

WE'RE COMMITTED.

Sustainability and Owens & Minor

YEAR 2010
AND BEYOND



SUSTAINABILITY AND OWENS & MINOR

As the nation's leading provider of distribution and supply-chain management services to the healthcare industry, we believe we have a responsibility to be at the forefront of sustainable and environmentally responsible business practices. With more than 7 million square feet of warehouse and office space and a private fleet of 450 delivery trucks, we have an opportunity to positively affect the environment through our sustainability efforts.

EVERYDAY EFFICIENCIES LEAD THE WAY

At Owens & Minor we aggregate multiple, disparate supply chains into a single, efficient delivery channel. We provide broader product choice than any other distributor, resulting in more complete truckloads and fewer deliveries. We encourage our environmentally-conscious customers to bring more products through distribution, thus reducing the number of direct, single-vendor deliveries. We operate a private fleet of trucks—one that was recently awarded

the highest grade for energy efficiency by the EPA's SmartWay Transport Partnership. Every building we operate is designed with energy efficiency in mind, and we are scaling our local recycling programs to all 52 of our distribution centers in order to reduce landfill contributions. Many of the best ideas have come from customers and teammates. We encourage you to share successful sustainability ideas with us.

EMAIL

sustainabilityideas@owens-minor.com

OUR SUSTAINABILITY PROGRAM MISSION

To improve energy efficiency and save natural resources by establishing and implementing effective company-wide energy management and recycling programs that support operations, enhance customer satisfaction, and positively impact the communities we serve.

FLEET MANAGEMENT STRATEGIES

Our private fleet has been recognized with the highest possible score given by the U.S. Environmental Protection Agency (EPA) through its SmartWay Transport Partnership program—an innovative, voluntary collaboration effort between the EPA and transportation industry leaders that aims to improve energy efficiency across the country. To obtain this highest rating, Owens & Minor measured the performance of its private fleet using the exclusive SmartWay F.L.E.E.T. model and committed to implementing innovative strategies to continually improve our performance and to report our progress to the EPA on an annual basis.

ALREADY SEEING AN IMPACT

Steps we've taken to improve our fuel efficiency:

- Improved fleet aerodynamics
- Improved freight logistics
- Implemented speed management systems
- Updated equipment—all vehicles are made in model year 2007 or later

We have equipped our trucks with the following:

- Automatic tire inflation systems
- Idle reduction technology
- Advanced power train technologies
- Clean-burning diesel engines
- Drivers trained in managing energy efficiency

IDLE TIME REDUCTION PROGRAM IMPACT*



*Year-over-year average idle time over the same 3-month period measured for an average sample of 126 trucks in the O&M Private Fleet.

1.25 HIGHEST RATING

The Owens & Minor fleet was awarded the highest possible score given in the EPA's SmartWay Transport Partnership program.



REDUCING ENERGY CONSUMPTION

Throughout our nationwide network of distribution centers, we are continuously taking steps to reduce our energy consumption. The use of T5/T8 fluorescent lights with occupancy sensors in our distribution centers is now our standard—these lights reduce energy consumption by up to 50%. Adding insulation to roofs and dock doors at our distribution centers helps to regulate temperatures and reduce energy used for heating and cooling. Our “daylight harvesting” strategies are increasing the use of exterior windows in our office environments to reduce our dependency on artificial light sources.

Our recently constructed home office was designed with many innovative lighting and energy solutions, including:

- Increased access to daylight through building orientation, window design and open-office layout
- Use of energy-efficient fluorescent lighting fixtures
- Motion sensor equipped lights which turn off when not in use
- Use of an energy-saving HVAC management system to reduce energy consumption during off hours

ENERGY CONSUMPTION AVERAGE KWH PER DAY*



SETTING THE STANDARD

Since making T5/T8 fluorescent lighting standard in our DCs, our lighting-related energy consumption has been reduced up to 50%.

REDUCE, REUSE & RECYCLE

Three familiar R's—Reduce, Reuse, Recycle—provide practical guidelines to all organizations wishing to do their part for the environment. At Owens & Minor, teammates are encouraged to reduce the resources used every day in serving customers. Thanks to the ideas and suggestions from our teammates, suppliers and customers, our reuse policies and recycling programs are continuously expanding and are helping us to become more efficient.

Balers at Owens & Minor distribution centers enable us to recycle cardboard and plastic that was once thrown into landfills, and at the same time drive down costs. Our **Los Angeles, CA** distribution center collects cardboard from participating hospitals and recycles it on their behalf—helping to broaden our reach and reduce landfill contributions for both the hospitals and Owens & Minor, while, at the same time, providing our customers with a valuable service.

Our home office in **Richmond, VA** sponsors recycling initiatives for paper, plastic bottles, aluminum cans, cell phones, ink cartridges, computers and batteries. Sustainability champions at our distribution centers are leading the way in their locations, as our organization strives to continuously reduce our carbon-footprint. Our **Portland, OR** distribution center is a model of our commitment, reusing 90% of packing materials, reselling used pallets, and recycling over 53 tons of cardboard and nearly 8 tons of paper annually.

2010 RECYCLING OBJECTIVE*

3,060 tons of recycled material

THAT CONSERVES:		WHICH EQUATES TO:	
319	Tons Plastic	Reducing greenhouse gas emissions by	276 tons
45,732	Mature Trees		566 million sheets of newspaper
1,245,684	Gallons of Oil	Enough energy to cool	6,168 homes for 1 year
64,572	Gallons of Gasoline	Enough gasoline to drive more than	1,807,992 miles
18,833,220	Gallons of Water	Enough freshwater to meet the daily needs of	251,112 Americans
11,030,892	kWh of Electricity	Enough to meet the electricity needs of more than	924 homes for 1 year

*Established annual objective for national plastic and cardboard recycling program. This measure may omit materials recycled through local agreements with smaller, local recycling organizations.

TEAMMATE-CENTERED COMMITMENT

O&M teammates are encouraged to reduce the resources we all use each day in service to our customers.



“Owens & Minor has a long-standing commitment to fostering the well-being of the communities we serve. This commitment is part of our mission, vision and values. We understand that being good stewards of the environment is essential to the well-being of our communities, customers and teammates, and our sustainability efforts are simply an extension of that commitment. We are in the business of improving the healthcare supply chain and making it more efficient and believe our sustainability efforts are central to being an efficient, effective supply chain organization.”

CRAIG R. SMITH

President & Chief Executive Officer



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For more information about Owens & Minor visit owens-minor.com.

Owens & Minor is a healthcare supply chain management company and the nation's leading distributor of national, name-brand medical-surgical supplies. We are dedicated to serving integrated healthcare systems and their affiliated sites, freestanding hospitals and surgery centers, group purchasing organizations, the federal government and consumers. Headquartered in Richmond, Virginia, where it was founded in 1892, this *Fortune 500* company provides clinical inventory management, advanced logistics, leading-edge technology and supply chain consulting and outsourcing services.