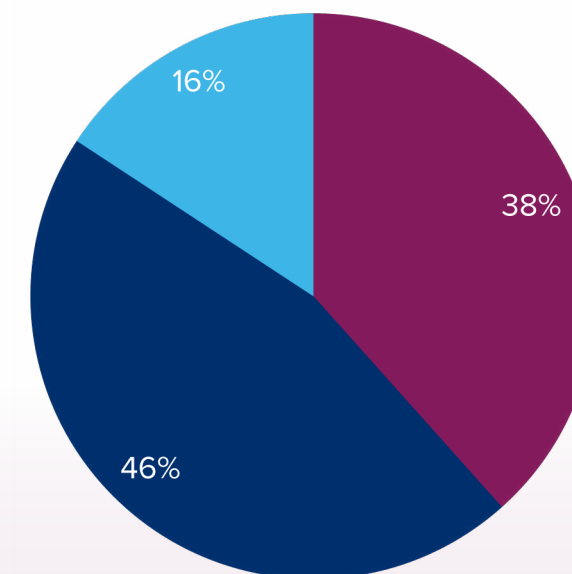
■ 30 and under ■ 31-50 ■ Over 50



*Scope covers 90% of all U.S. TSMs, the UK, and Ireland (available in our HCM system)

AGE GROUPS OF NEW HIRES*

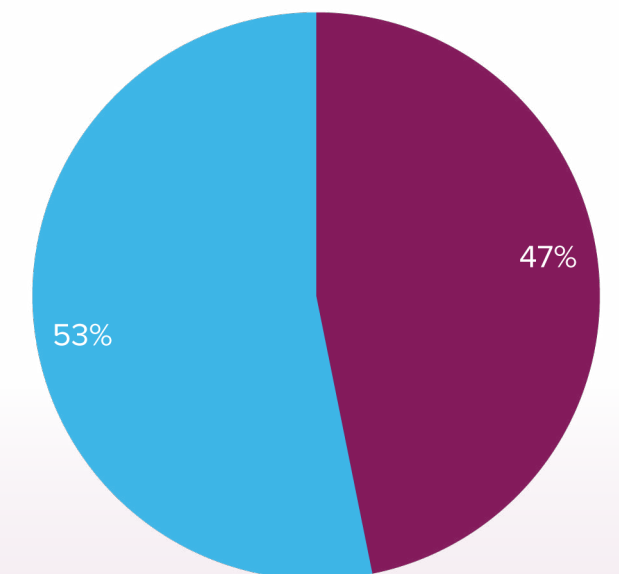
■ Total 30 and under ■ Total 31-50 ■ Total over 50



*Scope covers 90% of all U.S. TSMs, the UK, and Ireland (available in our HCM system)

NEW HIRES BY GENDER*

■ Female ■ Male



*Scope covers 90% of all U.S. TSMs, the UK, and Ireland (available in our HCM system)

A Focus on Connection

[click to see more](#)



Team Schein Engagement

Fostering meaningful connections across our teams has always been central to Henry Schein's organizational culture and business success. Given recent pandemic-related changes in the way we work – with many now working on a hybrid schedule or fully remotely – it is more important than ever to support our TSMs in building the strong personal bonds crucial to a mutually-supportive and effective team. We have reimaged and launched a number of programs designed to ensure that every TSM feels engaged as a team member, valued as a person, and empowered in their community, including:

- **Team Schein Appreciation Days**, hosted monthly or quarterly at our various facilities globally, to bring our teams together for appreciation and in-person activities that promote connection and fun during the workday.
- Our virtual **Community Circles** program, launched in early 2023, gives TSMs the chance to meet and build meaningful connections with team members through shared interests and hobbies.
- The **Teddy Philson Team Schein Awards**, a long-standing program named in honor of a beloved TSM who helped make Henry Schein more than just a place to work, recognizes TSMs annually from across the company who not only embody our Team Schein Values but also inspire these values in others.
- **Community Service** opportunities in new and established initiatives that engage TSMs in creative ways to improve their communities, including through volunteer programs and local events in partnership with community organizations.
- **Wellness Offerings** to support the mental, emotional, and physical wellbeing of our TSMs, including on-site health screenings and flu shots and on-line programming and resources to support optimal health.

The **We Care Global Challenge** is an initiative that brings together TSMs, Employee Resource Groups (ERGs), and our partners to make a meaningful impact on communities in need through friendly competition. This year's challenge was particularly special, as it provided an opportunity for TSMs to come together – both in-person and virtually – after a long period of isolation and work toward a common goal in support of cancer patients and caregivers. By partnering with Heart to Heart International, we were able to build and distribute thousands of cancer comfort hygiene kits to cancer organizations globally.



Caring About Our Team

Health and Wellness

We foster a culture of wellness for our team members and society focused on wellbeing and belonging. While wellness has always been an essential focus, mental health is especially important given the long-lasting physical and emotional impacts of the COVID-19 pandemic. Henry Schein established a Mental Wellness Committee in 2020, whose mission is to empower every TSM to be their best self – mentally, emotionally, and physically. The committee focuses on community, education, resources, and communication in four key pillars of wellness: physical, emotional, social, and financial – with the ultimate goal of driving a culture of overall wellness.

In 2022, to help reduce incidents of stress and burnout being faced from continuous changes, we have implemented the following:

- Rolled-out an Executive Management Committee video series that focused on being more intentional in the way we work across our business. This new workplace norms video series focused on meeting and technology etiquette, successful calendaring, establishing and communicating reasonable expectations and prioritization, the importance of taking and respecting time off, and the value of making time for social connection. We also rolled-out manager-specific education to provide tips on how to identify signs of burnout and have conversations around wellness with their teams.
- Expanded our educational offering on key mental health topics in partnership with our employee assistance program vendor.
- Held seminars for the team on suicide prevention and hosted in-person community walks that resulted in donations to local suicide prevention organizations globally.
- Recognized that part of wellness is being inspired, so in 2022 we brought in external speakers to cover a multitude of topics including a workshop on gratitude.
- Kicked off 2023 with a “new year in wellness,” where the wellness committee spotlights a different theme each quarter and month, that aligns with how TSMs might

be feeling at that time. Each month includes a global newsletter with resources, programming, and engagement opportunities for TSMs to find time to focus further on wellness.

We offer competitive health and wellness programs, along with other benefits to eligible TSMs. We also offer programs to support TSMs and their families, including Workplace Flexibility and Paid Parental Leave programs. These programs allow additional paid time off for new mothers, but also provide an opportunity for new fathers to take paid time off. In 2022, 8,279 TSMs were entitled to parental leave as part of our overall benefits plan, 43% of whom were female. Of those, 209 TSMs took leave, 41% of whom were female. Of the 209, 203 returned to work during the year. Overall, 97% of all TSMs who took parental leave returned to work and 96% of those remained with the Company through the end of 2022.

The Company offers a competitive 401(k) plan with a generous employer match that encourages savings to bolster financial security for the future. The Company also offers many educational programs/seminars on financial wellness including saving for college, buying your first home, home mortgage information, preparing for a new child, and preparing for retirement. We also offer a family-building program to support family planning, health/fertility resources, emotional support, new family resources, and much more.

We also offer employee assistance programs with trained counselors to assist TSMs with personal needs. We partner with our employee assistance program vendor to introduce new wellness-focused education for TSMs on topics such as Financial Wellness, Working Remotely, Working on Site, Personal Health, Emotional Health, and Caring for Others.

In 2022, we introduced family building support from Ovia and Progyny. Ovia Health provides unlimited one-on-one support and education tailored to a TSM’s life stage – starting a family, navigating pregnancy, and balancing life as a working parent. Progyny provides family building benefits through an equitable and inclusive program for all participants, including LGBTQ+ individuals and couples, and single-parents-by-choice.

HENRY SCHEIN®

Wellness

Empowering a Healthy Team Schein



Q1 | Balance

Quarter 1 focuses on helping you find **balance** so that you can start the year with a sense of calm.



Q2 | Inspiration

Quarter 2 centers around finding **inspiration** in yourself, in others, and in the world around you.



Q3 | Purpose

Quarter 3 highlights how to feel connected to sources in your life that give you **purpose**.



Q4 | Fulfillment

Quarter 4 encourages reflection on the year and appreciating what makes you feel **fulfilled**.

Safety

We have a safety foundation and mindset in our distribution centers, other operational facilities, and offices. We believe that fostering a strong safety culture and shared responsibility among all TSMs can prevent many incidents and better address the incidents that do occur. Many can only be tackled by fostering a strong safety culture and behavior and shared responsibility among all TSMs. One effective way to support our safety culture is through safety recognition efforts, such as our 'Safe Ace' initiative.

Our Physical Security Policy guides our performance across all Henry Schein operations, supported by our safety rules and other guidance material. The policy and supporting safety rules help ensure that consistent safety standards and practices are followed in all distribution centers and offices. These relate to reporting safety-related incidents, general housekeeping and safety,

PPE, fire safety, motorized equipment operation, and dress standards. They help us promote and foster a safe working environment and minimize accidents and safety-related incidents in the workplace.

In 2022, we began to streamline and harmonize our

processes globally, for example, by training and assigning formally certified safety professionals who can help oversee, implement, train, and improve safety matters across the distribution centers. For example, we have first aid responders in our DCs that are trained to provide initial medical support and evaluation until EMT professionals arrive.

Safe TSM of the Month

This program is designed to encourage TSMs to work safely and remain accident free through increased attentiveness and precaution. This is a peer or supervisor nomination.

Winner(s) are selected each month by the Safety Committee, based on being incident free for the entire calendar month, including spills, machine accidents, safety violations and injuries (not including first aid).

Winner(s) receive a \$50 bonus paid via payroll, a first aid kit, and a prime parking space.



Safety at Henry Schein: a global approach, locally executed

While all our distribution centers are globally bound by our safety rules, each region adapts its approach to safety based on risk, local needs, and other factors, for maximum effectiveness.

U.S. and Canada: We focus on New Hire orientation, warehouse safety training, annual safe lifting/back safety training, and annual safety refresher training.

South America: In addition to New Hire orientation, we annually deliver mandatory training on regulatory standards (electrical maintenance, working at heights, driving a forklift, and handling machinery), perform medical examinations for specific positions (forklift operator, picker operator, maintenance assistant), and use evacuation simulation.

UK: Our distribution centers conduct risk assessments regularly, using an online health and safety training portal called Safety Media. We implement findings from each assessment once completed.

Australia and New Zealand: We maintain a regular safety audit schedule, deliver workplace-specific safety orientation and annual refresher, and provide annual manual handling training, first aid and fire warden training and drills, haz-chem management plan, forklift training, and maintenance.



Click to see
Safety Award Winners
and Safety Days

Safety

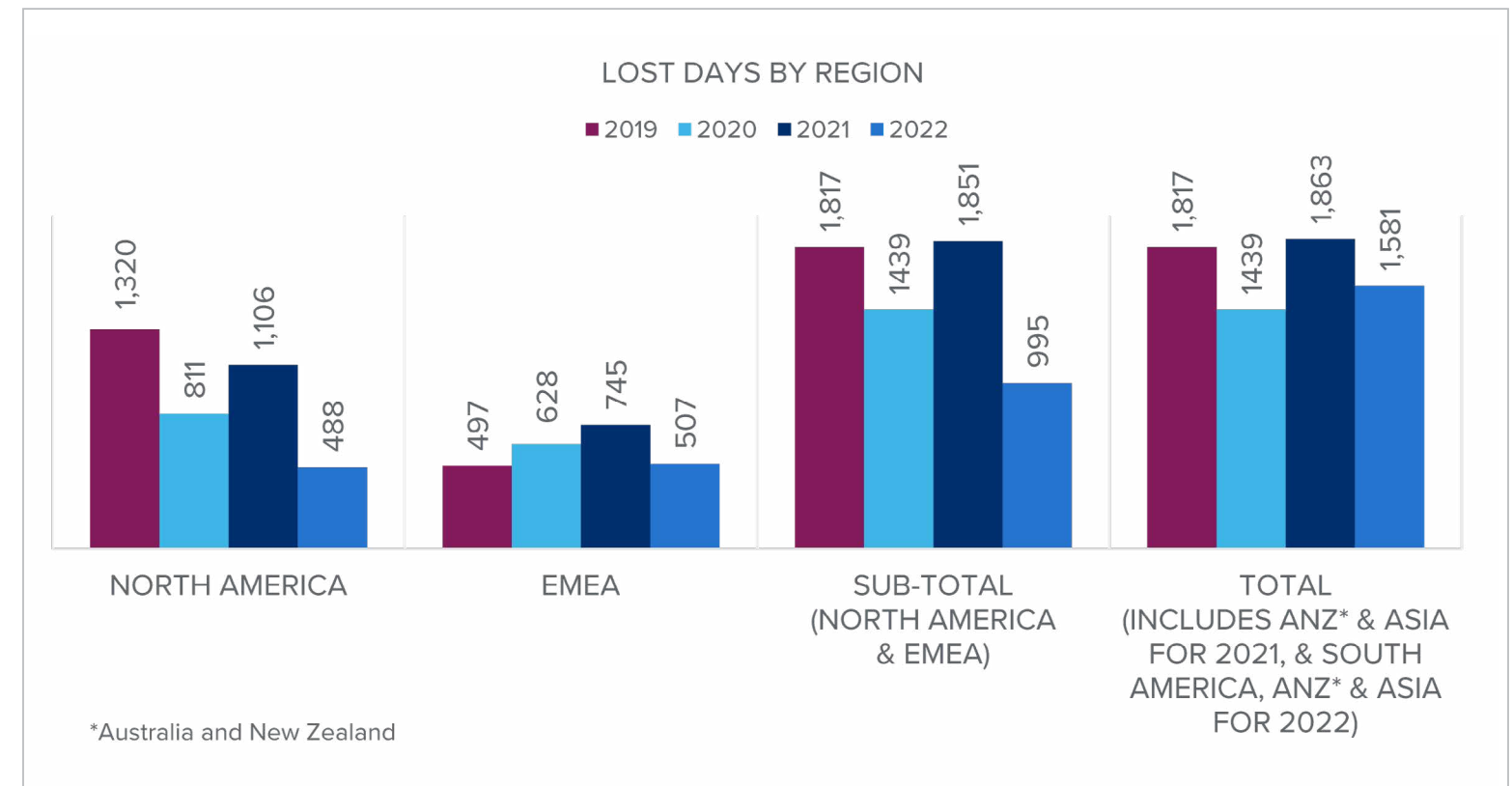
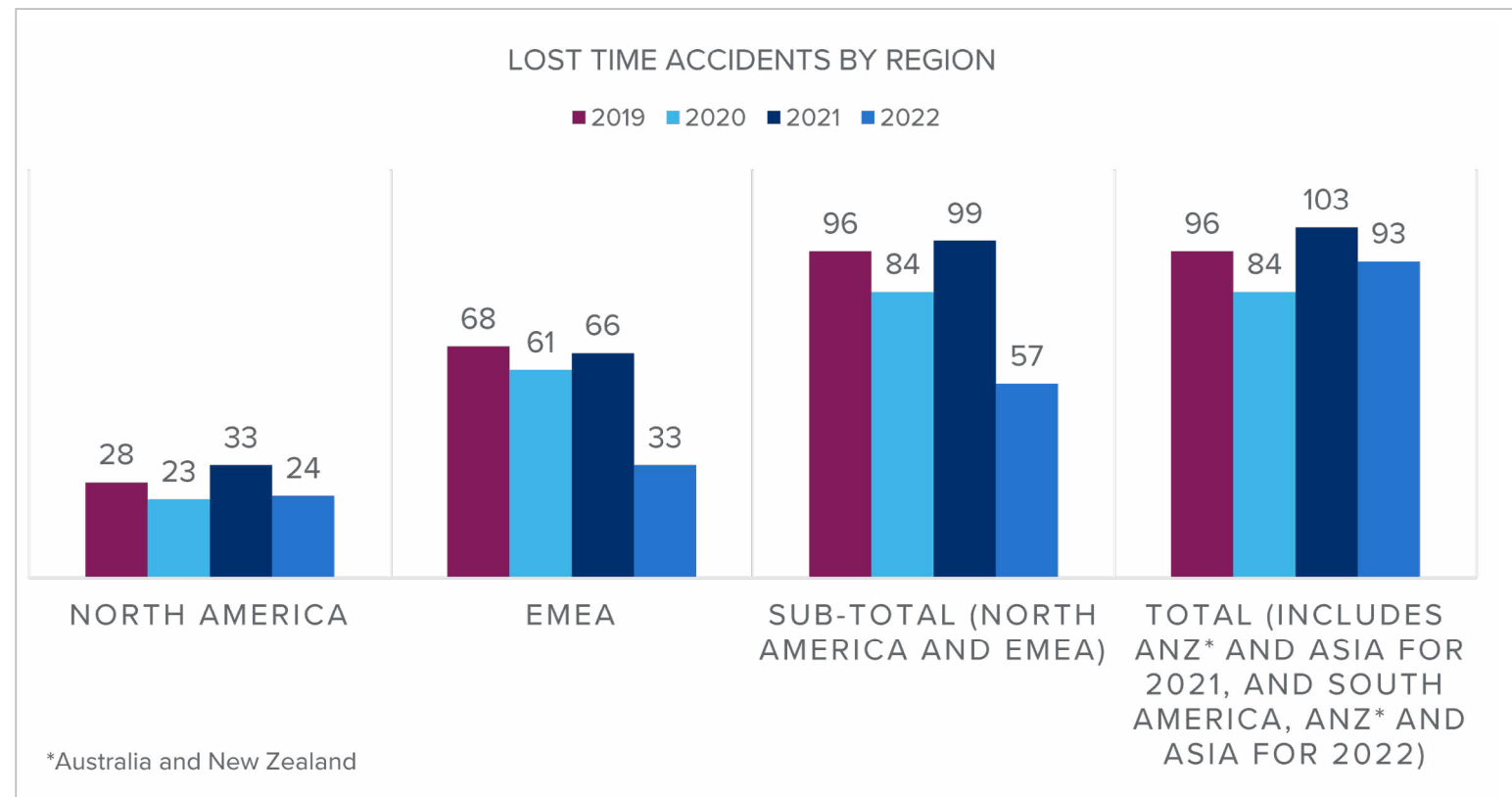
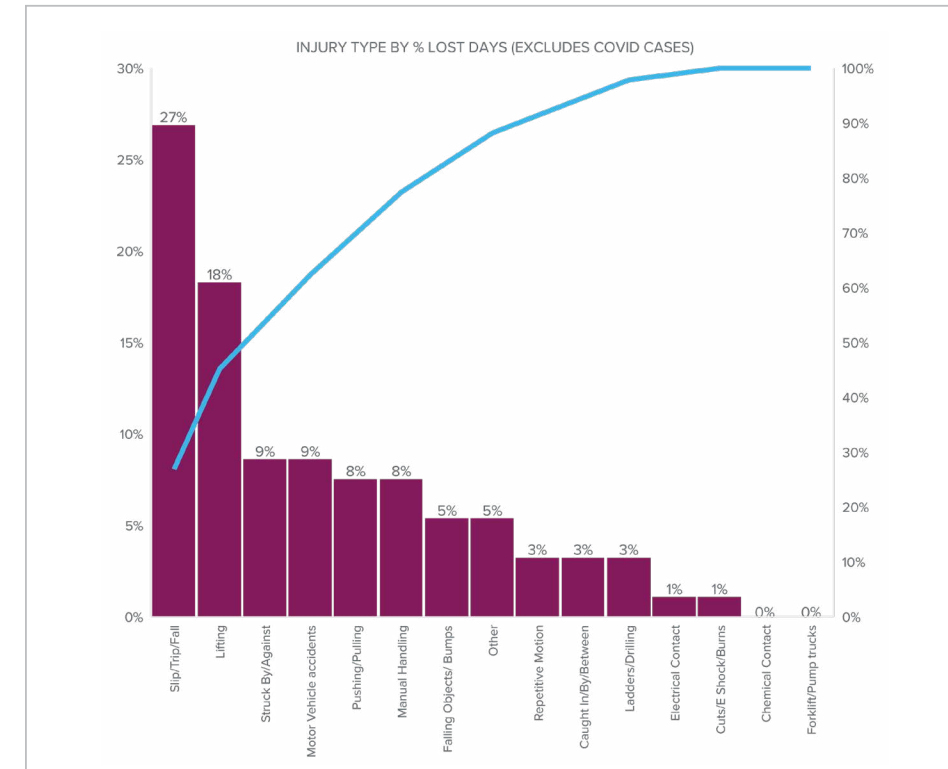
Dedicated training strengthens our approach. Safety training is conducted at the distribution centers to all TSMs, especially those operating forklifts and those who may have contact with chemicals and spills. In 2022, we experienced a total of 93 lost-time accidents (2021: 103), expanding our reporting to global distribution centers in all regions of operation, leading to a total of 1,581 lost days (2021: 1,863). Our Asian DCs report zero accidents for 2022 due to being closed for the majority of the year, and these impacts to our safety performance were relatively minor. Globally, our lost-time injury frequency rate was at 0.70 per 200,000 hours worked.

Our lost-time accidents per region during 2022, as well as the number of lost days per injury type (as an illustration of the most common causes of injury), are shown below and opposite. As part of our accident prevention program, we conduct studies on an as-needed basis to measure air quality or noise level in order to manage any occupational health impacts on our employees.

While we have expanded the geographic scope of reporting on our safety performance, we experienced a decrease in both lost-time accidents and lost-days in 2022. Several factors contribute to our decreased accidents such as:

- Increased training efforts across DCs and the enhanced exchange of learning and networking among DCs globally.
- Our trained Safety and Security Officers support the implementation of safety rules.
- Our communication and TSM engagement efforts keep safety awareness levels high and promote a safety-conscious culture.
- Our management of safety hazards at work help engineer out the safety risks that are not behavior-related.

We continue to track and analyze our safety performance globally to identify common risks and apply learnings for continuous improvements.



An Emphasis on Diversity & Inclusion

Our ambitions

One of our business successes is about valuing people. The demographics of our customers and communities are ever changing and evolving, so we embrace and celebrate their diversity, as well as the diversity of our TSMs, supplier partners, and the communities in which we operate, so we can create value for our customers and the patients they serve.

The voices of our constituencies are reflected in the decisions we make. D&I is a tool for innovation, and one of the strategic priorities for the organization. We advance it by attracting, recruiting, and retaining diverse talent, cultivating our culture, and supporting our marketplace.

Since 2021, D&I is formally one of our global Team Schein Values, stating that **"Diversity and authenticity is embraced to create a sense of belonging to all."**

Each TSM's performance is evaluated annually, based on a measure of Team Schein Values and job performance, including this new D&I value.

OUR DIVERSITY & INCLUSION GOALS AND COMMITMENTS

GOAL #1

By 2022, educate all Directors and Vice Presidents globally on the key concepts of Diversity & Inclusion. By 2023, provide education for Managers globally and U.S. TSMs at all levels.

PROGRESS 2022

- In 2022, all Directors and Vice Presidents globally had a goal tied to their compensation that included a required education component to attend an internally created session titled 'The Role of "I" in D&I. (99% completion rate)
- In 2022, we offered a voluntary D&I education course to global Managers and all U.S. TSMs on key concepts of D&I, where we had attendance from 3,000+ TSMs below Director level.
- In 2023, we cascaded the compensation-tied goal down to all U.S. Managers to attend the 'Role of "I" in D&I' education and introduced a new course focused on inclusion for our Directors and VPs.

GOAL #2

By 2022, evaluate our compliance helpline reporting process against the effectiveness criteria of the United Nations Guiding Principles for Business and Human Rights for reporting of potential discrimination incidents, and include diversity education to those handling the investigations.

PROGRESS 2022

Since we committed to this goal, we have and continue to evaluate our compliance helpline reporting processes and provide meaningful education to those handling the investigations.

GOAL #3

By 2030, in alignment with our commitment to Paradigm for Parity®, we will strive to have gender parity at senior leadership levels globally (Director and Vice President). We are committed to ensuring that our leadership team reflects the demographics of our customers and society at large.

PROGRESS 2022

- Increased female representation in global leadership roles by 2%
- Increased ethnically diverse representation in U.S. manager and above roles by 4%
- Expanded mentorship program to include a diversity lens (470 total matches and 3% of TSMs who signed-up requested their mentor to be from an underrepresented group)
- Enhanced recruiting partnerships (Fairygodboss, Customers & Professional Associations) and branding initiatives, which resulted in an 11% increase in ethnically diverse applications and an 8% increase in female applications in the U.S.
- Introduced an Employee Resource Group grant program that provides enhanced professional development opportunities for underrepresented TSMs in an effort to retain and develop a diverse leadership pipeline

GOAL #4

We are committed to pay equity and continue to align our processes and programs to our commitment.

PROGRESS 2022

- As we have done in prior years, we have conducted a pay equity study for the majority of our U.S. workforce.
- Overall, our results indicate pay continues to be administered fairly and equitably across gender and ethnicity.
- One area that we continue to focus on relates to creating an environment conducive to women and members of other underrepresented groups advancing into senior leadership roles.

Diversity & Inclusion Council

Our Diversity & Inclusion Council drives our Company-wide D&I strategy and helps prioritize efforts. Established in 2020, this Council is made up of a global cross-functional group of senior leaders with engagement from our Board of Directors (Board) and Executive Management Committee (EMC). During 2022, the D&I Council oversaw a number of initiatives and efforts across the Company to strengthen our values and improve our practices.

We measure our success in D&I through our global culture survey, among other ways, where results from the 2021 survey showed D&I to be our top strength out of 14 focus areas.

Our Directors and Vice Presidents globally each have a goal tied to their compensation to attend D&I education and champion it across the organization. In 2023, we cascaded this goal down to our U.S. Managers. We

continue to expand our D&I learning journey, educating global Directors and Vice Presidents on key D&I topics.

We also continue to educate our global TSMs on the importance of D&I. We promote engagement by utilizing our Employee Resource Groups (ERGs), which we continue to expand, as an inclusive and diverse vehicle for all TSMs to share, connect, learn, and develop both personally and professionally. Each of our ERGs has a sponsor from our EMC and Board of Directors, and our CEO engages directly in many of our ERG programs.

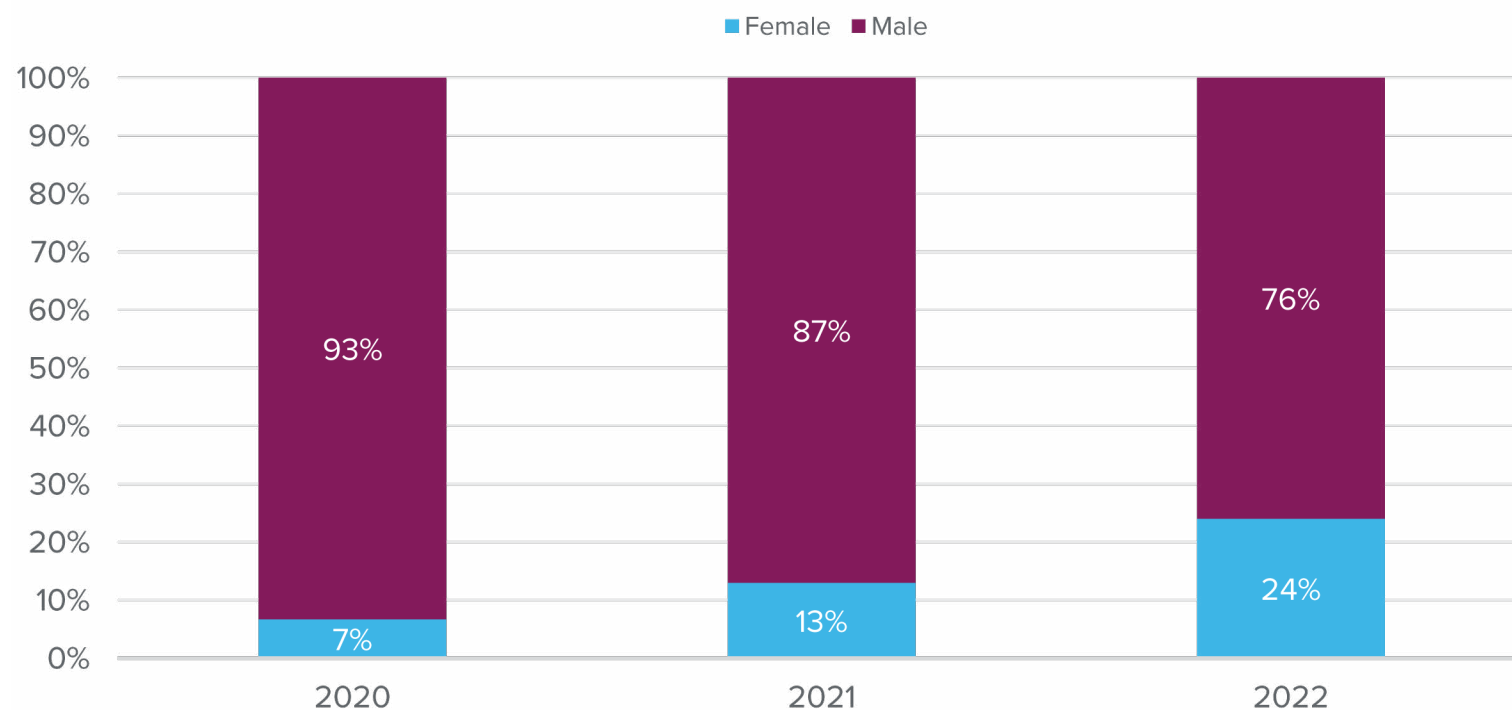
In addition to our current gender parity by 2030 goal, we announced a new goal in 2022 with an enhanced focus on increasing the diversity of all underrepresented groups in senior leadership levels through our talent planning, compensation and recruitment processes, in alignment with our corporate strategic planning objectives.

In 2022, 42% of our U.S. new hires were ethnic minorities and 50% were women. At the end of 2022, 18% of our U.S. management identified as ethnic minorities, and 30% of our directors and vice presidents globally identified as female.

We continue to disclose additional diversity data, with frequent reporting to the EMC and Board of Directors. Since 2021, we have published our United States Equal Employment Opportunity Commission (EEOC) EEO-1 [report](#) for the U.S. to illustrate the diversity of our U.S. workforce. Once available and certified by the EEOC, our 2022 report will be released on our Henry Schein website.



REPRESENTATION OF WOMEN IN EXECUTIVE MANAGEMENT



Recruiting and Retaining Talent

We drive innovation and achieve business success by attracting, developing, engaging, and retaining top talent with diverse backgrounds and experiences.

We build strong partnerships and relationships with TSMs and candidates and continue to invest in technology and tools that promote and encourage a diverse slate during our recruiting process. In 2022, we partnered with Fairygodboss, a diversity recruiter predicated on advancing women both professionally and personally. As part of our partnership, we spotlight women leaders within Henry Schein via articles and panel events. We also enhanced our outreach and branding efforts and in 2022, saw an 8% increase in female applications, and 11% increase in ethnically diverse applications for U.S. positions.

We also develop resources and toolkits for all recruiters and hiring managers on how to overcome common misconceptions and inequities related to hiring underrepresented groups.

To foster a culture of inclusion as a foundation for enhancing our diversity, we encourage a safe space for conversation, education, and an organizational commitment to these values.

To educate our teams, we have established a formalized strategy called Henry Schein's Diversity and Inclusion Learning Journey (Learning Journey), which includes education designed to help TSMs develop foundational D&I knowledge and leadership skills to advance the mission of D&I. Through this Learning Journey, we achieved the following during the year:

- 99% completion rate for global director/VP D&I education
- Built in-house education
- 3,000 TSMs below director level attended voluntary D&I education

To complement our educational efforts, and in addition to our recruiting toolkits, we have guidelines for managers on how to practice D&I, inclusive leadership, and promote diversity in teams.

TSMs are also encouraged to learn from one another continuously and our ERGs while modeling behaviors that educate others and promote D&I. We are also constantly measuring our progress against our D&I goals. Every quarter, we internally report to our EMC and key business leaders on the demographics of our TSMs and other key talent metrics.

Cultivating Our Culture

One of our key tools in fostering inclusion is ERGs. These are voluntary, employee-led networks that help create a diverse, inclusive workplace aligned with our Corporate Charter, Team Schein Values, and business goals. ERGs support the Company's efforts to attract and retain the best talent, promote leadership and development at all levels, build an internal support system for employees within the Company, educate TSMs on the challenges and successes of diverse communities, and encourage diversity and inclusion amongst employees at all levels.

ERGs serve as an important vehicle to listen to the voices of our TSMs and collect insights that can improve business success. Henry Schein now has six Employee Resource Groups: The Women's Leadership Network; Pride & Allies; Black Legacy Professionals; and COLEGAS, plus two additional ERGs launched in 2022 - one for the Pan-Asian community called elevAsian, and an additional one for military veterans and members of the armed forces and their families, called Veteran Engagement Team (VET). We recently announced plans to launch our seventh ERG for people with disabilities and allies, which will formally launch in 2023.

We have a total of over 2,500 ERG members globally. During the year, many events were hosted by the ERGs, with a focus on personal and professional development for members, networking and connection to build community, and educating our allies.

We also launched an ERG grant program to provide enhanced professional development opportunities for underrepresented talent at Henry Schein. [See sidebar](#) on the next page

We collect feedback through hosting roundtables where our senior leaders actively listen to our TSMs on topics related to D&I, and the insights learned are used to guide our efforts. These efforts have had a strong impact on our culture, which is supported by data from The Pulse, our global employee feedback survey.



ERGs Grant Programs

The ERGs Grant Programs were created and designed to support professional development opportunities for ERG members across the Company. Each year, ERG members can apply to their ERG Grant Program for career development opportunities. Grant winners then provide feedback on their development and their professional progress to the ERG and the Company. This program has enabled ERG members to attend conferences, participate in leadership development programs, and gain new skills to enhance their careers at Henry Schein. By investing in the professional growth of ERG members, the Company is promoting diversity & inclusion and fostering a more engaged and empowered workforce.



Hear from Some of Our ERG Leaders on Their Experiences



Federica Vaccaro
Country Liaison, Italy,
Women's Leadership
Network (WLN)



Gelitza Cruz
Events Chair,
Colegas



Jason Lincoln
Programming Chair,
Veterans Engagement Team



Virginia Pow
CSR Chair,
Women's Leadership
Network (WLN)



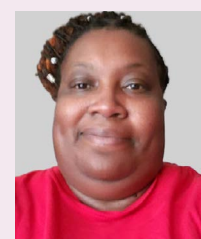
Karen Macia
Programming Chair,
Colegas



Laura Meaders
CSR Chair,
Veterans Engagement Team



Candice Chadwick
Marketing and
Communications Chair,
Pride and Allies



Dishelle Draper
Programming and
Events Chair,
Black Legacy Professionals



Tammy Acosta
Business Liaison,
elevASIAN



Andrew Kissin
Marketing and
Communications Chair,
Pride and Allies

[click to see more](#)



Society and marketplace

Our work in this area began more than 25 years ago when we partnered with the American Dental Association to support the Diversity in Leadership Institute, as one of four founding corporate sponsors. The Institute was created to foster leadership training and a corporate mentoring network within the dental profession in order to improve the business management skills of dentists from racial, ethnic, or gender backgrounds that have been underrepresented in such roles. Since then, we have continued to enhance our partnerships with those who share our mission and our understanding of the changing demographics of our customers and their patients.

We also have continued with our long history of support for diversity in the health care professions through our support of the Black Coalition Against COVID, National Dental Association (NDA), the Hispanic Dental Society (HDA), the Society of American Indian Dentists (SAID), Alpha Omega International Dental Society (AO), and other culturally specific professional organizations.

Henry Schein has consistently earned a high grade on the Human Rights Campaign Foundation's Corporate Equality Index, a benchmarking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality. We have also been designated for over seven years as one of the Best Places to Work for LGBTQ+ Equality.

Incorporating D&I into pay and incentives

In 2020, we introduced an individual D&I goal tied to our annual performance incentive program (i.e., cash bonus plan) for the senior managers in our Company (Directors, Vice Presidents, and the members of our EMC) globally. In 2021, we increased the percentage for the D&I goal for many Directors and Vice Presidents, as well as key business leaders and our EMC, which included action items to further champion D&I throughout the Company and increase representation of diverse talent. At Henry Schein, we are committed to maintaining fair and competitive pay. We strive to ensure that TSMs who perform similar work are paid equitably. With this commitment in mind, we recently conducted a review of compensation for TSMs within the U.S., looking closely at base pay and bonuses. In addition, we review our pay structure and levels on an ongoing basis and continue to enhance our monitoring and reporting systems to identify and address potential gender pay gaps.

In 2022, we announced high-level findings of our pay equity analysis across the U.S., which reviews compensation across gender and ethnic groups. Our findings indicate that pay continues to be administered in a fair and equitable manner across gender and ethnicity. We continue our focus on expanding existing and developing new programs to further opportunities for women and members of other underrepresented groups to advance into senior leadership roles.

See also pay equity goal progress on page [24](#).



Focus on Career Journeys

Recognition, Feedback, and Performance

We understand that providing purpose, recognition, feedback and growth are key pillars for our TSMs' career journey at Henry Schein.

Our team's engagement across the Company is evaluated via a continuous listening program, which includes a global culture survey, called "The Pulse." Distributed to all TSMs globally, The Pulse addresses collaboration, D&I, communication, and wellness, among other things. The results from our culture survey are reviewed by global management, including senior leaders and our Board of Directors, and is used to implement new and enhanced programs and processes designed to further improve our culture. In 2023, we will be redesigning The Pulse to measure sentiment across our Team Schein Values to ensure we are truly living our values day to day. Our 2023 continuous listening program will also align with the Company's existing Voice of the Customer program, as we know there is a clear correlation between TSM and Customer satisfaction.

TSM performance is evaluated annually, based on a measure of Team Schein Values and job performance, with a focus on open communication. We believe that feedback and recognition are crucial in motivating our TSMs and helping them realize their full potential. We engage in meaningful performance and career development conversations throughout the year.

We have a "pay for performance" philosophy, with employees recognized and incentivized for high-quality performance in alignment with our values. Eligible TSMs

have individual goals and are assessed for performance against transparently and collaboratively set targets and criteria, with financial and non-financial recognition. Examples of financial recognition may be bonuses paid in addition to fixed salaries and the Henry Schein Service Award program, which recognizes TSMs for their years of service with the Company. An example of non-financial recognition include our Teddy Philson Team Schein Award, which recognizes TSMs across the globe for living and promoting Henry Schein's values.

Growth & Development

We offer a broad suite of leadership and professional development educational opportunities to our TSMs to support their personal and professional growth.

Our Organizational Development (OD) function is dedicated to supporting business objectives focused on human capital development, including leadership development and Talent Planning. It offers more than 50 formal workshops to TSMs, including opportunities to connect with colleagues cross-functionally to share best practices.

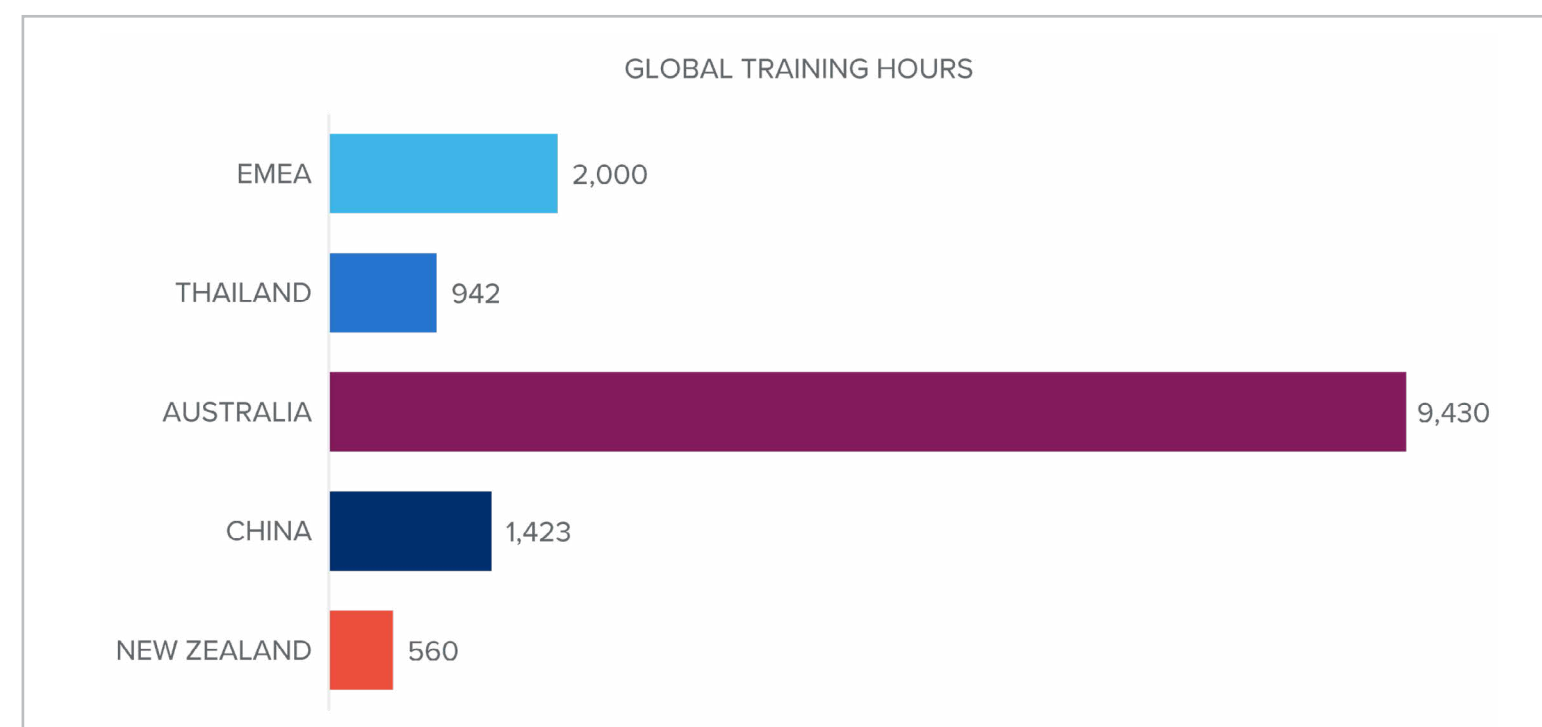
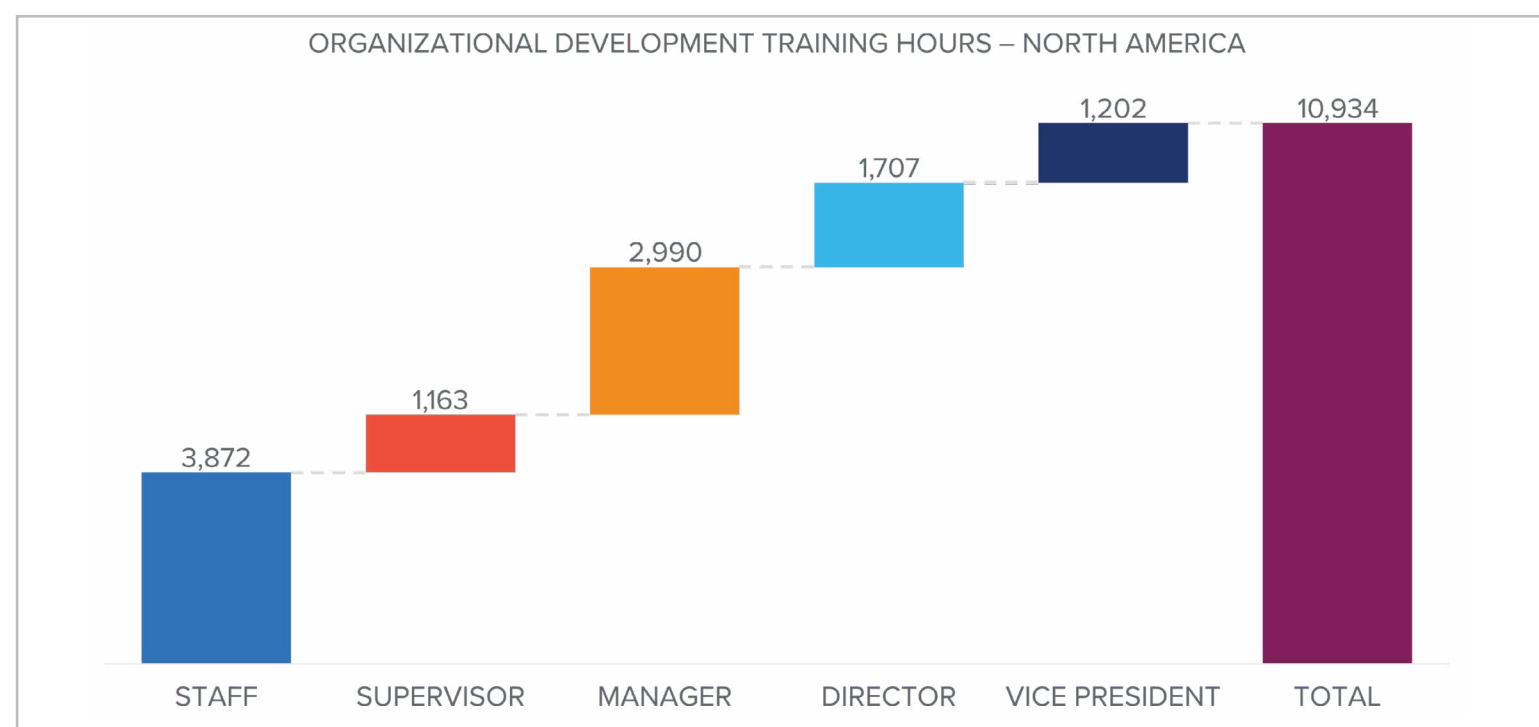
Our OD Talent Planning efforts support the creation of a strong leadership pipeline across the organization and help engage, develop, and retain TSMs. Through one global process, the strategic development of talent leads to internal mobility as well as targeted development opportunities and actionable plans, that enable the acquisition of skills necessary to drive success. Our Board of Directors is provided with periodic updates regarding our talent and succession planning and participates in professional development activities with our TSMs.

Our Talent Planning strategy aligns with our overall D&I strategy. Information derived from our Talent Planning efforts informs curriculum design and content so that the right capabilities are developed to meet the future needs of the organization.

The range of key focus areas includes coaching, strategic thinking, managing remotely, managing change, career development, management essentials, and presentation skills. Executive education, mentoring, and coaching programs also play an important part of our development and career support initiatives, with our OD team responsible for organizing these opportunities for TSMs across the organization.

During 2022, 39% of our Directors and Vice Presidents signed up to mentor through our Enhanced Mentorship Program, with 470 mentor/mentee matches achieved in one year.

In 2022, our North America TSMs recorded a total of 10,934 hours of education related to talent, leadership, and professional development, with approximately 46% of these completed by women, and 18% by ethnic minority groups (U.S. only.) Education hours per employee group are as illustrated. When we look outside of our U.S. businesses, we had formal education related to professional development across our major markets across North America, EMEA and APAC. These professional development sessions range in topics from leadership development, presentation skills, coaching, management essentials and many others. We formally expanded learning opportunities in Australia, increasing the number of courses offered and participants trained.



Medical and Dental Sales Training

Our goal is to build effective, consistent, and measurable training programs to drive business growth and job success, and support sales across the organization. We regularly update both the content and the delivery of these programs to improve the effectiveness of our training and create a positive learning experience.

In 2022, we merged our medical and dental sales training teams with our North American Distribution Group for more consistency and customer orientation in our sales efforts, now called the North American Distribution Group Learning & Development Team.

A significant portion of our training is targeted at new hires. With our TSMs facing digital fatigue brought on by reduced in-person learning opportunities since the start of the pandemic, we are working on innovative ways to maintain the quality and effectiveness of our training and keep our TSMs engaged. Efforts include optimizing our technology, deploying field-based training as much as possible, and improving ways to reach and engage employees onboarded remotely.

For the dental sales team, we delivered all new hire and leadership development training in person during 2022, but most medical training was delivered virtually as we work on ways to increase in-person training across both teams. We are currently rebuilding our medical sales new hire program to mirror the multi-phased approach used in our dental training.

Medical sales training includes leadership development and the Health Industry Distributors Association (HIDA) Accredited in Medical Sales (AMS) certification, as well as targeted sales skills programs. Our dental sales training provides the dental field sales team with the knowledge, confidence, and efficiency they need to compete and expand in today's dental market.

We are reconfiguring our approach to training and working toward the development of knowledge, skills, and abilities (KSAs), and learning journeys for our sales TSMs, which

are tailored to their needs throughout their respective careers. The aim is to build key skills over time, improve job performance, and enhance the professional repertoire that TSMs will be able to apply throughout their careers within and beyond Henry Schein. We have established 125 role-specific KSAs, and, for each medical sales position – from corporate account managers to tele managers and sales consultants – we have mapped the relevant KSAs for each TSM's job and provided them with the relevant training modules over the course of the year.



During 2022, our virtual trainings offered 566 hours of training to 892 attendees, and our training-rep hours reached 504,872 hours, an average of 0.63 hours of training per attendee. Our Henry Schein Digital Academy (LMS) offered 139 sales courses and 196 operational courses during the year, reaching an average of 34 hours per attendee. In-person training was offered to 142 attendees over 192 hours, an average of 1.35 hours per attendee.

Compliance Training

Our Global Compliance Learning and Communications program uses a learning management system to educate all TSMs about significant business risks and our policies designed to mitigate these risks. This program reinforces that our TSMs are accountable for compliance every day. During 2022, nearly 23,000 TSMs were assigned curricula leveraging 20 different learning courses in 16 languages. These learning courses cover a range of topics and the curricula are tailored for different TSM groups based upon roles, organizational level, and geography. In addition to our standard learning program, we reinforce key policies during "Compliance Month" annually by providing weekly communications. These weekly communications include messaging from senior leadership describing the importance of compliance.

Career Transition Services

Our career transition services support TSMs in managing career changes and upgrading their skills. These services are provided by our external partner, Lee Hecht Harrison, for our eligible U.S. TSMs, and are tailored to the needs of TSMs at various organizational levels. These include coaching, career and skills assessment, access to seminars and career resource networks, job search, networking opportunities, and administrative support, among others.

Examples of Our Compliance 2022 Learning Modules

- Global Anti-Harassment
- U.S. Anti-Harassment (several courses)
- GDPR
- Preventing Workplace Violence
- Antitrust
- Anti-Corruption
- HIPAA
- Wage & Hour
- Data Privacy and Protection
- Preparing for an Emergency Situation (Active Shooter)
- Worldwide Business Standards (Code of Conduct)
- Sunshine Act
- Manager Responsibilities
- OSHA (2022 New Hires Only)
- Fraud, Waste, and Abuse (2022 New Hires Only)

Please see also page [39](#).

Advancing Health Equity and Access to Care for Stronger Communities

Advancing Health Equity

Henry Schein has long been an advocate for health equity as a fundamental human right. We partner with stakeholders across our global network to promote pathways of opportunity for greater diversity within the health care professions, support resilient and integrated health systems, further emergency preparedness and disaster response efforts, and expand access to quality health care for underserved and underrepresented communities.

Met Healthy Equity Goal

Exceeded by two years our goal of donating \$50 million worth of product and cash through Henry Schein Cares and the Henry Schein Cares Foundation, Inc. by 2025 to advance health equity by:

- Building capacity of health care professionals to care for those in need and in the development of future and diverse health care professionals
- Supporting resilient and integrated health systems
- Partnering with government, nongovernmental organizations, and health care professionals in emergency preparation and disaster response
- Expanding access to care for underserved and underrepresented populations through initiatives targeting wellness and prevention, treatment, and health literacy

Investing in the Next Generation of Diverse and Innovative Health Care Professionals

As our populations become increasingly more diverse, we continue to promote diversity and cultural competency in the health care professions to ensure that all populations receive quality and culturally-competent care.

Our work in this area began more than 25 years ago, when we partnered with the ADA to support the Diversity in Leadership Institute designed to foster and advance diversity in the dental profession. In the decades that followed, we have continued to invest in supporting diversity in the health care professions, building partnerships with NMA, NDA, HDA, and other diverse professional health care associations. Together, we are working to help build a future health care workforce that better reflects our diverse society in order to deliver better care and close health care gaps.

Supporting Resilient and Integrated Health Systems

Henry Schein has been an early champion to build the capacity of health care professionals, foster the integration of oral health and overall health, and strengthen global health security and supply chain sustainability through partnerships with professional associations, industry, academia, United Nations agencies, and the World Economic Forum.

We work collaboratively with many in the health care industry and public health arena to break down the silos and promote an integrated approach to health care for improved overall health outcomes and lower costs of care. We have long advocated for the importance of oral health as part of overall health, which the World Health Organization highlighted in their first global oral health status report released in November 2022. In the U.S., as a key member of the Consortium for Medically Necessary Oral Health Coverage, our joint advocacy contributed to the expansion of Medicare coverage for medically-necessary oral care in

2022, a change that advances the ability of patients over the age of 65 and individuals with disabilities to access the holistic care they need.

As part of our efforts to help build a more resilient and ethical supply chain, we serve as Chair of the Private Sector Roundtable on Global Health Security and as the private sector member of the International Panel of Experts for the Global Health Security Agenda Index, convened by The Nuclear Threat Initiative, Brown University, and The Economist. As the private sector lead of the Pandemic Supply Chain Network, an initiative founded in 2015 by the World Health Organization, World Economic Forum, World Bank, World Food Programme, U.S. Centers for Disease Control and Prevention, Henry Schein, and more than 60 companies, we continue our work to make it easier to anticipate and respond to global health care supply chain disruptions.



In 2022,

Henry Schein Cares and our Foundation supported hundreds of global charitable partners with **\$28.8 million** in cash and product to whom we are grateful for their work to **help health happen**. Special thanks to International Medical Corps, MAP International, MedShare, MCW Global, Miles for Smiles, Project HOPE, Special Olympics, UNHCR, and the WHO Foundation to name a few. For a full list of our 2022 charitable recipients, please visit <https://www.henryschein.com/us-en/corporate/csr-contribution-recipients.aspx>.



Henry Schein Cares
FOUNDATION

The Forsyth Institute's mission to improve oral and overall health through a combination of community outreach and innovative research. As part of this mission, Forsyth works to create a platform for start-ups in the oral healthcare industry to showcase new technology, paving the way for further innovation in the field. For over two decades, Henry Schein has been a long-standing partner of Forsyth Institute serving in leadership roles, donating clinical equipment, and supporting a variety of events to bring greater awareness of the role and importance of entrepreneurs in the oral health innovation field and health integration overall.

Expanding Access to Care for Underserved and Underrepresented Populations

In advancing equitable access to care for all, our impact is multiplied through the strategic partnerships that we have developed with the health professions, industry, non-profits, academic partners, and others, resulting in programs that expand care for thousands of children, adults, and seniors. To these innovative partnerships, we contribute our core competencies – our extensive health product offerings, our relationship with suppliers and customers, and our logistical and communications capabilities – to promote health equity.

Emergency Preparedness and Disaster Response

We help health happen by:

- Planning, preparing, and pre-positioning products with leading global NGO partners to help enable the availability of life-saving supplies for health care professionals responding to disasters;
- Donating excess product such as PPE to organizations in need, especially in times of disaster; and
- Partnering with organizations such as the Global Humanitarian Action Executive Alliance (GHAEA). Founding members, including Henry Schein, formed this Alliance in 2019 to enhance collaboration between the private sector and the United Nations to foster a more effective humanitarian response. GHAEA serves as a private-sector advisory group to high-level United Nations officials.

In 2022 and in early 2023, we continued to:

- Respond and support underserved and underrepresented communities affected by the Ukraine humanitarian crises and natural disasters such as the U.S., New Zealand, and Italy floods; the Turkey and Syria earthquake, and U.S. hurricanes;
- Provide UN agencies with strategic advice and explore areas of potential engagement and partnership for the United Nations and the private sector in strengthening emergency preparedness, response, and recovery; and
- Engage TSMs to build hygiene kits to support those affected by humanitarian crises and natural disasters.

For more information on our health equity work, visit www.henryschein.com/healthequity.

HENRY SCHEIN CARES UKRAINE HYGIENE PACK PROGRAM

In partnership with International Medical Corps and MedShare to support displaced civilians in Ukraine affected by the 2022 humanitarian crisis.

- 27,000 people received hygiene packs
- 200+ customers donated time or money
- 300+ Team Schein members volunteered
- 5 Countries: United States, France, Italy, Germany, and Australia

GLOBAL PRODUCT DONATION PROGRAM

In support of the **Pan-African Rural Health and Social Services**, a nonprofit dedicated to improving sanitation, providing quality health care services, and promoting human empowerment through social and economic development in Sierra Leone.

- In 2022, the medical, surgical, and physical therapy departments treated 3,800 patients.

In partnership with **Great Shape! Inc.'s 1,000 Smiles Project**, in 2022, their dental outreach missions in the Caribbean:

- Serves over 14,200 people
- Completed 22,690 procedures
- Engaged 476 volunteers

GLO GOOD FOUNDATION'S ANNUAL BAHAMAS MISSION

In partnership with JBL NYC, Twice and Lenny Kravitz's Let Love Rule Foundation, an 8-day clinic in December 2022 with a team of nearly 100 volunteers to provide free dentistry and primary medical care for adults and children in Eleuthera.

- 84 volunteer dentists
- 1,200 patients seen

HEART TO HEART INTERNATIONAL (HHI), seeks to improve health care access in the U.S. and around the world by ensuring quality care is provided equitably in medically under-resourced communities and in disaster situations.

In partnership with BD, the National Association of Free and Charitable Clinics (NAFC), and Henry Schein, HHI through the **BD Point-of-Care, Enhancing Clinical Effectiveness (PoCECE) initiative** installs point-of-care laboratory equipment at free clinics to enable health care providers to perform tests and give patients results in one visit. Since the PoCECE Initiative launched in 2017, it has:

- Supported 40 U.S. clinics in 27 states with product and cash donations of \$2.6 million
- Performed over 4,700 lab tests for 2,167 patients in the first six months of 2022
- Provided an estimated \$53,395 cost savings to the health system

Through the [Henry Schein Cares Foundation](#), established in 2008, we advocate and support efforts to advance health equity and empower healthcare professionals to promote a healthier tomorrow for all people around the world.

By catalyzing public-private partnerships, leveraging our voice to promote access to equitable, preventive, holistic care, and providing support to the programs and initiatives of non-profit organizations that advance our goals, the Henry Schein Cares Foundation works to:



ADVANCE ACCESS TO CARE

- Healthy Lifestyles, Healthy Communities® in partnership with the National Association of Community Health Centers to support health centers’ preventive screening programs and health fairs, which are designed to help identify and address health problems early on when they may be easier to treat, and bring more patients into regular care. After more than a decade of support:
 - 132 health centers in 37 states received cash and in-kind grants
 - Supported over 160 community health and screening events
 - Over \$725,000 in product donations through Henry Schein Cares
- The Alpha Omega-Henry Schein Cares Holocaust Survivors Oral Health Program has provided over \$4 million in free dental care to over 1,800 Holocaust survivors across North America since we co-founded the program in 2015
- Supporting the Release the Pressure Program (RTP) with the AMA Foundation and National Medical Association to help ensure that Black women have the power, knowledge, opportunities, and resources to achieve optimal health
 - In May 2022 for RTP’s We Derby with Heart Event, distributed over 600 validated blood pressure cuffs and educated hundreds of live event attendees on the importance of monitoring blood pressure.
 - As of May 2023, over 56,000 adults (exceeding their goal of over 43,000 adults) have taken the pledge to receive educational information and take action to protect their heart health for RTP’s overall initiative.

PROMOTE HOLISTIC MODELS OF HEALTHCARE

- Serving as a key member of the Consortium for Medically Necessary Oral Health Coverage
- Partnering with the Center for Medicare Advocacy on their 10th Anniversary National Voices Summit
- Successful Healthcare Entrepreneur (SHE) events in partnership with CareQuest Institute for Oral Health to promote interprofessional collaboration between physicians and dentists
- Partnering with Team Schein on programs supporting mental health, including American Foundation for Suicide Prevention and other organizations internationally
- Continued partnership with key thought leaders such as the Santa Fe Group and The Harvard Initiative Integrating Oral Health and Medicine

SHE: Successful Healthcare Entrepreneurship

Although many efforts have been made to promote collaboration between the medical and dental professions, who historically function in silos, many barriers still exist to integrated healthcare. The Henry Schein Cares Foundation and CareQuest Institute for Oral Health have created SHE: Successful Healthcare Entrepreneurship, which serves as a unique brand to create a dynamic movement and build a community of key practitioner stakeholders from both professions to meaningfully advance interdisciplinary clinical collaboration by encouraging behavior changes, business innovation, and sustained communication.

Our inaugural event was a large-scale effort in NYC to bring forward-thinking practitioners from both professions together, featuring well over two hundred guests constituting a 60/40 split between dental and medical representation, respectively. Our second event was an intentionally smaller gathering that featured a panel discussion on systemic health followed by an exclusive influencer’s dinner.

Throughout 2023, we will continue to host various events focused on enhancing the community and continuing to create meaningful moments around integrated care. Community members are encouraged to remain connected through a digital community, where we will continue to evaluate the impact on behavior change and the development of best practices to promote interprofessional collaboration in primary healthcare.

BUILD CAPACITY TO EMPOWER HEALTHCARE PROFESSIONALS

- Chairing the Gold Foundation Corporate Council to elevate humanism in healthcare and support the needs of health professional students and residents
- Supporting the S.M.I.L.E. Healthcare Pathways Program to build a diverse pipeline of future healthcare professionals
- Empowering healthcare professionals to make a difference in environmental sustainability in partnership with American Association of Dental Office Management (AADOM)
- Supporting the Johns Hopkins School of Public Health Center for Gun Violence Solutions in developing educational resources for clinicians to prevent firearm injuries

CATALYZE INNOVATIVE MODELS FOR EMERGENCY PREPAREDNESS AND RESPONSE

- Partnered with 30 NGOs and Charitable Organizations supporting disaster and humanitarian relief efforts in 2022
- Partnering with HIAS to provide critical mental health and psychosocial support to Ukrainian refugees, which expects to reach 30,000 women and children in Poland, Moldova, Romania, and Hungary
- Private Sector Lead, Pandemic Supply Chain Network
- Chair, Private Sector Roundtable on Global Health Security
- Private sector member of International Panel of Experts for Global Health Security Agenda Index

Our Governance Structure

Our governance structure lays the foundation for our sustainability efforts and helps us drive it in an effective, inclusive, and transparent way. Our governance incorporates Board of Director (Board) oversight, management accountability, corporate policies, and stated public policies and positions (including on key ESG topics). This governance structure is well integrated into our business strategy and operations and helps us manage sustainability risks and opportunities appropriately to build a more resilient business.

Oversight of ESG and Sustainability Activities

Oversight of sustainability and ESG issues is led by our Nominating and Governance Committee, comprised solely of independent directors, and is incorporated within such Committee's charter. The Nominating and Governance Committee is engaged in strategic ESG oversight, reviewing, and aligning the Company's ESG priorities and commitments with the Company's principles, mission, and long-term strategic goals. Moreover, the Nominating and Governance Committee reviews and reassesses our governance procedures and practices, assesses the structure and performance of our ESG work,

and recommends proposed changes to the Board for its consideration. As outlined in its charter, the Compensation Committee also plays a role in ESG matters related to human capital management and executive compensation.

The day-to-day management of ESG and sustainability matters is led globally by our Chief Sustainability Officer, an existing role that was formalized in 2022 to ensure the appropriate leadership framework and resources are in place for our sustainability efforts. This role continues to be supported by our Sustainability Committee, a global cross-functional group of senior and middle management leaders.

At least quarterly, the Sustainability Committee reviews the Company's sustainability matters. With the assistance of this Committee, the Company's Chief Sustainability Officer drives and unifies Company-wide sustainability activities and regularly reports risks, opportunities, and progress toward achieving strategic goals to the Nominating and Governance Committee, Compensation Committee and Audit Committee.

Since 2020, the Diversity & Inclusion Council drives our Company-wide D&I strategy and helps prioritize efforts. This Council is made up of a global cross-functional group of senior leaders with engagement from Anne Margulies and Dr. Reed Tuckson as our Board advisors and EMC sponsor, Kelly Murphy, Senior Vice President and General Counsel ([read more on page 25](#)).

In 2022, we formed the Environmental Impact Council, a committee consisting of a global cross-functional group of senior and middle management leaders with Jim Mullins, Senior Vice President, Global Supply Chain, serving as the EMC sponsor and Kurt Kuehn, serving as our Board advisor. The Council is tasked with driving, coordinating, operationalizing, and tracking our climate change and other environment impact, risks, opportunities, and progress toward achieving strategic environmental goals. [Read more on page 11.](#)

We have published a CSR Report annually since 2014. Since 2021, we have formally used the Global Reporting

Initiative's (GRI) and Sustainability Accounting Standards Board's (SASB) sustainability reporting frameworks, having steadily worked toward compliance with these standards since 2019. After assessing the Company's strategic ESG priorities and commitments, the Nominating and Governance Committee then delegates the collection, review, and reporting of ESG information for publication in the CSR Report to the Chief Sustainability Officer with oversight from the Company's Chief Executive Officer.

We additionally report annually to various climate transparency initiatives including CDP since 2019, and TCFD since 2021. In 2022, we committed to setting a science-based net zero target and will submit our targets to the Science-Based Targets initiative (SBTi) by the end of 2023.

In 2022, we conducted an assurance readiness review for our ESG reporting to strengthen our process for collecting and analyzing climate and other ESG data. We are using the findings in partnership with our Chief Data Officer, who was appointed in 2022, to improve our reporting systems and tools, reporting governance, documentation, and accountability for data and performance. We aim to externally assure selected sustainability and ESG metrics in the future, including our climate data.

Our proxy statement ([the "2023 Proxy Statement"](#)) provides an overview of the structure, function, and performance of our Board and its independent committees. Our Board committees, each with a separate Chairperson, are the: Audit Committee; Compensation Committee; Nominating and Governance Committee; Regulatory, Compliance and Cybersecurity Committee; and Strategic Advisory Committee. The Audit Committee, Compensation Committee, and Nominating and Governance Committee are comprised solely of independent directors. In addition, the Regulatory, Compliance and Cybersecurity Committee and Strategic Advisory Committee are currently comprised solely of independent directors.

For a summary of key sustainability and ESG developments at Henry Schein, [see pages 9-10.](#)



Board Diversity and Skills

Our Board brings a diversity of perspectives, backgrounds, and skills to the boardroom, reflecting the diversity of our customers, investors, suppliers, and TSMs, which promotes the diversity of thought that we believe is necessary to advance the needs of the business and our stakeholders in an evolving societal, environmental, and operational context. For more detail regarding the skills and backgrounds of our Board, please see pages 3-7 and 12 of our [2023 Proxy Statement](#).

We take measures to advance the collective knowledge, skills, and experience of our Board on sustainability and relevant ESG topics throughout the year. One of the ways we achieve this is by having our Chief Sustainability Officer, legal counsel and independent Compensation Committee consultant, report on sustainability and ESG matters, to the Nominating and Governance Committee, the Compensation Committee and to other members of our Board respectively.

Nomination and Selection of the Board of Directors

ESG and sustainability considerations that could potentially present risks to, or opportunities for, long-term success and growth of the Company are integrated into decision-making at Henry Schein. Therefore, consideration of a director nominee's overall qualifications include such nominee's experience and expertise relating to environmental, social, and governance topics, among other factors. See pages 9-10 and 12 of the [2023 Proxy Statement](#) for more information on how our Nominating and Governance Committee identifies individuals qualified to become Board members, recommends to the Board the persons to be nominated by the Board for election as directors at the annual meeting of stockholders, and determines the criteria for selecting new directors and oversees the evaluation of the Board.

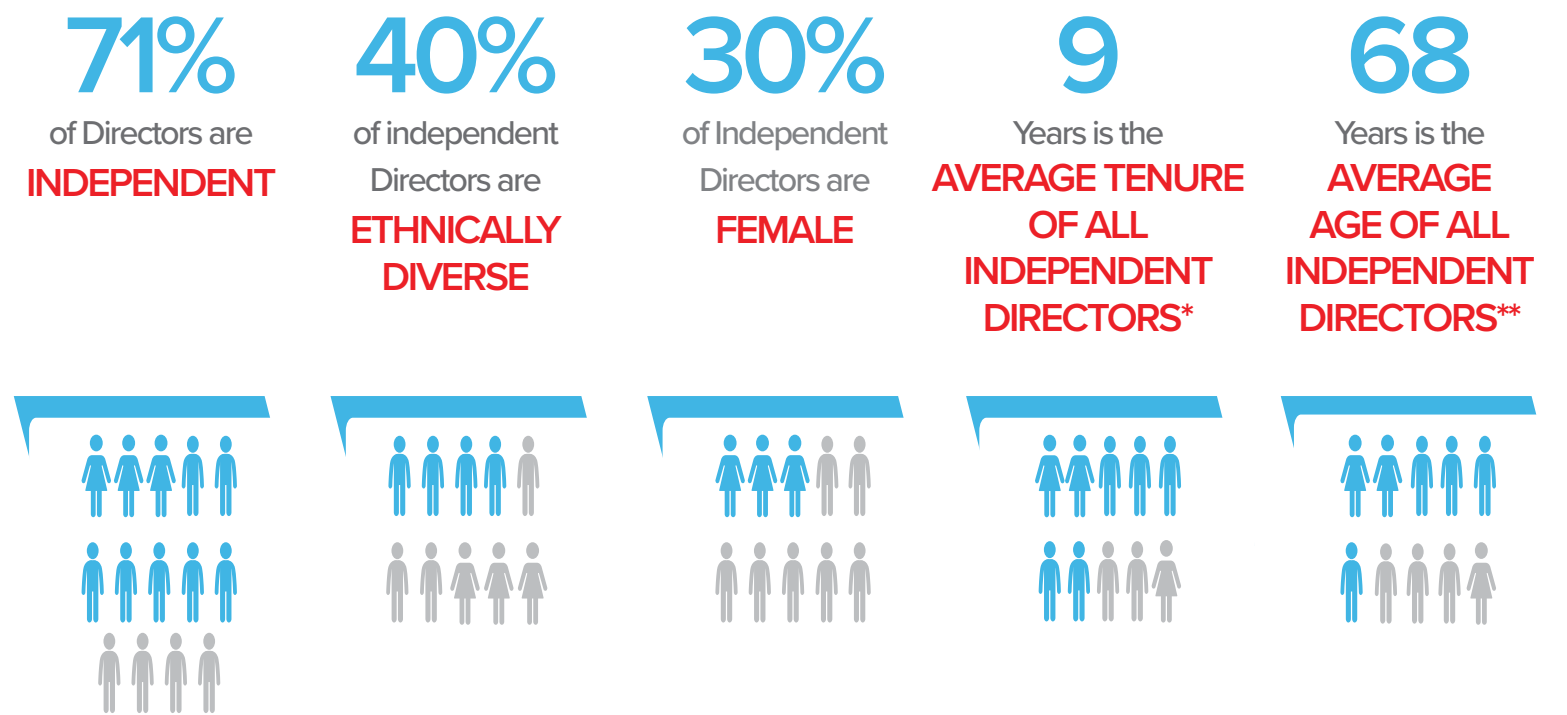
Conflicts of Interest

Our written global policy, which applies to all TSMs, guides our approach to identifying and managing potential conflicts of interest. We maintain processes to identify potential conflicts of interest between the TSMs and the Company. In addition, potential conflicts of interest are required to be disclosed and reviewed to help ensure each is appropriately managed. Moreover, on an ongoing basis, the Audit Committee is required by its charter to review all "related party transactions" (those transactions that are required by SEC and Nasdaq rules to be disclosed in our proxy statement), if any, for potential conflicts of interest involving senior officers and directors, and all such transactions must be approved by the Audit Committee. Please see page 59 of the [2023 Proxy Statement](#).

Evaluation of the Board of Directors

With the goal of increasing the effectiveness of the Board and its relationship to management, the Nominating and Governance Committee evaluates the performance of the Board as a whole. The evaluation process, which occurs at least annually, includes a survey of the individual views of all directors, which are then shared with the full Board. In addition, each of the committees of the Board performs a similar annual self-evaluation. Please see page 10 of the [2023 Proxy Statement](#).

BOARD OF DIRECTORS DIVERSITY



*As of June 2023, there are 7 Independent Directors with tenure of less than the average of 9 years.

**As of June 2023, there are 6 Independent Directors under the age average of 68.

For more details about the diversity and specific skills of our Board, please see pages 3-7 and 12 in our 2023 Proxy Statement..



A Conversation with Regina Cavaliere, Chief Ethics and Compliance Officer

The Role Sustainability Plays in Our Culture of Ethics and Compliance



Q: You joined Henry Schein in the middle of the COVID-19 pandemic in 2021 as our Chief Ethics and Compliance Officer. How did the pandemic affect our supply chain ecosystem, and what lessons did we learn that have improved what we do today?

Regina Cavaliere: Joining a team during a pandemic is challenging to say the least. The most significant impact that the pandemic had on our supply chain was to awaken the world to the fragility of the global supply chain and to the U.S.'s reliance on China for PPE (personal protective equipment). We at the Company adjusted to the pressures of a limited supply of PPE and the Global Sourcing team did a fantastic job of sourcing quality products that the marketplace needed from both existing and new suppliers. Another critical

lesson we learned was to stay connected with our suppliers and also the FDA and FEMA, which did an extraordinary job supporting product availability by reviewing products for Emergency Use Authorizations (FDA) and by coordinating the prioritization and transport of goods from China (i.e., FEMA).

Q: During the early days of the pandemic, we were regularly offered products that did not meet our stringent standards. Why was it important that we stayed committed to our standards?

Regina Cavaliere: Henry Schein has always been committed to quality. Due to the pressing need for products during the pandemic, the possibility of providing sub-standard or counterfeit products that could have put our customers, their patients or our reputation at risk was very real. However, I can confidently say that Henry Schein would never knowingly provide sub-standard products to its customers; to live up to its commitment, Henry Schein mobilized teams to review products to ensure they were of the requisite quality. The Quality Assurance & Regulatory Affairs (QA&RA) and Global Sourcing teams reviewed hundreds of products but approved the purchase of only a small percentage that could be verified as authorized or cleared by the FDA or EU. As the industry at large mobilized to secure these products, our teams had to work quickly and diligently to vet the products while maintaining our quality standards.

Q: Given the large volume of products we source and ship around the world, what are we doing to improve supply chain transparency and compliance-related to everything from hazardous materials to human rights? And are we seeing any residual effects of the pandemic?

Regina Cavaliere: Supply chain transparency has always been part of our relationship with our suppliers, but it has taken on greater focus since the pandemic and after the passage of additional legislation on supply chain transparency. Strengthening our Supplier Code of Conduct and increasing our social responsibility and quality audits continue to provide us with insight into our suppliers' activities. The Supplier Code includes requirements for our suppliers to comply with requirements related to business integrity, labor practices and human rights, health and safety, and environmental management. These provisions also address hazardous material utilization and sourcing of products made with conflict minerals and other human rights matters. We continue to focus on strengthening our processes and our relationship with our suppliers to ensure that Henry Schein maintains our strong reputation for integrity and compliance.

Q: How is the compliance and regulatory landscape changing, particularly as it relates to ESG, and what does this mean for Henry Schein and our suppliers?

Regina Cavaliere: ESG is significantly impacting the compliance and regulatory landscape as our industry adapts to these measures and adopts new processes to help ensure that we meet ESG standards globally. The focal points of ESG are reflected, or expected to be reflected in regulatory requirements. Our efforts include measuring our carbon footprint, using recycled packaging materials, recycling waste at our distribution centers, enhancing our social responsibility monitoring and auditing, implementing ISO 14000 for environmental oversight at an EU distribution center and continuing to raise awareness about ESG topics within our corporate environment to help drive global compliance. As global compliance and regulatory requirements are evolving, Henry Schein's management and corporate policies are adapting to meet the standards.

Q: What risks, more specifically ESG risks, have been top-of-mind lately and how are we managing these risks?

Regina Cavaliere: One risk area that has been in the news recently is a renewed focus on protecting human rights in upstream supply chains. Past human rights abuses such as forced or child labor have impacted the industry's ability to import products from countries with a history of inappropriate labor practices. Recent laws, such as the U.S. Uyghur Forced Labor Prevention Act (UFLPA) and the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG) require fair labor practices and supplier risk management programs. As we invest in our supplier due diligence efforts to provide us with greater transparency into our suppliers' upstream supply chains, we focus on suppliers' human rights policies and practices along with their ability to provide a continuous and stable supply chain. Additionally, we are a buyer member of the Responsible Glove Alliance (RGA) – founded with the objective of protecting workers and improving working conditions during recruitment and employment in the Malaysian glove industry. RGA initiatives include tools and training of suppliers and buyers as well as auditing.

Q: What do you see as most important to instilling a culture of compliance and quality throughout the organization?

Regina Cavaliere: The most important factor in instilling a culture of compliance and quality is commitment and support from top management to do the right thing based on ethical principles at all times. While such decisions may potentially result in lost sales or the termination of a relationship with a supply partner, those are short-term consequences. We take the long-term view grounded in our Team Schein Values and our commitment to "doing well by doing good."

Q: From your perspective, how does our focus on and commitment to ESG position us for success?

Regina Cavaliere: Henry Schein's values and commitment to integrity, compliance, and quality have long served the company well. Our focus on and commitment to ESG permeate our relationships with our constituents who comprise our Mosaic of Success: our customers, our suppliers, our investors, society at large, and Team Schein members. As the world embraces ESG as the new benchmark in corporate citizenship, we are well-positioned for continued success.

Our Ethics & Compliance Program

Ethical behavior is one of the Team Schein Values, and it is essential that we conduct ourselves with a high degree of ethics and integrity in all our actions.

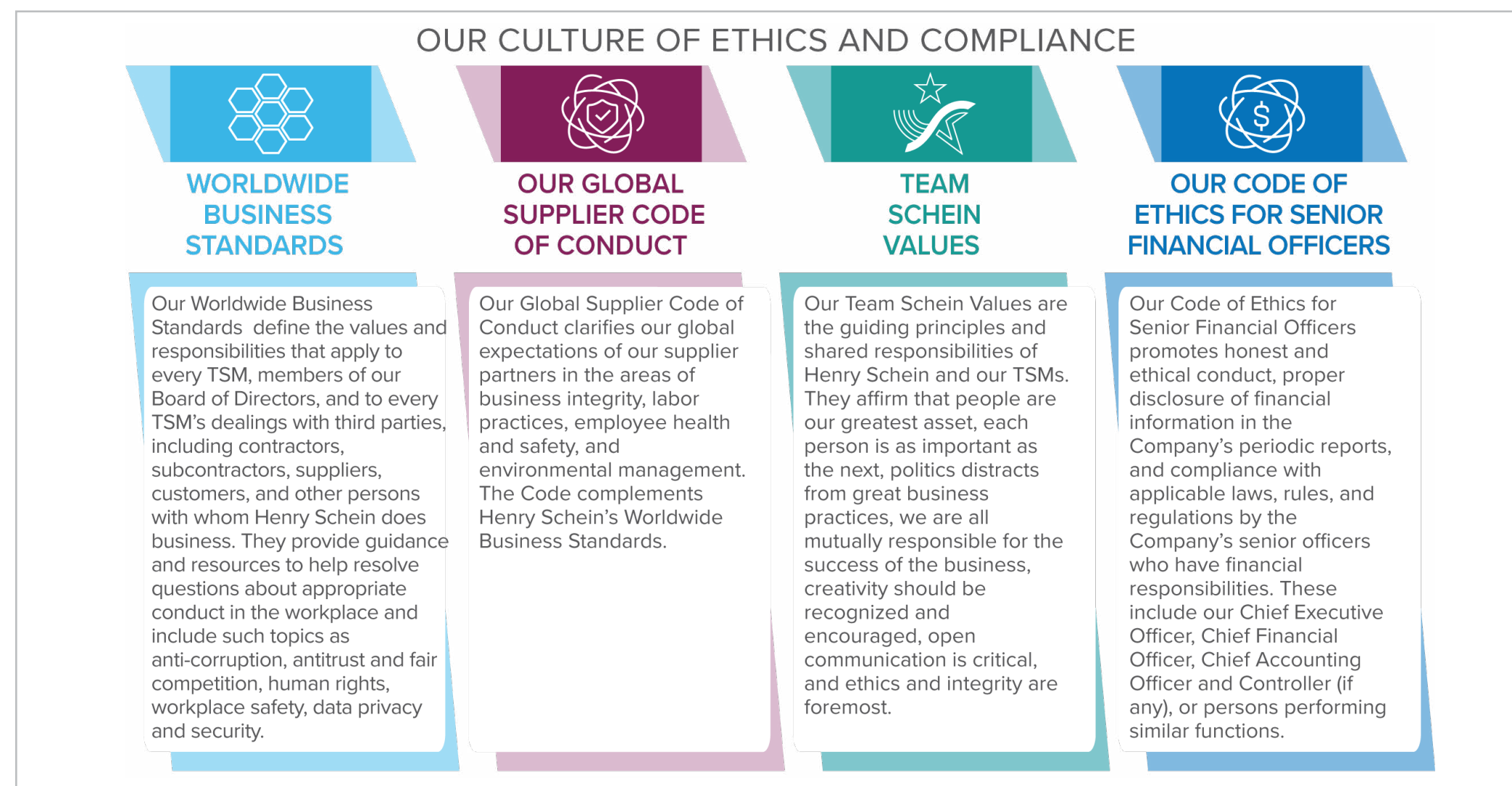
Our Worldwide Business Standards and other Company policies are valuable ethical roadmaps for all TSMs. We also have a Speak-Up reporting process that encourages TSMs to seek guidance on compliance questions. A TSM or external party can report any potential compliance issues or concerns to our helpline by phone or by web portal, or directly to the members of the Compliance Committee, Ethics & Compliance, Human Resources, or the Legal Department, and other channels.

Governing Body and Executive Management

Henry Schein's Ethics & Compliance (E&C) Department provides reports to several committees on a quarterly basis, including management committees (e.g., Compliance Committee; Regulatory and Corporate Compliance Executive Steering Committee), as well as Board of Directors Committees (e.g., Regulatory, Compliance and Cybersecurity Committee and Audit Committee). Through these committee sessions, the senior leadership and governing body demonstrate their commitment to establishing, implementing, evaluating, maintaining and improving an effective and responsive compliance management system. See pages 7-8 and 10-11 of the [2023 Proxy Statement](#) for more information on our Regulatory, Compliance and Cybersecurity Committee and Audit Committee.

Policy Statements

All TSMs are responsible for reading and being familiar with the principles, policies, and processes applicable to their roles and responsibilities, and for periodically checking such standards and policies for any updates. Managers are also responsible for informing their TSM reports of their responsibilities with respect to standards, policies, and processes. Policies may be translated into 13 or more languages, such as Chinese-traditional, Czech, Dutch, French, French - Canadian, German, Hebrew, Italian, Japanese, Polish, Portuguese, Spanish and Thai. Translated policies are available through regional intranet sites and our learning management system includes the English version of all policies.



“ Our Company's high standards of ethical conduct are key to excelling in the markets we serve. Henry Schein's reputation is a critical asset for our business success.”
 – **Stanley Bergman, Chairman and CEO**

Ethics & Compliance Risk Assessment

We conduct an Ethics & Compliance risk assessment biennially to identify, assess, and prioritize compliance-focused risk (with potential legal and regulatory implications) for our businesses and to lay the foundation for Ethics & Compliance Program improvements. The risk assessment process is an important part of our Ethics and Compliance Program to help identify and evaluate relevant risks for Henry Schein and its subsidiaries.

The Ethics & Compliance Program relies on many inputs in shaping the risk assessment including:

- Input from management including the EMC;
- Company strategy;
- Mergers and Acquisitions Activity, including the due diligence process that identifies key requirements and risk areas;
- Global initiatives;
- New or evolving laws and regulations;
- Enforcement activity;
- Regulatory guidance ; and
- Professional and industry organizations' benchmarking data

The risk assessment uses both a qualitative and quantitative approach to inform the Company's work plan for the following years. Mitigation plans are developed for the top-risk areas and monitored regularly. Status reports on progress are provided to management and the relevant Board committee.

Fraud Theft, or WWBS Violation Investigation Protocol

The Chief Ethics & Compliance Officer annually issues a communication entitled *Fraud, Theft, or WWBS Violation Investigation Protocol*, to TSMs globally at the Director level and above. In July 2022, the Fraud/Theft memo was issued to every TSM globally and made available in multiple languages with an additional section on reporting a data breach. In addition to the annual communication, the Fraud Theft Protocol has been incorporated into the onboarding process for U.S. TSMs via Workday, our centralized reporting system for TSM data.

Monthly Reporting

A monthly reporting process was initiated by the Ethics & Compliance Department several years ago. The monthly reporting process requires that a representative from each Henry Schein affiliate or subsidiary complete a declaration with responses to the following questions:

1. Are you aware of any significant new legal or regulatory requirements affecting your operations?
2. Is any business model/structure change planned that could impact compliance?
3. Has there been any change in key personnel handling regulatory/quality matters and/or compliance with requirements relating to customers (e.g., incentives or data protection/privacy)?
4. Are you aware of any non-compliance in your operation with legal and regulatory requirements?
5. Are you aware of any non-routine government agency contact?

This process is designed to provide the corporate Ethics & Compliance team with assurances that the local operations are conducting business in compliance with policies and other requirements. It is also a mechanism to escalate instances of potential non-compliance.

Ethics & Compliance Ambassadors

Our Ethics & Compliance Ambassadors program launched in January 2022 to afford the corporate Ethics & Compliance team greater connection to local businesses in EMEA and Asia. Ambassadors were nominated by local management to serve in this role for a two-year period. The program's goals were to train Ambassadors on key compliance principles, to leverage the Ambassadors to cascade compliance-related information locally through aligned partners, and to receive information about local operations that informs priorities for the Ethics & Compliance Program. Ultimately, the program seeks to ensure that our global operations have local ethics and compliance contacts speaking their languages and to create an effective network to further reinforce and enhance Henry Schein's Ethics & Compliance Program within local operations.

Henry Schein Speak-Up Helpline

The Henry Schein Speak-Up Helpline is available 24 hours a day, 7 days a week in all local languages used by our employees. It is regularly communicated to employees through learning modules, managerial toolkits, communications, our intranet sites, and posters in each of our global facilities. The Helpline offers both a web portal and numerous local phone numbers for international employees, which can be used to communicate reports about potential non-compliance with law or policy to the Ethics & Compliance internal investigations team.

A Helpline report may be made anonymously. Reports may also be made through internal channels such as directly to senior leadership, a manager, HR, Legal, Internal Audit, Compliance, or a member of the Compliance Committee.

Each report is triaged within 48 business hours of receipt by the Ethics & Compliance Department and is reviewed by the internal investigation team (Compliance, Legal, HR) and select members of the Compliance Committee depending on the nature of the complaint. A plan is developed to conduct the initial investigation into the matter by an appropriate subject-matter expert; depending on the nature of the

report, the local business unit may or may not be informed of the report. Upon initiation, during and upon conclusion of the investigation, the Ethics & Compliance Department will communicate with the reporter – directly if self-identified or via the Helpline if anonymous – asking questions, requesting documents, and communicating the outcome while respecting confidentiality requirements. Further, in support of Henry Schein's policy against retaliation for speaking up, the Ethics & Compliance team checks in with identified reporters at periodic intervals after a matter has been closed.

The mechanisms mentioned above and improvements of our global Helpline support our ambition to have an effective grievance mechanism according to globally established standards. We are committed to evaluating our compliance helpline reporting process against the effectiveness criteria of the UN Guiding Principles for Business and Human Rights. We continue to evaluate our compliance helpline reporting processes and provide meaningful education to those handling the investigations.



Internal Investigations

Henry Schein has a global Internal Investigations policy that governs the handling of Helpline and non-Helpline reports of potential non-compliance with laws or policies. Depending on the nature of the matter, select members of the Compliance Committee may be involved. Internal investigations may be directed by the Legal team (including outside counsel) and conducted under attorney-client privilege. Training on how to conduct an internal investigation is provided to Legal, Compliance, HR & Corporate Security investigators. Corrective and preventive actions are considered as part of the resolution of an investigation and statistics and trending analyses are provided periodically to management's Compliance Committee, other management committees, and the Regulatory, Compliance and Cybersecurity Committee of the Board of Directors.

Monitoring

The Ethics & Compliance Department uses technology to monitor high-risk Third-Party Intermediaries (TPIs), to deliver training to these TPIs, and to obtain certifications from these TPIs to confirm their understanding of our Worldwide Business Standards and Anti-Bribery Policy and their responsibilities. All activities are documented, and an audit trail of the due diligence and monitoring is maintained in the system.

In addition, the Ethics & Compliance Department manages dashboards that reflect the status of each entity based upon compliance risk drivers. Work is underway to further leverage real-time data analytics and business intelligence using interactive dashboards.

Auditing

A Compliance Audit Plan is prepared and executed annually using a risk-based approach. The high-level objectives of compliance audits are to assess the internal controls and processes that help ensure adherence to key legal and compliance requirements. Audits may be focused on interactions with health care professionals, consulting agreements with health care professionals, key laws such as HIPAA, GDPR, and the Anti-Kickback statute and government contract compliance. The annual Compliance Audit Plan identifies key risk areas, describes the risks, outlines the high-level work plan, and estimates audit timeframes for execution by the Ethics & Compliance Department.

The following elements are considered when updating the annual Compliance Audit Plan:

- Information and data collected in the most recent Corporate Compliance Risk Assessment and the Company's Form 10-K filing;
- Consultation with the Ethics & Compliance Department and business management on opportunities for improvement, areas of high-risk, and root cause analysis for past concerns or issues identified in the past year; and
- Input and perspective from the Chief Ethics & Compliance Officer to consider emerging risks, industry hot topics, focus of authorities, and overall prioritization of audits and risk areas

Audit results are documented in formal reports and issued to key internal stakeholders.

Education, Training, and Communication

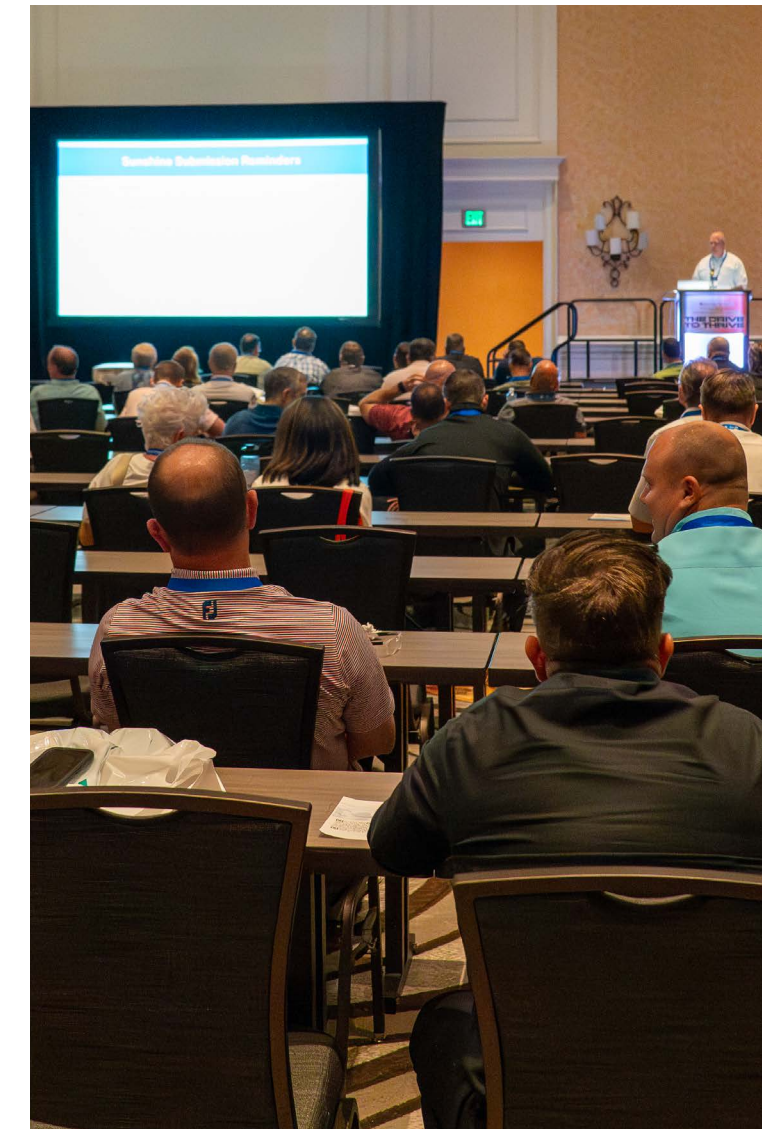
Our Global Compliance Learning and Communications program uses a learning management system to educate all TSMs about significant business risks and our policies designed to mitigate these risks. This program reinforces that our TSMs are accountable for compliance every day. During 2022, nearly 23,000 TSMs were assigned curricula leveraging 20 different learning courses in 16 languages. These learning courses cover a range of topics and the curricula are tailored for different TSM groups based upon roles, organizational level, and geography. In addition to our standard learning program, we reinforce key policies during "Compliance Month" by providing communications throughout the month. Communications are sent weekly along with messaging from senior leadership describing the importance of compliance.

In addition, with the return of in-person National Sales Meetings in 2023, the Ethics & Compliance team is providing live training to the Henry Schein Medical and Dental U.S. sales teams using scenario-based training. This live session is interactive with videos, polling and an avatar who finds himself in various ethical dilemmas. The scenarios cover appropriate interactions with health care professionals, promotion and marketing of products, use of social media, conflicts of interest, etc.

Learning courses are assigned to new TSMs and existing TSMs based on an established schedule determined by law or subject matter expert. Training completion reports are run weekly, with notifications sent to both employees and management. Courses are reviewed on a regular basis by subject matter experts as laws or regulations are updated or developed. At a minimum, all courses are reviewed annually for accuracy.

For TSMs without computer access, course scripts and materials are provided annually for facilitators to run classroom style training. Electronic training records are maintained within our learning management system. The team also collects and stores records of live training sessions held in person, with attendance sheets and materials provided. Read more on [pages 29-30](#) about the range of training provided to our TSMs globally during the year.

Please [see pages 29-30](#) for our overall approach to education, training, and communications for our TSMs.



Adherence to Privacy and Data Protection Regulations

At Henry Schein, privacy is important to us. Henry Schein is committed to protecting the personal information that our TSMs, customers, prospects, suppliers, and vendors have entrusted to us. We collect and use personal information to perform our business functions and provide quality health care products and services to our customers.

We continue to educate and support our global businesses that collect and/or process personal data and use established frameworks (e.g., privacy impact assessments, data sharing agreements) to help ensure compliance with applicable laws around the world. Our data privacy methodology provides toolkits to help execute key data privacy activities and can be customized to local laws and requirements as needed.

We continue to monitor the development of new data privacy laws around the globe and implement activities that align with legal requirements where applicable.

Cybersecurity

Cybersecurity is a critical focus area for us as a company relying on a complex global network of data and information systems that connect our business, supply chains, customers, partners, and other organizations. While a strategic risk mitigation mechanism, cybersecurity is also essential in helping us comply with international laws and regulations, including data privacy laws globally.

The mission of our Office of Cybersecurity (OCS) (in partnership with the other functions of our Global Technology Solutions (GTS) team) is to implement measures designed to help protect Company, customer, and supplier digital assets and help defend against cyber attacks. The OCS monitors cyber risks, including operational risks related to information security and system disruption, and partners with our Global Chief Security and Safety Officer to monitor physical security risks. A cross-functional, enterprise-wide management program continuously evaluates our global cybersecurity program's effectiveness and our Chief Information Security Officer and Chief Technology Officer, along with other key executives, review strategy, policy, program effectiveness, standards, enforcement and cyber issue management with the Board of Directors' Regulatory, Compliance and

Cybersecurity Committee on at least a quarterly basis and with the Audit Committee on at least a bi-annual basis. Additionally, all employees with systems access are required to participate in mandatory annual cybersecurity and anti-phishing courses, along with compliance programs. Per written Company policies, employees are also required to safeguard confidential information. Plus, our employees who perform financial gatekeeper roles receive additional mandatory annual data security training specific to spoofing, phishing, and similar data security threats.

Our Cyber Risk Mitigation Strategy is designed so that the Company's cybersecurity program is aligned with generally accepted cybersecurity standards and frameworks (e.g., NIST CSF, ISO27001). We periodically perform independent third-party security audits that measure our compliance with those standards and frameworks and assess potential risks. This then drives continuous improvement of our cybersecurity controls. From an operational cybersecurity perspective, our Cyber Threat Intelligence function helps maintain awareness of new and emerging cyber threats, assesses the potential impact to the Company, and implements cyber risk management plans designed to address the threats.



ESG Materiality and Stakeholder Engagement

An Inclusive Approach

We engage with our TSMs, customers, stockholders, supplier partners, and the communities in which we operate to ensure we understand their needs and can respond accordingly. Dialogue with stakeholders is continuous and grounded in a core set of principles designed to deepen our engagement and ensure the inclusion of stakeholder voices in our decision making. The input of stakeholders, in turn, supports the business in understanding and responding to material issues, risks, and opportunities. Our business and operating environments, and the needs of our stakeholders, are constantly evolving, and we review and adapt our approach accordingly.

Stakeholders, particularly stockholders and other investors, have the opportunity to address the Board on ESG topics through our Secretary and our Investor Relations team, which bring stakeholder queries to the attention of the Chair of the Nominating and Governance Committee/Lead Director, chair of another independent committee of the Board, if applicable, and/or senior leadership and reports back to the inquiring party, as appropriate.

In 2022, we offered engagement to stockholders holding approximately 73% of our outstanding common stock in the aggregate and met with stockholders representing approximately 55% of our outstanding common stock in the aggregate. ESG matters, such as climate change, were among the agenda topics for discussion during the shareholder engagement meetings. We are encouraged to see continued investor interest on this important topic, recognizing the direct link between a purpose-driven strategy and a positive impact on the world around us. We believe that together we can drive climate action across the value chain and support the global efforts in tackling the climate crisis. Read more about the progress we have made in environmental leadership on [pages 11-16](#).

HENRY SCHEIN'S RESPONSE TO STAKEHOLDER NEEDS



Continuing customer success and satisfaction through innovative business solutions and high-quality service



Enhancing our human capital strategies, particularly on employee recruitment and retention as well as diversity and inclusion



Reducing our environmental footprint in our operations and supply chain in collaboration with suppliers and partners



Enhancing our corporate governance and helping to protect human rights, ecosystems, and responsible business everywhere we operate



Furthering our work in access to quality and affordable care for vulnerable populations globally

ESG Materiality Assessment

We initiated our first formal ESG materiality assessment in 2020 to better understand the issues most relevant to the business and our stakeholders, and to determine the issues that should be prioritized in our response and reporting. The assessment was targeted, scoped, and informed by GRI principles. The issues identified through the ESG materiality assessment have informed the content and structure of our reports since.

We completed a new ESG materiality assessment in 2023 to update our 2020 one. While this year's methodology was fresh, our goal was the same: to better understand how our stakeholders see the most important sustainability and broader corporate responsibility questions relevant to Henry Schein. To that end, we sought a range of perspectives on how our business impacts society and the environment, and vice versa. The insights we gained have helped shape both this report and the Company's overall strategies for managing risk and creating long-term value.

We began by surveying a cross-section of customers, suppliers, stockholders, TSMs (including senior leaders), community partners (NGOs), and professional associations, followed by a significant selection of deeper-diver interviews to gather additional detail and context.

We explored perceptions across three main areas:

- 1) what issues most affect Henry Schein's ability to generate value;
- 2) what issues Henry Schein is positioned to impact; and
- 3) the biggest risks and opportunities for the Company.

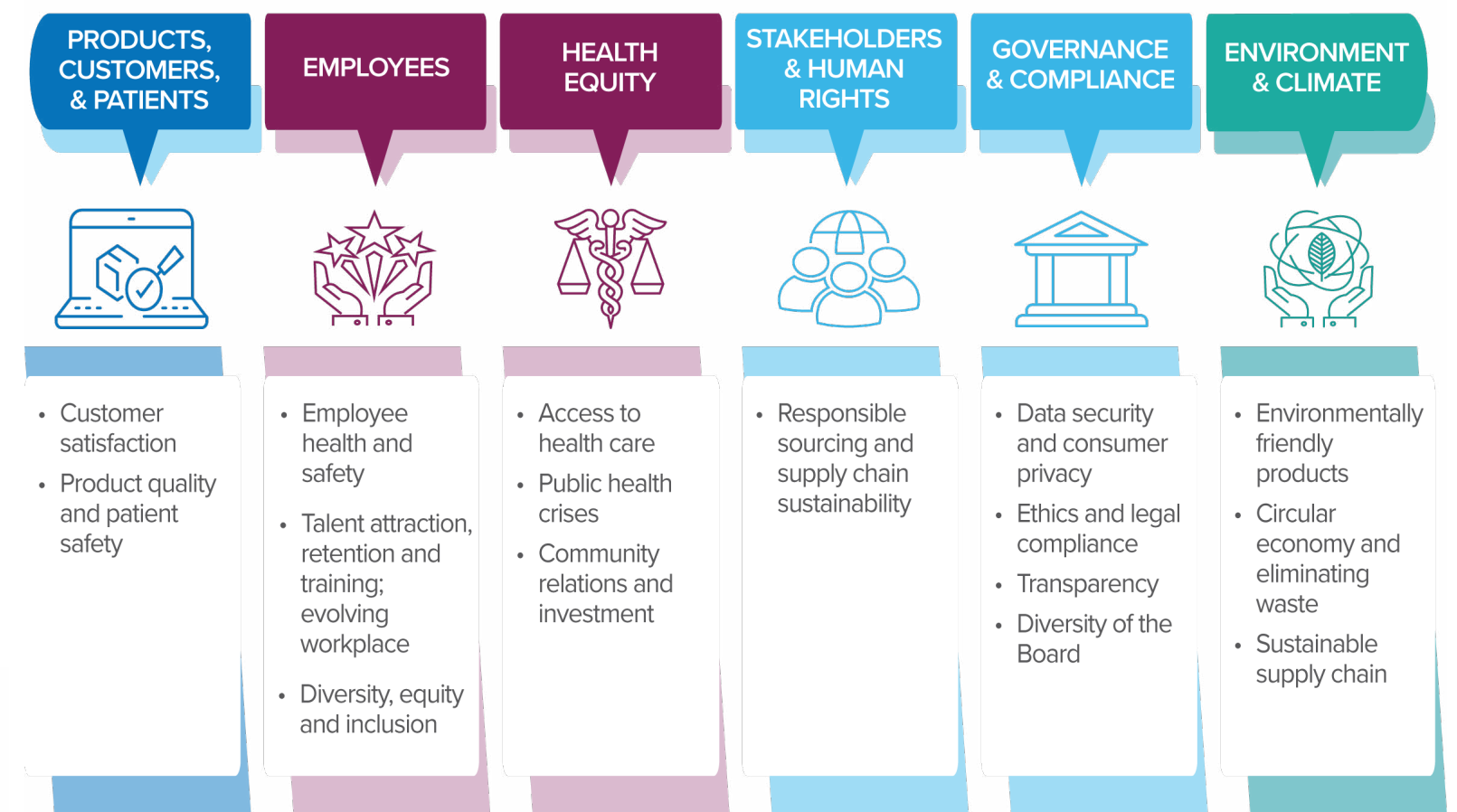


We also took advantage of the rapidly growing interest in these subjects within the financial community to enhance our efforts. We met with institutional stockholders and consulted established ESG indices and rating platforms to identify additional topics. Finally, we conducted a formal landscape review and analysis of our industry peers and partners and evaluated how their ESG materiality determinations might be relevant to Henry Schein.

Through a combination of quantitative and narrative analysis, we distilled a list of key issues to inform our strategy-setting, reporting and disclosures. Our Sustainability Committee then reviewed the findings, and members of the Company's EMC also provided input and feedback.

What emerged was a set of priority issues that are largely consistent with our 2020 materiality assessment. Whereas TSMs, customers and suppliers, NGOs, and professional associations generally are mostly focused on social issues, investors tend to give more priority to governance and environmental issues.

MOST IMPORTANT ESG ISSUES TO STAKEHOLDER GROUPS



HENRY SCHEIN'S ESG MATERIALITY ASSESSMENT: OUR SUSTAINABILITY COMMITTEE HAS IDENTIFIED THE TOP 10 TOPICS FOR ONGOING CSR REPORTING

- Customer Satisfaction
- Product Quality & Patient Safety
- Public Health Crises
- Employee Health & Safety
- Talent Attraction, Retention & Training; Evolving Workplace
- Ethics & Legal Compliance
- Diversity, Equity, & Inclusion
- Governance & Accountability
- Transparency
- Greenhouse Gas Emissions

Risk Management

Board and Executive Management Oversight

Henry Schein's management has a longstanding commitment to employing and embedding risk management practices and disciplines into its business planning and management processes throughout the Company to better enable achievement of the Company's strategic, business, operational, financial, sustainability, and compliance objectives as well as to achieve and maintain a competitive advantage in the marketplace. The Company's EMC is responsible for oversight and active management of material risks to the Company (including, without limitation, strategic, development, business, operational, human, sustainability, financial, and regulatory risks) as an integral part of the Company's business planning, succession planning, and management processes. Members of the management team provide periodic reports to the Audit Committee, Compensation Committee, the Regulatory, Compliance and Cybersecurity Committee, and Strategic Advisory Committee on select risk management topics and the Chairperson of each respective committee reports, as appropriate, on these topics to the full Board. Risk oversight is provided by a combination of our full Board and by the Board's independent committees.

Enterprise Risk Management and Continual Improvement

Key enterprise-level risks are overseen by the full Board of Directors and our enterprise risk management process is overseen by the Audit Committee. Business unit and corporate functional group leaders are charged with managing risk within their realms through ongoing internal processes and controls. In addition, the Company conducts re-occurring enterprise-level risk assessments covering strategic risks, operational risks, technology risks, financial risks as well as legal, regulatory, and compliance risks. We review and strengthen strategies and plans and continuous measurement of such programs to address relevant identified risk factors. For example, the Company's current BOLD+1 three-year strategic plan addresses the top enterprise level risks identified in the corresponding enterprise risk assessment exercise conducted.

In 2022, the Ethics & Compliance team conducted its biennial global risk assessment, working with approximately 300 TSMs across all levels in the organization globally (from Executive Management through individual contributors) and focused on potential

compliance risks covering our global geographies, businesses, and operations. This assessment informs our mitigation plans that will be carried out by various business and compliance teams during 2023 and 2024. The results of the biennial ethics & compliance risk assessment along with risk mitigation plans are regularly reviewed with the Board Regulatory, Compliance and Cybersecurity Committee.

In 2023, we are consolidating and managing our various risk assessments and mitigation plans into one enterprise-wide overview, for a more holistic approach, and to further strengthen our management of strategic risks including ESG and sustainability risks and opportunities for the Company. As part of this, we formalized our Enterprise Risk Management Committee and support structure in 2023, designed to enhance the integration of the Company's identification, measurement, monitoring, mitigation, and reporting on the key enterprise-level risks cited above. We track a broad array of qualitative as well as quantitative inputs for identifying and elevating relevant risks globally to the Company's Enterprise Risk Management Committee.

Read our 2022 TCFD Report for more detail on how our enterprise risk management process supports our management of ESG issues, including climate matters.

Transparency

We support and encourage transparency and accountability in our ESG work and believe in the power of transparency to promote sustainability, generate action, and create learnings in all we do. Our performance is disclosed in several sustainability and ESG ratings and platforms, including CDP, Ethisphere, Human Rights Campaign Corporate Equality Index, MCSI, Institutional Shareholder Services (ISS), Sustainalytics, CPA-Zicklin Index, and JUST Capital rankings, among others.

We also recognize the importance of meeting the recommendations made by TCFD for more effective climate-related disclosures that could promote more informed investment, credit, and insurance underwriting decisions. Our second TCFD report is now publicly available alongside our 2022 CSR Report.



About This Report

This 2022 CSR report covers the calendar year January 1, 2022 to December 31, 2022. Our previous report was published in August 2022 for the calendar year January 1, 2021 to December 31, 2021.

The data in this report relates to 2022 with historical data including certain data underlying our KPIs provided for comparison and to show progress. Where indicated, certain data or progress statements relate to 2023.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards as well as the Sustainability Accounting Standards Board (SASB) – Health Care Distributors Standard (October 2018) for the period mentioned above.

We believe these frameworks offer us the best way to present our environmental, social and governance (ESG) information in a transparent, consistent, and accurate way.

We have applied the reporting principles specified in section 4 of GRI 1: Foundation 2021 (Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability context, Timeliness and Verifiability), reported on disclosures in GRI 2: General Disclosures 2021 (omissions are highlighted), and determined our material topics for reporting according to section 1 in GRI 3: Material Topics 2021 (no sector-specific GRI standard is currently applicable to us). For SASB, the Health Care Distributors Standard (October 2018) is most relevant to our Company, and we have reported against this.

Our material sustainability issues are identified and updated as necessary through various internal and external processes, including our ESG materiality assessment, which was most recently conducted this year. The results are discussed in this report (see page 42) and have contributed to the process of defining report content and structure.

The 2022 ESG Index includes our 2022 GRI Content Index and 2022 SASB Index and provides details on how we have applied the two standards in this report. The list of topic standards used in our GRI Content Index reflect the most significant GRI topics for Henry Schein.

Our report content is defined through various internal and external processes such as internal focus areas and priorities, including our future goals and targets

(see page 9), external standards and transparency requirements (see page 43), and mapping our business against the UN Sustainable Development Goals (see page 10).

The entities and geographies included in this report represent the operations and activities most relevant for which we have meaningful and available data concerning our sustainability performance. However, depending on data availability and significance, they do not always reflect 100% of the entities included in our financial report. Most data is reported at least for our distribution centers globally, where our most relevant sustainability impacts lie. We are working on expanding our reporting to all locations worldwide, particularly given our commitment to comply with the Greenhouse Gas Protocol's requirements. For social data, this will be achieved with streamlining, digitalizing and centralizing our information globally in the near future.

Environmental data reported this year includes:

- Scope 1 and 2 greenhouse gas (GHG) emissions, energy, waste, and water for all our Distribution Centers (DCs) in North America, South America, Europe, Australia and New Zealand, as well as our Melville offices in the U.S.
- Water is not reported for our Denver, Reno and Vancouver DCs, due to data not being available. None of these omissions significantly impact the consolidated performance of our DCs.
- Scope 1 GHG emissions related to fleet cover North America, Europe, Australia and New Zealand, reflecting an expanded scope from last year.
- Scope 3 GHG emissions related to transport cover global upstream and downstream shipping in North America, Europe, Australia, New Zealand, and other parts of the world.
- Scope 3 GHG emissions related to business travel cover our U.S. TSMs.

Social data reported this year includes:

- Overall TSM numbers and roles, as well as Compliance training data, are provided for the full scope of our TSMs globally.
- Most other TSM topics (employment, new hires, turnover, D&I, etc.) are reported for approximately 90% of our U.S. TSMs as well as those based in the UK and Ireland (i.e., where we have centralized reporting systems).

- Equal Employment Opportunity (EEO-1) data relates to 100% of our U.S.-based TSMs and is updated on our website each year following the EEOC certification period to show prior year data.

- Health and safety data is reported for North America, South America, Europe, Australia and New Zealand, reflecting an expanded scope from last year.

Our corporate GHG accounting standards include the GHG Protocol and the Corporate Value Chain (Scope 3) Standard developed by World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI).

For Scope 1 and 2 emission calculations, we have used reliable, established sources for emission factors such as those published by the U.S. Environmental Protection Agency (EPA) and the International Energy Agency (IEA). The majority of data on our Scope 3 emissions (greenhouse gas emissions in the supply chain) are provided by third parties (including suppliers and service providers).

In 2022, we conducted an assurance readiness review for our ESG reporting to strengthen our climate and other ESG data further. We are using the findings to improve our reporting systems and tool, reporting governance, documentation, and accountability for data and performance at all levels. We aim to externally assure selected sustainability and ESG metrics in future, including for our climate data. In the meantime, we continue to use our systems of internal control to help verify the accuracy, quality, and completeness of reported data.

2022 data is not yet reported for DCs closed during the year (see page 24) but historical data (provided for comparison) remain unchanged. We have noted where data may no longer be comparable to historical data and provided corresponding explanation in the body of the report. There have not been any restatements of data and information published in our previous CSR reports.

Cautionary Note Regarding Forward-Looking Statements

In accordance with the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995, we provide the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations, and assumptions expressed or implied herein. All forward-looking statements made by us are subject to risks and uncertainties and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, and achievements, or industry results to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. These statements are generally identified by the use of such terms as "may," "could," "expect," "intend," "believe," "plan," "estimate," "forecast," "project," "anticipate," "to be," "to make," or other comparable terms. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the documents we file with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K. Forward-looking statements include the overall impact of the Novel Coronavirus Disease 2019 (COVID-19) on the Company, its results of operations, liquidity, and financial condition (including any estimates of the impact on these items), the rate and consistency with which dental and other practices resume or maintain normal operations in the United States and internationally, expectations regarding personal protective equipment ("PPE") and COVID-19 related product sales and inventory levels, whether additional resurgences or variants of the virus will adversely impact the resumption of normal operations, whether supply chain disruptions will adversely impact our business, the

impact of integration and restructuring programs as well as of any future acquisitions, general economic conditions including exchange rates, inflation and recession, and more generally current expectations regarding performance in current and future periods. Forward-looking statements also include the (i) ability of the Company to have continued access to a variety of COVID-19 test types and expectations regarding COVID-19 test sales, demand, and inventory levels and (ii) potential for the Company to distribute the COVID-19 vaccines and ancillary supplies. Risk factors and uncertainties that could cause actual results to differ materially from current and historical results include, but are not limited to: risks associated with COVID-19 and any variants thereof, as well as other disease outbreaks, epidemics, pandemics, or similar wide-spread public health concerns and other natural disasters; our dependence on third parties for the manufacture and supply of our products; our ability to develop or acquire and maintain and protect new products (particularly technology products) and technologies that achieve market acceptance with acceptable margins; transitional challenges associated with acquisitions, dispositions and joint ventures, including the failure to achieve anticipated synergies/benefits; legal, regulatory, compliance, cybersecurity, financial, and tax risks associated with acquisitions, dispositions and joint ventures; certain provisions in our governing documents that may discourage third-party acquisitions of us; adverse changes in supplier rebates or other purchasing incentives; risks related to the sale of corporate brand products; effects of a highly competitive (including, without limitation, competition from third-party online commerce sites) and consolidating market; the repeal or judicial prohibition on implementation of the Affordable Care Act; changes in the health care industry; risks from expansion of customer

purchasing power and multi-tiered costing structures; increases in shipping costs for our products or other service issues with our third-party shippers; general global and domestic macro-economic and political conditions, including inflation, deflation, recession, fluctuations in energy pricing and the value of the U.S. dollar as compared to foreign currencies, and changes to other economic indicators, international trade agreements, potential trade barriers and terrorism; failure to comply with existing and future regulatory requirements; risks associated with the EU Medical Device Regulation; failure to comply with laws and regulations relating to health care fraud or other laws and regulations; failure to comply with laws and regulations relating to the collection, storage, and processing of sensitive personal information or standards in electronic health records or transmissions; changes in tax legislation; risks related to product liability, intellectual property, and other claims; litigation risks; new or unanticipated litigation developments and the status of litigation matters; risks associated with customs policies or legislative import restrictions; cyberattacks or other privacy or data security breaches; risks associated with our global operations; our dependence on our senior management, employee hiring and retention, and our relationships with customers, suppliers, and manufacturers; and disruptions in financial markets. The order in which these factors appear should not be construed to indicate their relative importance or priority. We caution that these factors may not be exhaustive and that many of these factors are beyond our ability to control or predict. Accordingly, any forward-looking statements contained herein should not be relied upon as a prediction of actual results. We undertake no duty and have no obligation to update forward-looking statements except as required by law.