



**MSC INDUSTRIAL DIRECT CO., INC.
MODERN SLAVERY ACT 2015
TRANSPARENCY STATEMENT
2019/2020 FINANCIAL YEAR**

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking transparency statement for the 2019/2020 financial year of MSC Industrial Direct Co., Inc. together with its subsidiaries (collectively, “MSC”).

OUR BUSINESS AND SUPPLY CHAIN

MSC is a leading North American distributor of a broad range of metalworking and maintenance, repair and operations products and services (“MRO”). We operate primarily in the United States of America, but also carry on operations in Canada and the United Kingdom where we operate one fulfillment center and one sales branch.

MSC’s business strategy is focused on helping our customers drive greater productivity, profitability and growth by reducing their total cost for obtaining, using, and maintaining their metalworking and MRO supplies. We accomplish this by offering more than one million product stock keeping units, inventory management and other supply chain solutions, superior customer service and value-added offerings, and deep expertise from over 75 years of working with customers across industries. We purchase substantially all of our products directly from approximately 3,000 suppliers around the world.

OUR POLICY ON SLAVERY AND HUMAN TRAFFICKING

MSC is committed to responsible corporate citizenship and to eliminating all forms of human trafficking and modern slavery from our supply chain. We expect all our suppliers to operate their businesses with the utmost integrity and in compliance with all applicable laws and regulations, including those addressing human trafficking and modern slavery.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

MSC has put in place an ongoing program for our suppliers located in the Asia-Pacific region to help ensure that their business practices do not include or support human trafficking or modern slavery. This program includes:

- a comprehensive process for vetting potential suppliers, including through on-site factory visits to observe and assess working conditions;
- requiring certain suppliers that we engage with to:
 - o sign and comply with our supplier agreements and Supplier Manual which require them to certify that the products they provide to MSC comply with laws prohibiting slavery and human trafficking and that convict labor, forced labor, and human trafficking are not employed in the manufacture of their products; and
 - o agree to provide reasonable access to their records, employees and premises, if required by MSC or any of our customers, in order to

verify compliance with MSC's agreements, policies and applicable laws and regulations, including laws prohibiting slavery and human trafficking; and

- conducting formal audits, in addition to informal and/or unannounced visits to monitor and evaluate supplier compliance with our requirements.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to relevant members of our staff.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

Where any supplier non-conformance with MSC's modern slavery and human trafficking policies is found, MSC requires each such supplier to perform corrective actions, and if the non-conformance persists, MSC may cease to do business with the supplier.



Steve Armstrong
Senior Vice President, General Counsel and Corporate Secretary
Member of the Board of Directors, Sid Tool, Co., Inc.
December 10, 2020