



FISCAL
2025



Sustainable business report

Published February 25, 2026



Contents

A message from our CEO | p3

01 About Cardinal Health

- 06 Company overview
- 08 Awards and recognition
- 09 Fiscal 2025 Sustainable business highlights
- 10 Sustainable business topics and priorities
- 11 Sustainable business governance at a glance

02 Strong culture

- 13 Culture, talent and inclusion
- 19 Employee well-being
- 21 Wages and benefits
- 23 Workplace health and safety

03 Resilient business

- 27 Supply chain resiliency
- 32 Energy and climate
- 36 Efficient transportation and logistics
- 39 Waste management
- 41 Responsible sourcing
- 43 Business ethics and compliance
- 45 Data privacy and security

04 Healthy patients and communities

- 48 Product quality and patient safety
- 51 Product and service innovation
- 55 Responsible use of prescription medications
- 56 Community engagement

05 Reporting indices

- 62 Global Reporting Initiative (GRI) Index
- 86 Sustainability Accounting Standards Board (SASB) Index
- 93 Task Force on Climate-Related Financial Disclosures (TCFD) Index
- 99 Basis of reporting
- 103 About this report and cautionary statement



Jason Hollar
Chief Executive Officer

A message from our CEO

Dear Stakeholders,

At Cardinal Health, our mission is to improve the lives of people every day. That includes implementing sustainable business practices that complement and support our business strategy, enabling us to move our business forward with purpose and resilience.

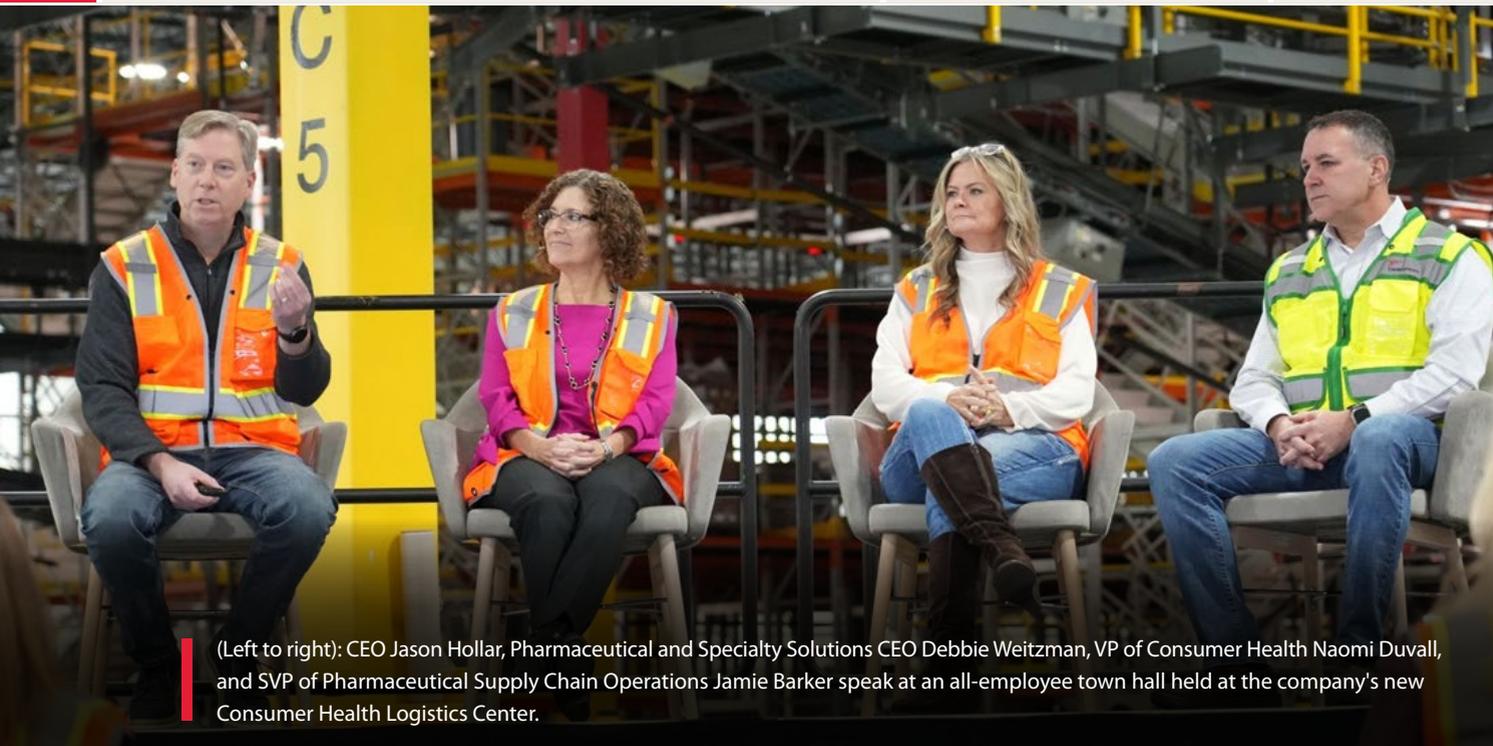
Strengthening supply chain resiliency

Building a stronger, more resilient supply chain is a key focus, enabling us to proactively manage risk, adapt to disruption, and foster deep collaboration with suppliers, innovators and other key stakeholders.

In fiscal 2025, both our Pharmaceutical Distribution and our at-Home Solutions businesses opened new distribution centers, and have announced plans for more in the near future that are equipped with advanced automation technology and robotics. These investments enhance frontline workers' ability to pick, pack and ship customers' orders with quality, speed and accuracy; increase visibility and agility to quickly adapt to disruptions like shortages or natural disasters; and help optimize inventory management and storage space. New technologies also are improving

employee safety: automated conveyance systems reduce the need for forklifts, and robotics and automated labeling reduce physical demands on our warehouse employees.

The new LEED-certified Consumer Health Logistics Center (CHLC) in Central Ohio is a centralized replenishment center for both Cardinal Health and national brand products that helps our pharmacy customers diversify their front-of-store and grow revenue with private-label and wellness solutions. Our at-Home Solutions business, which provides medical supplies to patients with chronic conditions in the home, added a newly-constructed distribution center in Fort Worth, Texas, increasing inventory space by about 20% and enabling broader product availability and quicker deliveries.



(Left to right): CEO Jason Hollar, Pharmaceutical and Specialty Solutions CEO Debbie Weitzman, VP of Consumer Health Naomi Duvall, and SVP of Pharmaceutical Supply Chain Operations Jamie Barker speak at an all-employee town hall held at the company's new Consumer Health Logistics Center.

Advancing access to quality healthcare

Cardinal Health's businesses can help remove barriers to healthcare. For example, through its Velocare supply chain solution, at-Home Solutions is enabling access to hospital care at home, strengthening the continuum of care and keeping the patient at the center of what we do.

Our Sonexus™ Access and Patient Support business runs patient support hubs for specialty pharmaceutical manufacturers, serving patients who need specialty medications to manage oncological, neurological, immunological, or other specialty diseases. Sonexus assists patients with prior authorization and reimbursement for their medications, and provides patient education to improve adherence with medication therapies. Sonexus also operates a non-commercial pharmacy that supports patient assistance programs for specialty pharmaceutical manufacturers, dispensing approximately \$5.5 billion in manufacturer donated specialty medications to uninsured or underinsured patients in fiscal 2025.

In addition, the Cardinal Health Foundation's signature initiative, Equity Rx, is increasing access to both medications and pharmacists' care for uninsured and underinsured populations by connecting patients, charitable clinics and pharmacies. In fiscal 2025, the Foundation funded expansions of Equity Rx across Ohio and three additional states and launched the development of Ohio's first statewide drug repository and distribution center.

Continuing our focus on workplace culture

Our workplace culture is one of our greatest strengths, enabling us to attract, develop and retain top talent. We believe this culture leads to greater performance, inspiring employees to continually improve the ways we serve and support customers and patients.

We equip our employees with a broad range of career development opportunities and resources to advance

their professional and personal goals. We provide training, development, and leadership programs designed to give all employees the opportunity to succeed.

In addition, key tenants of our culture include embracing each other's differences, supporting one another, and destigmatizing mental health issues by talking about them openly and providing appropriate resources.

Reducing environmental impact

We are supporting healthier communities and more resilient operations by becoming more efficient in the ways we use energy, transport our products, and manage waste. In fiscal 2025, we continued to make progress on our climate targets, reducing our Scopes 1 and 2 greenhouse gas emissions by 17% (since fiscal 2019). We also work with suppliers to support them in setting and making progress toward their own emissions reduction goals.

Our environmental sustainability efforts help cut costs, spur innovation and reduce business risk. In fiscal 2025, we deployed nearly 30 energy efficiency projects across our facilities, which collectively are expected to save nearly \$1 million a year. Around the world, employees are supporting sustainability efforts in multiple ways: teams in distribution and manufacturing facilities and in offices are taking steps to make their facilities more efficient, replacing dated equipment with modern, more energy-efficient models, completing LED retrofits, and installing motion detectors on faucets to reduce water use.

Our R&D teams are designing products with sustainability in mind. For example, they've reduced plastic tubing in our Kangaroo OMNI™ Feeding Sets by 10%, which will prevent about 215,000 pounds of plastic from going to landfills each year. Additionally, we've recently announced the expansion of our Sustainable Technologies™ reprocessing services to the Australia market, which will help customers in this region reuse devices that were previously sent to landfill after a single use.

Looking forward

Our sustainable business practices are helping make us a stronger company and enhancing our ability to serve our customers and patients. I'm pleased with our progress, and look forward to continuing these efforts.

I want to extend my gratitude to our employees around the world; their commitment is helping to drive this work forward. Thank you to our Board of Directors for their leadership, and to all our stakeholders, including our customers, for their support and partnership.

Sincerely,

Jason Hollar
Chief Executive Officer





01 About Cardinal Health

- 06 Company overview
- 08 Awards and recognition
- 09 Fiscal 2025 Sustainable business highlights
- 10 Sustainable business topics and priorities
- 11 Sustainable business governance at a glance





Company overview

Cardinal Health is a distributor of pharmaceuticals and specialty products; a supplier of home-health and direct-to-patient products and services; an operator of nuclear pharmacies and manufacturing facilities; a provider of performance and data solutions; and a global manufacturer and distributor of medical and laboratory products.

Through our Pharmaceutical and Specialty Solutions, OptiFreight Logistics, at-Home Solutions, Nuclear and Precision Health Solutions and Global Medical Products and Distribution segments, we work to be healthcare’s most trusted partner, safely and efficiently providing customers and patients with the products and solutions they need, as we fulfill our mission to improve the lives of people every day.

We connect manufacturers and innovators to providers and patients



[cardinalhealth.com](https://www.cardinalhealth.com)

[newsroom.cardinalhealth.com](https://www.newsroom.cardinalhealth.com)

[facebook.com/cardinalhealthinc](https://www.facebook.com/cardinalhealthinc)

[linkedin.com/company/cardinal-health](https://www.linkedin.com/company/cardinal-health)

Pharmaceutical and Specialty Solutions revenue

\$204.6B

Global Medical Products and Distribution revenue

\$12.6B

Other revenue

\$5.4B

Total fiscal 2025 revenue

\$222.6B



Serving customers and patients

BY THE NUMBERS

90% U.S. hospitals served

25K physician offices or clinics serviced by our Pharmaceutical and Specialty Solutions segment

~70K pharmaceutical and specialty deliveries daily

~130 nuclear pharmacies

30 PET cyclotron facilities

24M+ parcel packages managed through OptiFreight Logistics

20+ product categories as an integrated medical manufacturer

~58K employees worldwide across 30 countries of operation

~3K specialty providers across 32 states supported by our MSO platforms

6M+ patients served in the home through at-Home Solutions



2025

Awards and recognition

100 Best Corporate Citizens,
3BL Media

Business Group on Health
Best Employer's Award,
Excellence in Health & Well-being

Forbes – America's Best
Employers for Company
Culture 2025

Forbes – World's Best
Employers 2025

Great Place to Work Certification

Newsweek's Greenest Companies

Seramount 100 Best Companies

Seramount Best Companies
for Multicultural Women

Seramount Inclusion Index



FISCAL 2025

Sustainable business highlights

Reduced Scope 1 and Scope 2 GHG emissions by 17% since fiscal 2019.

Deployed nearly 30 energy efficiency projects across our facilities, which collectively are expected to save \$1M each year.

Expanded Equity Rx, the Cardinal Health Foundation's program to increase access to medications for the uninsured and underinsured, to spread the initiative across Ohio and in multiple states across the country.

Opened a new Consumer Health Logistics Center (CHLC) in Central Ohio, a LEED v4 Silver-certified distribution center equipped with energy-saving and sustainable features: insulated tilt-up concrete walls, roof insulation, solar-ready roofing, LED lighting with motion controls, and motion-activated faucets.

Reduced total recordable incident rate (TRIR), a standard safety metric used to measure the frequency of workplace injuries and illnesses, in our operations to 1.04, from 1.23 in fiscal 2024.

Donated \$1 million to The Ohio State University Wexner Medical Center, to support its new Center for Psychiatry and Resilience.

Reduced the total length of tubing on standard Cardinal Health™ Kangaroo OMNI™ Feeding Sets by 10%, reducing waste without any reduction in product functionality.

Announced a new Sustainable Technologies reprocessing center in Australia will be fully operational in fiscal 2027.

Sustainable business topics and priorities

At Cardinal Health, we've identified 16 topics that guide our sustainable business strategy, help us manage organizational risks and, we believe, create lasting value for our stakeholders. We report on all 16 of these topics in this report.

Currently, six of these topics have served as the foundation of a three-year strategic plan which began in fiscal 2022.

Our six priority topics are:

- 01 Community engagement**
- 02 Culture, talent and inclusion**
- 03 Employee well-being**
- 04 Energy and climate**
- 05 Product and service innovation**
- 06 Responsible sourcing**

These are priorities because we believe they allow us to differentiate ourselves in the market and enable us to mitigate environmental and social risks to the company.

We have a Sustainable Business Working Group that includes director- and vice president-level subject matter experts on each of these priorities; each of these leaders is responsible for the development of a strategy for the priority that falls under their expertise. These priority strategies are closely aligned with business objectives, policies and operations. The Working Group monitors sector trends and periodically re-evaluates the importance of each priority as new regulatory requirements emerge or stakeholder needs evolve.

Risks related to the remaining 10 sustainable business topics are managed as part of existing business processes and enterprise risk management (ERM) processes that have been developed to mitigate organizational risk. We have robust programs in place to address and monitor risks for these topics.

The 10 additional topics are:

- 01 Workplace health and safety**
- 02 Wages and benefits**
- 03 Responsible use of prescription medications**
- 04 Product quality and patient safety**
- 05 Supply chain resiliency**
- 06 Waste management**
- 07 Efficient transportation and logistics**
- 08 Corporate governance**
- 09 Data privacy and security**
- 10 Business ethics and compliance**

We regularly assess our performance on these topics and related metrics to determine whether our policies and programs are effectively managing risk.

In this report, we have organized all 16 topics into three categories: strong culture, resilient business, and healthy patients and communities. Within our GRI index, we align our disclosures with all corresponding standards of the 16 topics.

United Nations Sustainable Development Goals

The United Nations (UN) Sustainable Development Goals continue to serve as guideposts for our work. Of the 17 Sustainable Development Goals stemming from the UN's 2030 Agenda for Sustainable Development, we have prioritized four, as shown here. These are the goals that are most aligned with our sustainable business priorities and we believe they can enable Cardinal Health to generate positive impact and create long-term value for stakeholders.





Sustainable business governance at a glance

Our sustainable business practices support our overall business strategy.

Successfully carrying out these practices, improving impact across our sustainable business priorities and realizing our goals rely on an effective governance structure. The governance structure is also critical to the appropriate oversight and management of sustainable business-related risks and opportunities.

Board of Directors

Relevant Board committees oversee specific issues, and the full Board discusses significant sustainable business risks and opportunities, if needed. The Governance and Sustainability Committee of the Board provides formal oversight of enterprise sustainable business practices, policies, strategies, and reporting and disclosure practices (except to the extent such matters are overseen by another Board committee). The Vice President of Sustainable Business reports to this committee each quarter, providing updates on the regulatory environment, progress against our priorities, governance over sustainable business risks and opportunities, and our sustainable business strategy for the coming months and years.

Sustainable Business Governance Committee

This internal committee includes Cardinal Health's senior-most leaders, including the CEO, his direct reports and other leaders across the company. The Sustainable Business committee is responsible for approving and tracking progress against enterprise-wide sustainable business strategies, providing guidance on managing risks and opportunities, and helping to ensure ownership and accountability across the business.

Sustainable Business Working Group

The Sustainable Business Working Group, which includes director- and vice president-level subject matter experts for each priority topic (see previous page), is responsible for working together to develop a strategy for each of the six priorities that is aligned with business strategies, policies and operations. The Working Group also collaborates to integrate sustainable business considerations into business strategies, policies, and operations and to identify gaps and opportunities for success.

Sustainable Business team

This team is led by the Vice President of Sustainable Business and is responsible for supporting and advising on the enterprise sustainable business strategy, in collaboration with cross-functional owners and partners. The team is directly accountable for sustainable business data and reporting, environmental sustainability, and sustainable supply chain due diligence and provides subject matter expertise in these areas. The VP of Sustainable Business coordinates sustainable business matters and regularly engages with the Board's Governance and Sustainability Committee. The Sustainable Business team is primarily responsible for:

- 01 **Assessing and managing, with leaders across the enterprise, our sustainable business topics**
- 02 **Working with senior leaders to align these priorities with Cardinal Health's business operations**
- 03 **Developing sustainable business goals and managing data, measurement and reporting related to our sustainable business practices**



02 Strong culture

At Cardinal Health, we are accountable and inclusive, working together so everyone can do their best work, grow and thrive.

- 13 Culture, talent and inclusion
- 19 Employee well-being
- 21 Wages and benefits
- 23 Workplace health and safety





Culture, talent and inclusion

Talent management

We believe our workplace culture is one of our greatest strengths, enabling us to attract, develop and retain top talent. We equip our employees with a broad range of career development opportunities and resources to advance their professional and personal goals.

We also believe our strong workplace culture results in higher performing employees who are more driven to meet our customers' and patients' needs, and are more invested in strengthening the communities where we live and work.

Our employees deliver results in alignment with our values of integrity, inclusion, innovation, accountability and mission driven. They have clear performance goals and deliver on our commitments to customers and patients. As they build their careers, they share and grow their skills and knowledge and are empowered to do their best work, helping to ensure that we provide the best products, services and solutions. Together, we work to advance Cardinal Health's vision of becoming healthcare's most trusted partner.

Voice of the Employee

Every year, Cardinal Health administers a series of listening measures to understand and enhance the employee experience. We call this listening strategy Voice of the Employee (VoE). Throughout the year, every year, we hear from employees at all levels, through an annual engagement survey, onboarding and exit surveys, pulse surveys, focus groups, and more.

In fiscal 2025, our engagement survey asked employees to respond to questions across a wide range of engagement categories, including career development, customer focus, inclusion, empowerment, leadership, goals and objectives, work environment, retention and more.

Participation in these annual surveys is consistently high.

90%
employee participation in fiscal 2025

The participation rate in the fiscal 2025 full survey was 90%, which is in line with prior levels and well above our survey vendor's global average of 78%.

Fiscal 2025 results show that our employees remain highly engaged, believe strongly in the company's goals and objectives, and know how their work contributes to these goals.

The results of these surveys are carefully analyzed and shared with senior leadership, our Board of Directors, and people leaders across the company. Leaders across the enterprise use the results to identify areas of opportunity, and, with the support of Talent Management, develop plans to address these opportunities at the enterprise level and across teams throughout the company.

VOE SURVEY 2025 KEY RESULTS



88%

of our employees are highly engaged

93%

of employees believe strongly in Cardinal Health's goals and objectives

95%

of employees know how their work contributes to Cardinal Health's goals and objectives

87%

find personal accomplishment in their work and say they would recommend the organization as a good place to work



CULTURE, TALENT AND INCLUSION

Leadership development

We understand that capable leaders influence our business and employee engagement, and contribute to a strong workplace culture.

We are committed to leader development at all levels, to strengthen performance and enable people leaders to deliver on the promise of attracting, developing and retaining highly-engaged employees. We believe that, though not everyone chooses to seek a formal leadership position, all employees should be on a leadership journey. The journey begins with leading oneself, seeking to become more self-aware and increasing skills and capabilities, while acting in alignment with our values and behaviors.

Our Talent Management team builds training, development, and leadership programs designed to help everyone succeed, wherever they are on this leadership journey. Through our online learning platform, the team offers thousands of skill development courses for employees to choose from to build skills appropriate for their current roles and to help them develop their careers.

Program highlights

Leadership development programs for all: **Aspire, Advance and Amplify**

These enable potential, new and established leaders to effectively manage their teams in alignment with our core values and behaviors. Coursework includes the establishment and prioritization of goals, how to coach and give feedback, and how to develop and retain talent.

- 01** **Aspire** offers individual contributors opportunities to build leadership skills. It is a three-month program that focuses on developing leadership acumen, building emotional intelligence, and providing coaching and feedback. Each participant is paired with a mentor and receives coaching from peers.
- 02** **Advance** is required training for all new people leaders at Cardinal Health. This six-month program provides development and networking opportunities. It begins with an instructor-led session, followed by a self-assessment on our expectations of people leaders and a curriculum built around those expectations. It concludes with an instructor-led course called Leading the Cardinal Health Way. In fiscal 2025, the program was translated into Spanish and French; the first Advance programs in these languages were launched early in fiscal 2026.
- 03** **Amplify**, launched in fiscal 2025, is designed to help established people leaders enhance their skills in leading according to Cardinal Health’s leader expectations. This six-month course combines self-guided learning and multiple in-person meetings. Participants create personal action plans designed to empower them to lead their teams toward enterprise goals.

Application-based programs: **Embark, Elevate and Envision**

Our “next level” leadership development programs help accelerate growth among high-potential, high-performing talent. These cohort-based programs are designed to accelerate growth and development to next levels of leadership. Each program is aligned with Cardinal Health’s leadership journey and emphasizes our values and behaviors. Dozens of high performers are selected to participate in these programs each year.

- 01** **Embark** is a program for high caliber college graduates, many of whom are former Cardinal Health interns. This 12-month class places participants in meaningful entry-level roles with career pathways; participants build career readiness skills, learn Cardinal Health ways of working, and build connections through networking and mentorship.
- 02** **Elevate** was designed in partnership with industry leader Korn Ferry. It’s a 6-month program for employees at the supervisor, manager, and director level who have the potential for long-term career growth. Elevate requires each participant and their direct manager to take part in the program.
- 03** **Envision** is a program for high potential leaders at the manager and director level. Also designed in partnership with Korn Ferry, the 6-month program accelerates the readiness of leaders for vice president and senior vice president roles. Its curriculum builds greater knowledge of the enterprise and helps strengthen leaders’ commercial and results-focused mindset.



In fiscal 2025:

1.7K+
employees completed leadership development programs

130+
employees completed application-based leadership development programs



CULTURE, TALENT AND INCLUSION

Growing through gigs

We've continued to expand a stretch assignment program called gigs. Gigs provide employees with opportunities to develop skills, gain new experiences, network with leaders, and learn areas of the business outside their own. They're based on the concept that much of our skill development is through experiential, on-the-job application.

Gigs allow employees to take on interim stretch assignments in areas and with teams they may otherwise not connect with. Gig hosts create gigs for a variety of reasons: They may need additional support to advance a project, or they may need someone to fill in for an employee on temporary leave.

Employees can input skills they're interested in learning or expanding on into the career hub of our online human capital management platform. The career hub uses machine learning to suggest gigs that align with those skills. Employees can express interest in the gig, and the gig host connects with the employee to see if they're suitable for the job. If it's a match and the employee's manager approves, they can accept the gig.

Since gigs were launched enterprise-wide in February of 2025, adoption has continued to grow.

Gigs allow employees to take on interim stretch assignments in areas and with teams they may otherwise not connect with.



Career hub helps employees navigate their careers ▶

Employees use our online career hub tool to identify potential career paths, grow their skills and network with leaders. They start by creating a profile with 10 to 20 skills they want to develop; the tool uses artificial intelligence and machine learning to provide personalized job suggestions based on those skills to recommend additional skills for the employee to develop.

The tool's opportunity graph helps identify potential career moves. The graph, based on the career transitions of other employees who held similar roles, shows job profile details, any open postings for the role, and the names of all employees who currently work in that role, to highlight networking opportunities for employees looking at new roles.

13K employees created or updated their profiles on our career hub in fiscal 2025.



Recognize: A new recognition program for all employees

174% increase in recognitions In fiscal 2025, our HR team introduced this new recognition platform, designed to recognize, empower and engage our employees, including our frontline workforce. Recognize is an easy-to-use app that helps build a stronger culture through recognitions from peers, managers and leaders.

In the third and fourth quarters of fiscal 2025, employee recognitions increased 174% over the same period in fiscal 2024, thanks to this new program.





CULTURE, TALENT AND INCLUSION

Bringing authenticity to work



We strive to create a best-in-class work culture where everyone is encouraged to be their authentic selves.

We continually focus on strengthening that culture, building an inclusive workplace where everyone is treated with respect and professionalism.

When we talk about culture at Cardinal Health, we talk about all of the ways we stand up for one another. We work to embrace each other's differences, to build a safe place where everyone knows it's OK to not be OK, and to provide our employees with the resources they need to thrive.





CULTURE AND INCLUSION

Allyship for all

At Cardinal Health, allyship means recognizing and supporting the unique insights and experiences of all as we continue building a culture centered on inclusion, authenticity and employee well-being. We encourage allyship through participation in and support of our employee resource groups (ERGs). Employees also serve as allies in the community through their various ways of supporting nonprofit organizations.

ERGs and Multi-Cultural Communities

We have seven ERGs, each open to all employees, helping create community and connections, and to promote allyship among our entire employee population.

Our ERGs include the Disability Advocates Network (DAN), the Asian and Pacific Islanders Network (APAN), PROUD (for LGBTQ+ employees and allies), ¡HOLA! (for Hispanic/Latin employees and allies), BOLD: The Black and African American Network, the Women's Impact Network (WIN), and Veterans and Military Advocates (VMA). We also have several chapters of Multi-Cultural Communities (MCCs) around the globe, designed to engage employees outside the U.S. in our work to build a culture of inclusion.

Each ERG meets regularly and discusses topics including career development, networking and mentorship, family history, culture, backgrounds and traditional celebrations. ERGs also regularly support nonprofit organizations that serve our communities. And, through attendance at various community events, mentorship, and event programming, they help recruit, develop, engage and retain the best talent at Cardinal Health.

We have MCCs in each of the following countries or regions: Asia-Pacific; Australia/New Zealand; Canada; India; the Philippines; Europe, the Middle East and Africa; Japan; Latin America/Caribbean; and the U.S. They help engage employees both within and outside of the U.S. in our work to build a culture

of inclusion and create safe spaces for employees to come together to celebrate our unique experiences and learn from each other.

Late in fiscal 2025, multiple teams collaborated to develop a pilot that leverages the strength of our ERGs to advance individual and organizational well-being goals. Each ERG will select two activities from a curated menu to complete by the end of fiscal 2026. They can select from activities that promote physical, mental, financial and community well-being, including:

- 01 Collaborating with our Benefits team to design guides that highlight available benefits most relevant for a specific ERG's membership** (a guide for members of WIN that includes coverage for annual well-woman visits and breast cancer screenings, for example).
- 02 Hosting a group training session on mental health first aid or Question. Persuade. Refer. (QPR) suicide prevention.**
- 03 Hosting an educational session on building individual emergency savings accounts or other financial literacy programs with myFlexPay.**
- 04 Volunteering as a team in support of a nonprofit organization.**



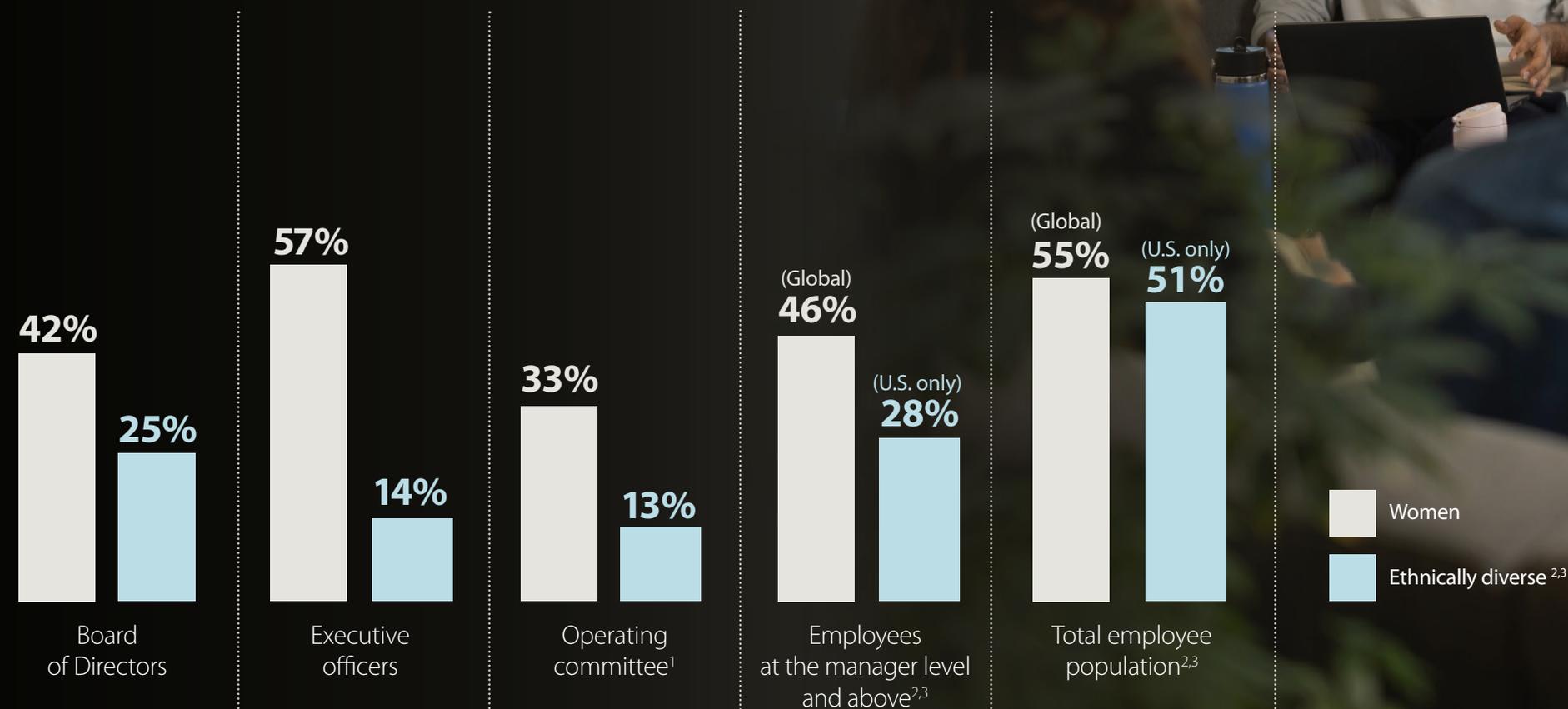


CULTURE AND INCLUSION

Our team ▶

Our inclusive workplace culture is intended to ensure that every employee can make meaningful contributions at work. It matters to business success because when everyone is contributing, we make better decisions as a company that better reflect the customers and communities we serve.

Employee demographics



1. As of the publication of this report, Cardinal Health's operating committee comprises our CEO, his direct reports, business presidents, and other business and functional leaders, representing a total of 15 executives.

2. Representation of employees is calculated based on data pulled from our HR system of record in July 2025 for the population of employees as of June 30, 2025 and excludes our Kinray employee base. Kinray is excluded as employment information is managed by a third party in a separate system of record and represents a minimal impact on the metrics.

3. Ethnically diverse includes employees who self-identify as non-White (including Hispanic/Latino). Employees who selected 'Not specified/Prefer not to say' are excluded from the denominator. Employee ethnicity is limited to Cardinal Health permanent employees based in the U.S. Cardinal Health does not collect racial/ethnic demographics of its employees outside of the U.S. Ethnically diverse is defined as all nonwhite employees.



Employee well-being

In fiscal 2025, we continued our efforts to support the mental health of all employees. We aim to create a stigma-free culture where employees know it's OK to not be OK, and have access to the resources they need to care for their mental health.

Mental health is health: One out of every two people in the world will develop a mental health disorder sometime during their lifetime.⁴ Yet around the world, fewer than 30% of people get the mental health treatment they need.⁵ The most common reasons people don't seek care are stigma, lack of access, and a misunderstanding about how mental health care can help.

We are focused on eliminating stigma, expanding access to resources, and increasing education.

We believe that supporting employees' mental health is the right thing to do; it aligns with our focus on building an inclusive workplace where everyone can be their authentic selves. There's also a strong business case: Studies show that promoting good mental health in the workplace can help improve productivity and decrease absenteeism.

The U.S. economic burden of mental health issues is more than \$280 billion a year,⁶ and most of this cost is the result of lost productivity.

At Cardinal Health, it's OK to talk about not being OK. Employees at all levels are encouraged to talk openly about how they're feeling. Leaders are given guidance on how to raise the subject with their teams — because talking about mental health is one of the best ways to eliminate stigma.

Mental health training

In fiscal 2025, we rolled out "Talking about mental health," a course designed to strengthen a workplace culture where employees feel safe talking about their mental well-being. The course is required for all bonus-eligible employees, all employees promoted or hired into people leader roles and individual contributors at the manager level and above. 100% of those required to complete the course in fiscal 2025 did so.

The course teaches employees to recognize the signs of mental health distress — in themselves and in others — and to respond to mental health concerns with empathy. It includes activities to help the learner understand how to start a conversation with colleagues about mental health, and to practice responding with empathy when a colleague expresses a mental health concern.

The training provides an overview of Cardinal Health resources available to employees, and explains how the resources can be leveraged in various situations.

Over the past several years, we've increased other training opportunities, as well. All U.S. employees can take Mental Health First Aid (MHFA) training, which teaches participants to identify, understand and respond to mental health and substance use issues. In fiscal 2025, in response to an increase in employees' behavioral health claims for their dependents, we added an MHFA training focused specifically on helping youth struggling with mental health issues.

Employees around the globe can take Question. Persuade. Refer. (QPR) training to learn to recognize the warning signs when someone has suicidal thoughts and to offer hope and direct the person to appropriate help.

By the end of fiscal 2025:

1.5K+

employees completed Mental Health First Aid (MHFA) training

~50

employees completed the new youth MHFA training

~770

employees completed Question. Persuade. Refer. training



4. Researchers from Harvard Medical School and the University of Queensland, "Age of onset and cumulative risk of mental disorders: a cross-national analysis of population surveys from 29 countries," *The Lancet Psychiatry*, September 2023, <https://www.sciencedirect.com/science/article/pii/S2215036623001931?dgcid=author>.

5. Claire Henderson, Sara Evans-Lacko, Graham Thornicroft, "Mental Illness Stigma, Help Seeking, and Public Health Programs," *American Journal of Public Health*, May 2013, <https://pmc.ncbi.nlm.nih.gov/articles/PMC3698814/>.

6. Jonathan Sperling, "Mental Health and the Economy — It's Costing Us Billions," *Columbia Business School*, May 28, 2024, <https://business.columbia.edu/insights/business-society/mental-health-and-economy-its-costing-us-billions>.



EMPLOYEE WELL-BEING

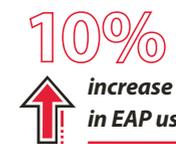
Resources to support employees' mental health

Beginning in January 2025, our employees had access to a new employee assistance provider (EAP) called SupportLinc, which better supports employees and their household members in receiving the care they need when they need it. The EAP matches people with culturally-competent providers who practice evidence-based treatment, have verified availability, and participate in their benefit plan network.

SupportLinc provides faster responses from licensed clinicians and a shorter wait for in-person or virtual counseling and coaching sessions.

By providing a culturally competent intake and provider mapping process, the EAP supports increased access to care for all employees.

Use of our new EAP in the first half of calendar year 2025 was 9.4%, an increase of nearly 10% compared to use of our prior EAP vendor for the same time period in calendar 2024.



Employees also have free access to Headspace, an evidence-based meditation and mindfulness app — and can share that free access with up to five friends and family members. Headspace can help with stress, anxiety, sleep, focus, fitness, financial planning and more. And, through mental health coaching, it can help users to establish life-changing habits to improve mental health.

Financial well-being

 myFlexPay, available to all employees in the U.S., allows employees to access a portion of their earned wages within a pay period, prior to pay day. Through a digital pay app, employees can have the money transferred as direct deposits to their bank account. This earned wage access enables employees to pay bills on time while avoiding high-cost financial options like payday loans, borrowing against a 401(k) account, and accruing fees for late bill payments.

The app also allows employees to set up a savings account through direct deposit. Users can establish savings goals of up to \$10,000; myFlexPay provides 5% APY on these accounts.

Mental health town hall

In May 2025, as part of Mental Health Awareness Month, the company hosted its second annual mental health town hall for all employees. The program was hosted by Rob Schliessberg, President of our at-Home Solutions business.

During the town hall, Schliessberg explained that he regularly shares his mental health journey with his team. “They check in with me, and I do the same for them. These small check-ins matter, because when you are simply there for each other, life doesn’t feel so heavy.”

As a result of the mental health town hall and other employee activities throughout Mental Health Awareness Month:

~1.8K employees created an account in the SupportLinc portal

530+ employees signed up for a subscription to Headspace

9K+ employees earned points through our Recognize platform by agreeing to do something positive for their mental health



Wages and benefits

Benefits overview

Our benefits support the physical, mental and financial well-being of our employees and their families so they can be at their best, whether at work, at home, or in their communities. Here's a brief look at some of these benefits.

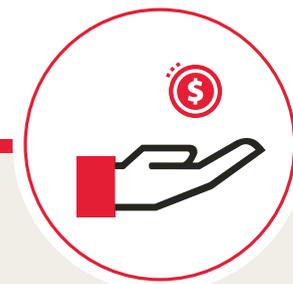


- Paid time off**
-
- Paid parental leave**
-
- Bereavement leave for miscarriage**
-
- Extended bereavement leave for the loss of a spouse or child**



- Physical well-being programs**
-
- Mental well-being programs**
-
- SupportLinc* employee assistance program (EAP)**
-
- Tobacco cessation support**
(nicotine replacement therapy and coaching)
-
- Virtual behavioral health/urgent care/primary care/onsite care**

*Regardless of benefit enrollment, all employees and their household members have access to the EAP to support mental well-being and other needs.



- 401(k) savings plan/deferred compensation plan**
-
- Adoption and surrogacy assistance**
-
- Tuition reimbursement**
-
- Discounted home, auto and pet insurance**
-
- Business travel insurance****

**Cardinal Health provides a 4x salary death benefit to beneficiaries if an employee passes away while traveling on company business.



- Life insurance/accidental death and dismemberment insurance**
-
- Short- and long-term disability coverage**
-
- Domestic partner benefits**
-
- Flexible spending accounts**

WAGES AND BENEFITS

Pay equity

Cardinal Health conducts an annual pay equity study to ensure we are making progress towards achieving equal pay for all employees who are performing substantially similar work, regardless of gender or ethnicity. Our pay equity study takes into consideration job-related skills, tenure, experience and education level, performance rating and geography, and other attributes.

Our most recent pay equity study shows that:

For every dollar male employees are paid, **female employees** at Cardinal Health are paid 99¢⁷

99¢ For every dollar non-minority employees are paid, **minority employees** at Cardinal Health are paid 99¢⁸

We are committed to continuously assessing our pay practices and making adjustments to ensure we equitably compensate our employees.

An internal pay equity committee guides ongoing analysis and benchmarking, in regular consultation with an independent third party, to help guide our salary investments and compensation practices.

We conduct annual audits that identify potential pay gaps, then make appropriate salary adjustments. Annually, we administer merit increases based on both performance and salary within the pay range, then make salary increases based on market competitiveness and internal equity.

Pay transparency

To advance our journey toward pay equity, Cardinal Health includes hiring salary ranges on all internal and external job postings in the U.S.

We've continued conversations with leaders around the globe to remain aware of and engaged in the right ways to promote pay transparency and pay equity internationally. A body of research says that pay transparency can increase employees' trust in their company, as well as their job satisfaction and performance.⁹ Additionally, the goal of achieving pay equity is aligned with our culture of inclusion.

Our Benefits and Learning and Development teams collaborated to create and implement required training for people leaders, the Talent Acquisition team, and HR business partners, to ensure they are equipped for salary conversations with both existing employees and job candidates.

7. Cardinal Health's gender pay equity metric is calculated using U.S. permanent employee compensation as of June 30, 2025. The calculation excludes employees located in U.S. territories, executives, employees acquired through M&A activity after annual pay equity analysis, and employees who either identify as non-binary or do not respond to the voluntary survey.

8. Cardinal Health's minority pay equity metric is calculated using U.S. permanent employee compensation as of June 30, 2025. Minority employees are those who identify with a race or ethnicity other than white. The calculation excludes employees located in U.S. territories, executives, employees acquired through M&A activity after annual pay equity analysis, and employees who do not respond to the voluntary survey.

9. Debra Milstein Gardener, "Do you know how pay transparency impacts your organization?" Outsolve's website, June 4, 2024, <https://www.outsolve.com/blog/do-you-know-how-pay-transparency-impacts-your-organization-learn-how-to-implement-it-now>.





Workplace health and safety

Continuing to build a culture of safety

In fiscal 2025, the Environment, Health and Safety (EHS) team continued to expand its Business Unit Safety Improvement Plan (which launched as “Focus Five” in fiscal 2020) throughout operations across the enterprise. The Safety Improvement Plan focuses on leadership, employee engagement, and risk reduction.

The program features a Leader Engagement Scorecard that measures proactive work designed to improve employee safety at the supervisor, manager, and operations director levels. Information from these Leader Engagement Scorecards is used as the annual safety performance goal for operations supervisors.

All sites report quarterly safety performance to their VP of Operations and to the VP of EHS.

This program has been driving both accountability at the leader level and greater employee engagement across operations.

As a result, in fiscal 2025, our businesses had a total recordable incident rate (TRIR), a standard safety metric used to measure the frequency of workplace injuries and illnesses, of 1.04, an improvement over our fiscal 2024 TRIR of 1.23.

Increasing safety for forklift operators

Fiscal 2025 was the second year of a multi-year plan to improve forklift safety for frontline workers in our distribution centers, where, collectively, more than 3,000 forklifts are in use every day.

3,000+ 
forklifts are in use each day in Cardinal Health distribution centers

The forklift safety solution that the EHS team led in partnership with operations leaders includes both hardware and software that provide intelligence about our forklifts and gives actionable insights about access, training, and maintenance via a web-based portal.

The solution provides access control of the vehicles: only those who are appropriately trained and have an access badge or code can operate a forklift. There is also an electronic safety checklist, which must be completed by operators and saved in the portal to meet regulatory requirements.

In addition, a forklift involved in an impact automatically stops until a supervisor investigates the impact and verifies that the forklift can be returned to operation. Program data help determine whether operators require further training or changes are needed to layouts in the warehouse.

In fiscal 2024, the forklift solution had been deployed at two Ohio operations and three other facilities, one each in California, New York and Alabama. By the end of fiscal 2025, the solution had been deployed in 24 additional facilities across the U.S. and in Canada.

In fiscal 2026, the EHS team is launching a new forklift safety technology that includes collision avoidance and an integrated tether system for our order pickers, or elevating forklifts. These forklifts are used to reach products high on warehouse shelves; the picker rides on a platform that elevates, wearing a harness with a self-retracting lanyard that connects to an overhead bar. The new technology limits the forklift speed to one mile per hour and disables the forklift’s elevating capabilities when it detects no connection between the forklift operator’s harness and the self-retracting lanyard.

29 **facilities deployed the forklift solution across the U.S. and in Canada by the end of fiscal 2025.**





WORKPLACE HEALTH AND SAFETY

Mental health is a safety issue

Because mental health issues like stress, anxiety and depression can make it more difficult to concentrate and harder to judge risk, they increase the potential for accidents and injuries. Mental health issues also can interfere with communications that are key for both working together and following safety protocols.

In distribution centers (DC)s, where teams deal with constant deadlines, physically challenging work and turnover, stress and anxiety tend to be particularly high. Because these teams often work with heavy equipment like forklifts every day, safety concerns are a top priority.

Leaders in our distribution centers address mental health as a workplace safety issue. They are encouraging open conversations and highlighting available resources and support.

Talking about mental health issues openly, and ensuring that employees have access to needed services and support, are two proven ways to reduce stigma and increase both employee engagement and workplace safety.

Leaders in many of our DCs are actively supporting the mental well-being of their teams in other ways, too. In order

to reduce stigma, they are sharing messages on digital signage and posters and in regular safety huddles about mental health as a workplace safety issue, explaining how stress, anxiety and other mental health issues can make people more susceptible to accidents and injuries.

They're highlighting our resources, too, making sure that their teams understand that everyone at Cardinal Health, and their household members, can access trained counselors for free through SupportLinc, our employee assistance program, whether they're covered by Cardinal Health benefits or not.

These leaders also are encouraging employees to check in on each other and build connections with one another. Some are going even further. Operations directors in several of our pharmaceutical distribution sites have turned unused offices into private rooms equipped with a table, chairs and a phone so that if an employee needs a moment of quiet or wants to connect with SupportLinc, they can do so in private.

In the Global Medical Products and Distribution (GMPD) DC in Burnaby, British Columbia, Canada, the warehouse operations manager solicited input from his teams in creating spaces where they could have private time or gather together on breaks. These spaces include a quiet relaxation room, a stretch room, a lounge space furnished with comfortable sofas, a ping pong table and other games, and an outdoor sports court. (And, to encourage use of these spaces, the operations manager hosted a variety of occasional 15-minute games for employees. These had the additional benefit of helping build connections among his team.)

In Buford, Georgia, the operations director turned an unused office into a wellness room that employees can use to take a few minutes to relax. The room is equipped with comfortable furniture and a sound machine with soothing noises that help mask disruptive noises and promote relaxation; walls are stenciled with calming images and messages. One employee in this facility has already received Mental Health First Aid (MHFA) certification; colleagues can opt to visit with her privately in the wellness room.

In addressing mental health directly, ensuring access to resources, and helping their teams understand how mental health issues are connected to workplace safety, these leaders are creating an environment where workers feel supported mentally and physically — leading to safer worksites and healthier workers overall.

WORKPLACE HEALTH AND SAFETY

Reinvigorating a culture of safety in our Ontario, California, facility

When Gregg Arment became director of operations in 2021 at our at-Home Solutions distribution center in Ontario, California, he knew that the fast-paced, direct-to-customer environment would be a complex challenge.

“We are constantly loading and unloading trucks and processing packages of medical supplies,” Arment said. “If we miss a beat, we may not get products to patients on time. The stakes are high.”

One of Arment’s top priorities was improving safety at the site, starting with team culture and training. “We want all 325 employees to approach every task with a safety-first mentality. Our employees’ safety is as important as the packages we’re shipping directly to patients’ homes.”

He launched facility-wide training to strengthen a culture of safety at all levels. “We evaluated our site’s physical assets that were due for improvements, including enhancements that were needed to the site layout — particularly, where machinery routes crossed with pedestrian traffic,” Arment said. His team installed permanent barriers to keep machinery out of the highest foot traffic areas, creating a safer pathway for employees to navigate through the site.

Arment also initiated new programs to help employees ease into their workday more comfortably and efficiently — with their health and well-being top-of-mind.

He said, “I noticed that employees were for the most part just jumping right into their shifts — and it’s a physical job. I saw my team struggling to warm up at the start of their shift, particularly in their first few hours.”

He brought in an ergonomics consultant to study work activities, create a warm-up program for employees for the start of every shift, and train some of the employees to lead the warm-ups. These have helped employees transition at the start of their shifts much more smoothly.

In fiscal 2025, the site’s leadership team created a committee with six lead associates and a supervisor. Should a safety event occur — such as a near-miss or an injury that required first aid — the committee investigates root causes of these incidents. “We trained the committee to quickly understand what happened so we can prevent it from happening again,” Arment said.

The committee reports key findings following any safety event to the facility’s leaders, detailing contributing factors and solutions they believe will

mitigate or eliminate future risk. This could include training employees to use a piece of machinery differently or to safely modify how they use it.

Additionally, supervisors and employees at the lead associate level regularly participate in safety gemba walks. (Gemba is the Japanese term for “actual place;” these walks are a management practice for identifying potential issues.) “Including lead associates, who are recognized by associates as informal leaders, has significantly increased overall engagement in our safety work,” Arment said.

All these improvements contributed to a significant decrease in safety events at the Ontario, California, facility. The year before Arment joined the team, there were more than 20 OSHA recordable injuries; in fiscal 2025, there were only three.

Jamie Deist, SVP of Supply Chain for at-Home Solutions, explains that this commitment to safety and employee experience has been a key area of focus for the business over the past several years. “In fiscal 2025, we achieved the highest

safety performance in at-Home Solutions’ history. Distribution excellence begins with our people — we are committed to continued investments in site improvements and technologies that enhance employee experience because when our employees thrive, so does our business.”

Across Cardinal Health, our operations leaders and employees are highly engaged in identifying and correcting safety hazards. Safety gemba walks are conducted regularly in manufacturing facilities and distribution centers across the enterprise; typically hourly employees participate in them alongside site leaders.

260+ safety hazards were identified and corrected in fiscal 2025 thanks to the gemba walks.

Additionally, the EHS team has engaged a third party ergonomics consultant since fiscal 2012, and has embedded ergonomics training, vocabulary and tools throughout our operations.



We want all 325 employees to approach every task with a safety-first mentality.

Our employees’ safety is as important as the packages we’re shipping directly to patients’ homes.

Gregg Arment

Director of Operations,
at-Home Solutions distribution center,
Ontario, California



03 Resilient business

We are problem solvers who hold ourselves to a higher standard, building efficient operations and a responsible supply chain that strengthen our business and help our customers succeed.

27 Supply chain resiliency

32 Energy and climate

36 Efficient transportation and logistics

39 Waste management

41 Responsible sourcing

43 Business ethics and compliance

45 Data privacy and security





Supply chain resiliency

New highly automated Consumer Health Logistics Center

Our new Consumer Health Logistics Center (CHLC) in Central Ohio is a centralized replenishment center for an expanded mix of Cardinal Health and national brand products to help our pharmacy customers enhance their front-of-store, as well as over-the-counter medications, treatments and diagnostics solutions. It represents the first step in a multi-year path towards increasing capacity and driving efficiencies across our pharmaceutical distribution network.

In developing the facility, Cardinal Health partnered with Prologis, a global leader in logistics real estate solutions that drive efficiency and reduce customer costs. The building is LEED (Leadership in Energy and Environmental Design) v4 Silver-certified. (LEED is a globally recognized rating system for green building developed by the U.S. Green Building Council. It provides a framework for building design, construction and maintenance in a resource-efficient way. The LEED Silver certification means that the CHLC surpasses basic LEED requirements.) The CHLC is equipped with energy-saving and sustainable features such as insulated tilt-up concrete walls that provide better thermal performance and energy efficiency, roof insulation and solar-ready roofing, LED lighting with motion controls, and motion-activated faucets and toilet accessories.

Additional smart technology is driving efficiency and safety. An automated conveyance system moves products from racking to outbound docks, reducing the need for forklifts on the floor. This system minimizes congestion in high-density zones and eliminates thousands of miles of forklift travel each month.

Complementing this system are underground wire-guided forklifts that automatically follow a wire beneath the warehouse floor, keeping them on track in aisles and reducing the chance of safety incidents. In addition, innovations including robotics and automated labeling are helping to reduce physical demands on employees, improve pick-and-pack accuracy and streamline operations.

The CHLC uses a hub-and-spoke model to centralize inventory and streamline distribution. Suppliers ship directly to the CHLC, where products are picked, packed and distributed to our network of more than 20 forward distribution centers serving customers nationwide.



Ultimately, the facility is strengthening our supplier partnerships by creating a more agile, transparent and responsive supply chain.

Inbound products are consolidated into a single, high-performing facility, simplifying logistics, enabling faster decision-making and improving our inventory accuracy, and helping our customers get the products they need, when they need them.



SUPPLY CHAIN RESILIENCY

Cardinal Health at-Home Solutions opens tech-enabled distribution center

Late in fiscal 2025, our at-Home Solutions business completed construction of its newest distribution center in Fort Worth, Texas; the facility was fully operational in July 2025. The new 340,000 square foot distribution center consolidated two existing warehouses in the area and created about 74,000 additional square feet of inventory capacity. The facility ships an average of 10,000 packages per day to patients' homes across the country.

Similar to the at-Home Solutions distribution centers opened recently in South Carolina and Ohio, this facility is fully equipped with some of the world's leading robotics and automation technologies, which assist employees with picking, packing and shipping packages with enhanced speed, safety and efficiency. (Late in fiscal 2025, at-Home Solutions announced plans to add two additional new facilities in the West and Northeast regions of the U.S.)

Key technology features include 74 robots, a 1,500-foot-long automated conveyor system and four automated box-making machines that create 500 custom boxes per hour while minimizing waste. Additionally, the facility will use a leading cloud-based warehouse management system (WMS) that uses artificial intelligence (AI) to maintain resiliency and flexibility in inventory volume management. This WMS is used across at-Home Solutions' entire warehouse network to unify distribution operations across demand, labor, robotics, automation, inventory and transportation within a single platform.

340K

square foot distribution center

10K+

packages shipped per day to patients' homes across the country

74

robots and an extensive automated conveyor system

Thanks to its excellent frontline teams and advanced technologies, in fiscal 2025, at-Home Solutions distribution centers had their best on-record metrics in quality, service, efficiency and employee safety to date.





SUPPLY CHAIN RESILIENCY

AI center of excellence

Adoption of artificial intelligence (AI) continues to increase across the healthcare industry in far-ranging ways — from simple summarizations of patient visits to disease diagnostic support, warehouse automation, and supply chain visibility. More than 70% of healthcare professionals, including providers, payers, and healthcare services and technology groups, say they are now using or testing AI tools in their work.¹⁰

Our AI Center of Excellence (COE) exists to identify promising use cases for AI technologies, test potential solutions and accelerate the use of AI in digital and commercial technologies.

The COE team focuses on balancing the promise of AI with its responsible use to deliver the greatest possible value. We are committed to leveraging AI to advance our support of customers and patients, increase employees' capabilities and job satisfaction, and keep our data secure.

At Cardinal Health, every potential AI project supports a business need. Before applying AI technologies, the COE ensures that the customer or business problem warrants an AI-first solution, that the data is "AI-ready" — high-quality, accurate, and relevant to the specific AI task — and that AI fits into the customer experience in a desirable way.

We have deployed a number of AI solutions that address challenges our customers face, including the advanced automation technology and robotics used in distribution centers referred to in this section. This automation ensures that frontline workers are better able to pick, pack and ship customers' orders with quality, speed, accuracy and safety. Combining AI and robotics within our facilities also helps optimize inventory storage space and inventory management.

AI and machine learning-enabled planning and inventory solutions also give our supply chain leaders visibility into inventory data across the supply chain, so they know what quantities of products we have at any given time, and have insights into customer orders and any fluctuations in demand.

Our corporate AI policy provides clear goals and purposes for AI models, and ensures that security safeguards are built into all new AI tools to protect against adverse manipulation and preserve each AI tool's intended function.

Beginning late in fiscal 2025, all employees who work at a computer every day are required to take an online course on our AI policy. By the end of fiscal 2025, 16,388 employees had completed that course.

Because we believe that AI and automation complement human ability and intelligence, we offer employees multiple additional opportunities to learn more about AI and how it can be applied at Cardinal Health. Our Learning and Development team offers a variety of trainings via our online learning platform, designed for employees with technical expertise, to help them learn key AI concepts and their practical applications. In fiscal 2025, the team rolled out additional, more general courses, applicable to a wider range of employees.

Additionally, the company hosts an annual eight-week "CodeJam," which brings together our business and technology teams to experiment with different AI solutions to address challenges for our customers and employees. And our Digital U program includes a six-month digital college of analytics, automation and AI, created to accelerate learning within data engineering, data science, digital marketing data analytics and robotic process automation.

Advanced automation technology and robotics used in distribution centers help our frontline workers pick, pack and ship customers' orders with quality, speed and accuracy.

Combining AI and robotics within our facilities helps optimize inventory storage space and inventory management.



10. Jessica Lamb, "Generative AI in healthcare: Adoption trends and what's next," McKinsey and Company, July 25, 2024, <https://www.mckinsey.com/industries/healthcare/our-insights/generative-ai-in-healthcare-adoption-trends-and-whats-next>.

SUPPLY CHAIN RESILIENCY

Government relations

In fiscal 2025, Cardinal Health and our Government Relations team furthered our commitment to advancing independent pharmacy advocacy by partnering with state pharmacy associations across the country.

Through these efforts, we are equipping pharmacists with the tools and training needed to engage in advocacy, strengthen their voice in policy discussions, and drive meaningful change.

Stronger together: An advocacy panel at our annual Retail Business Conference (RBC)

This RBC panel discussion early in fiscal 2026 centered on how retail independent pharmacists can best engage with their state policymakers. It featured Rebecca McGrath, Cardinal Health's SVP of Government Relations and Public Policy, as well as industry experts, including Doug Hoey, RPh, MBA, and CEO of the National Community Pharmacists Association (NCPA); Jeff Harrell, PharmD, CEO of Cascadia Pharmacy Group (an independent network of pharmacies in the Northwest) and President of NCPA; and Sarah Sorum, PharmD, EVP and CEO of the Pharmacy Society of Wisconsin and President-Elect of National Alliance of State Pharmacy Associations (NASPA).

McGrath highlighted the importance of advocating at the local and state

level, where meaningful progress often happens quickly. She encouraged independent pharmacists to focus their efforts on building momentum with grassroots advocacy, like inviting a state legislator to visit a pharmacy, writing letters to policymakers, and engaging patients in these grassroots programs.

She also shared key focus areas for her team's advocacy work, including strengthening the voices of retail independent pharmacists to ensure their stories are being heard, partnering with policymakers to expand pharmacists' scope of practice in multiple states, and supporting state-level efforts to address drug pricing through Prescription Drug Affordability Boards (PDABs).

Introducing the Cardinal Health™ One Voice Initiative

Our Government Relations team and our Pharmaceutical and Specialty Solutions segment launched the Cardinal Health™ One Voice Initiative early in fiscal 2026. Through this initiative to strengthen pharmacist advocacy, Cardinal Health will provide direct financial support to state pharmacy associations to advance independent pharmacists' advocacy efforts.

This investment builds our company's long-standing dedication to the future of independent pharmacies, and it promotes our ongoing partnerships with industry organizations to support independent pharmacists' advocacy efforts.

We believe that, as community-based healthcare providers, independent pharmacists can have a powerful voice with legislators.



The Cardinal Health™ One Voice Initiative is intended to support advocacy efforts of the pharmacy community, encourage active participation in advocacy across our nationwide network, and empower pharmacists to use their collective voice in policy discussions about the future of pharmacy.

As part of this initiative, Cardinal Health will contribute financial resources to state pharmacy associations, with additional support guided by opportunities to expand advocacy engagement for the independent pharmacy community.





SUPPLY CHAIN RESILIENCY

Federal public policy priorities

Advocating for acute, hospital-level care in the home

Cardinal Health supports regulatory proposals that promote access to home health supplies, increased reimbursement to home health agencies, and innovations in the home healthcare space. We have long advocated for the extension of the Acute Hospital Care at Home waiver, which reimburses hospitals at the same rate for home-based acute care under Medicare as it does for care in a healthcare facility.

Congress recently extended this waiver through September 2030. As part of the extension, the Centers for Medicare and Medicaid Services will conduct a study and issue a public report that analyzes the criteria established under the waiver program to determine which individuals may be furnished services through this program.

Continuing advocacy for our pharmacy customers

Cardinal Health supports the Ensuring Community Access to Pharmacist Services (ECAPS) Act, which allows pharmacists to be reimbursed by Medicare Part B for providing certain services to seniors with flu, RSV, strep throat and COVID-19.

Pharmacists are among the most accessible healthcare providers, with nine in 10 Americans living within five miles of a pharmacy,¹¹ and patients visit their community pharmacist nearly twice as often as their primary care provider.¹²

We believe that the ECAPS Act will strengthen the role of pharmacists as essential healthcare providers and improve patient access to quality healthcare. The bill, reintroduced in the 119th Congress in May 2025, is supported by a broad coalition of organizations, including the American Pharmacists Association (APhA), Kroger, and the National Association of Chain Drug Stores (NACDS).

11. Mark A. Strand, PhD, CPH; Jeffrey Bratberg, PharmD, FAPhA; Heidi Eukel, PharmD; Mark Hardy, PharmD; Christopher Williams, PhD, "Community pharmacists' contributions to disease management during the COVID-19 pandemic," Centers for Disease Control and Prevention (CDC), July 23, 2020, https://cdc.gov/pcd/issues/2020/20_0317.htm.

Advocating for specialty therapeutics

In spring 2025, Cardinal Health's Government Relations team submitted appropriations report language requests supporting interchangeability of biosimilars with their reference products. Streamlining the approval process for interchangeability designations can help reduce development costs, encourage investment in biosimilar production, and ultimately increase patient access to medications while fostering innovation.

The team also submitted language urging the Food and Drug Administration (FDA) to incorporate innovative clinical trial designs that more accurately reflect the patient populations who could benefit from cell and gene therapies. Additionally, they encouraged the FDA to collaborate with expert researchers and stakeholders to remain aligned with the latest scientific developments.

As a result of these efforts, the team's submitted language was included in the fiscal 2026 House and Senate Appropriations Agriculture Subcommittee report.

12. Lucas A. Berenbrok, PharmD, MS; Nico Gabriel, MA; Kim C. Coley, PharmD; et al, "Evaluation of Frequency of Encounters With Primary Care Physicians vs Visits to Community Pharmacies Among Medicare Beneficiaries," JAMA Network Open, July 15, 2020, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2768247>.



Energy and climate

Progress toward our science-based climate goals

We continue to make progress on our near-term greenhouse gas (GHG) emissions reduction targets approved by the Science Based Targets initiative (SBTi).¹³

With the SBTi approval, Cardinal Health commits to the following science-based targets:

01 Reduce absolute Scope 1 and 2 GHG emissions 50% by fiscal 2030 from a fiscal 2019 base year

02 75% of the company's suppliers by spend, covering purchased goods and services and upstream transportation and distribution, will have science-based targets by fiscal 2028

By the end of fiscal 2025, Cardinal Health had reduced its Scope 1 and 2 emissions by 17% from a fiscal 2019 base year. Additionally, 73% of our top suppliers by spend had set a science-based target.

The company continues to invest in energy efficiency opportunities in our distribution and manufacturing sites and is working to expand its use of renewable energy across the enterprise.

Working toward the second target, throughout fiscal 2025 we continued building relationships with our less mature suppliers — those who may not yet be calculating GHG emissions and do not disclose emissions. Through information sharing on both sides, we learned that many of our suppliers are doing more than they are disclosing. We provided them with resources to help with GHG emission calculations, goal setting, and industry best practices.

In fiscal 2025, in an effort to develop shared resources for the healthcare industry and reduce survey fatigue for shared suppliers, we worked collaboratively with peers across the industry through the National Academy of Medicine (NAM) Climate Collaborative to develop a standardized supplier survey. The [Health Sector Climate Action Survey](#) provides an easy and consistent way to collect the most important climate-related information from suppliers. This survey is a free tool to help engage suppliers in data collection, goal setting, and climate action. The intent is for suppliers to fill this out one time and then share it with all of their customers.

Collaborating with CVS Health

Cardinal Health is partnering with CVS Health to support select Red Oak Sourcing suppliers in advancing sustainability efforts. Red Oak, a joint venture of CVS Health and Cardinal Health that sources generic pharmaceuticals, is one of the largest generic drug sourcing entities in the U.S. Red Oak supports Cardinal Health's pharmaceutical distribution network, CVS's approximately 9,000 retail pharmacy locations and Caremark's mail-order facilities.

Together, the teams conducted joint calls with shared Red Oak suppliers to learn about their environmental efforts, while sharing each organization's sustainability priorities. The teams also shared resources to help suppliers collect GHG emissions data and set their own climate goals. These conversations have strengthened relationships with our shared suppliers and have opened a productive dialogue on how to support one another in reducing GHG emissions, complying with future regulations and building business resiliency.



At the end of fiscal 2025, Cardinal Health had reduced its Scope 1 and 2 emissions by 17% from a fiscal 2019 base year.

13. The SBTi is a collaboration among CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments.

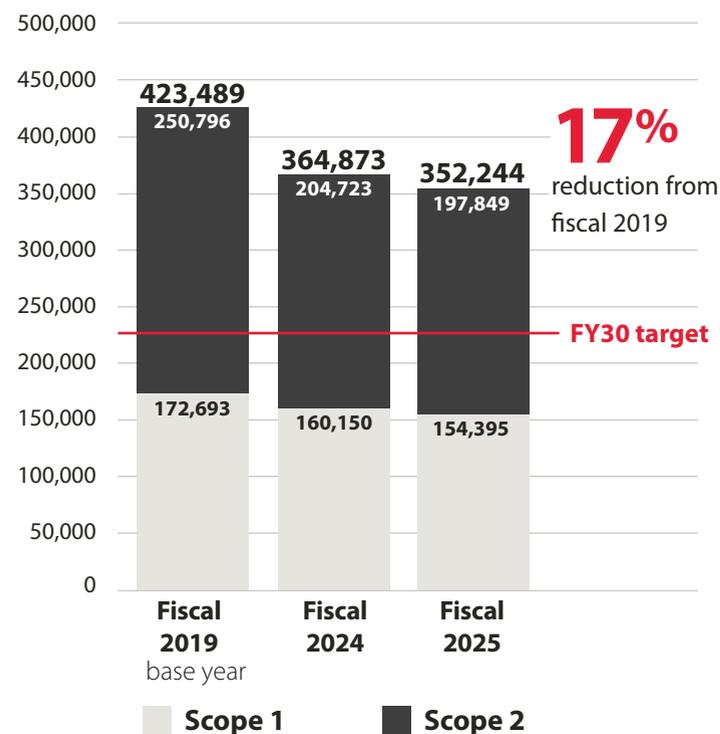
ENERGY AND CLIMATE

Progressing toward our science-based climate targets

Scope 1 and 2 greenhouse gas (GHG) emissions

Total market-based GHG emissions

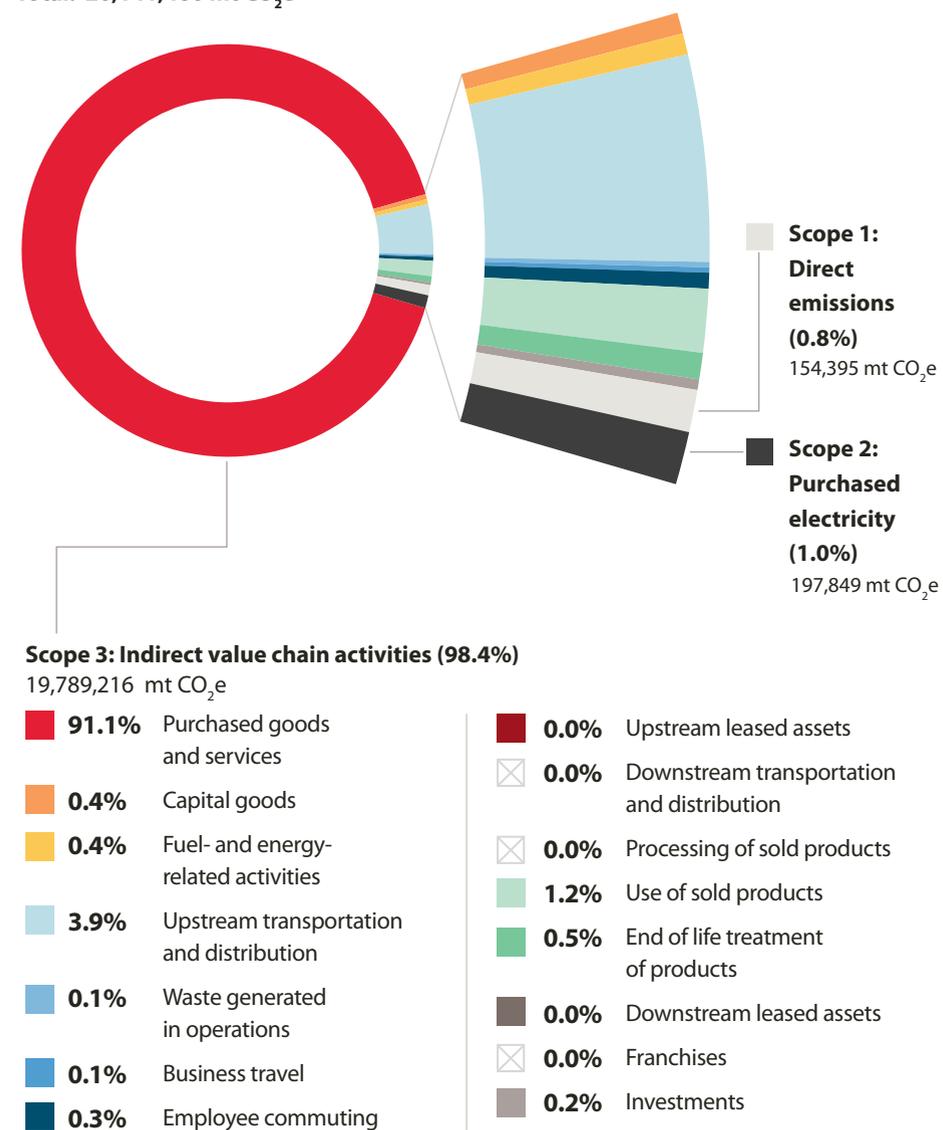
(metric tons CO₂e)



As part of multiple business acquisitions in fiscal 2025, we have restated our fiscal 2019 base year emissions to accommodate for changes in our portfolio. This restatement includes the addition of a large number of medical offices and the estimation of their emissions associated with electricity and fugitive emissions.

Cardinal Health fiscal 2025 GHG footprint

Total: 20,141,460 mt CO₂e

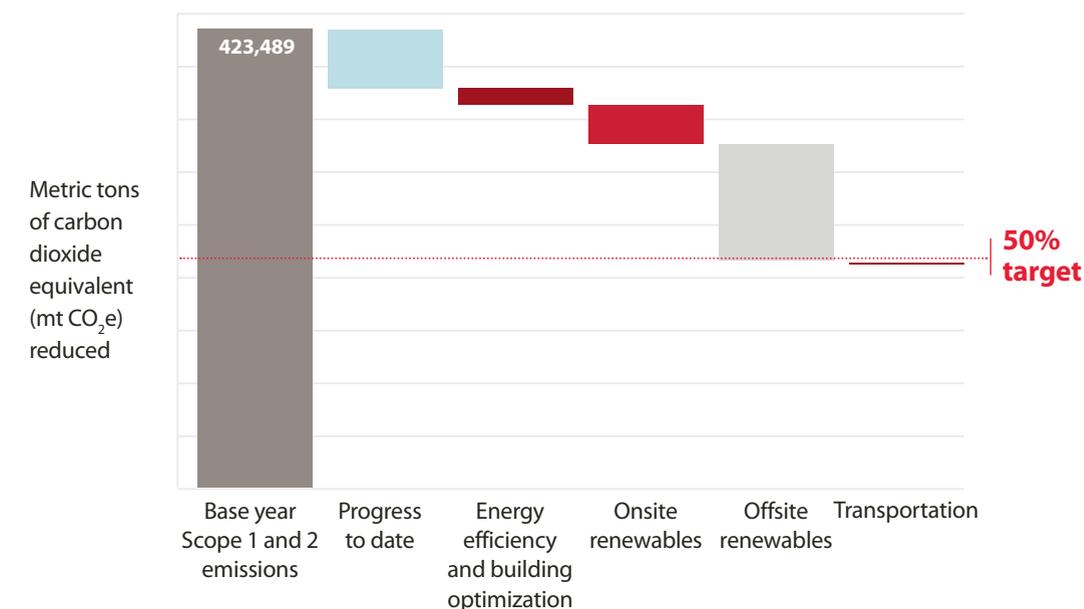


Moving our climate action plan forward

In order to continue to make progress toward our 2030 Scopes 1 and 2 GHG emissions goal, we follow a comprehensive climate action plan developed in fiscal 2024. As shown below, this plan involves a number of decarbonization levers that we plan to deploy through fiscal 2030 and beyond. Some of these levers have been in use for years across the organization and will be strategically expanded, while others are new for Cardinal Health.

Our climate action plan will continue to evolve as the business evolves, as market conditions change, and as technology improves. The climate action plan contributes to the decarbonization of our operations through energy efficiency and building optimization, onsite renewable energy, offsite renewable energy, and improved transportation efficiency. Over the next few years, we will focus our efforts on improving the energy efficiency of our facilities and significantly expanding the number of onsite solar projects across our portfolio.

Levers to achieving our 2030 goal



This plan is flexible and subject to change.

ENERGY AND CLIMATE

CHARME

In fiscal 2025, Cardinal Health continued to work with CHARME (Collective Healthcare Action to Reduce MedTech Emissions), an initiative created to accelerate the reduction of supply chain greenhouse gas emissions for medical devices and supplies, which makes up 7% of the health sector’s US footprint.¹⁴

CHARME is convened by the Sustainable Purchasing Leadership Council (SPLC) and co-chaired by Kaiser Permanente and Vizient. It brings together 40 health systems, medical device and equipment suppliers, distributors, Group Purchasing Organizations (GPOs), and other key industry stakeholders to define and implement best practices for reducing emissions from the MedTech supply chain. Participants believe that working together across the supply chain will enable us to make significant reductions in GHG emissions. Cardinal Health is proud to be among its inaugural members.

CHARME has five workstreams focused on making a meaningful impact in decarbonization:

- 01** Product durability, to test opportunities for replacing single-use devices with durable alternatives that maintain patient safety.
- 02** Reprocessed single-use devices, to accelerate the adoption of these devices.
- 03** Sustainable procurement, working to engage with supplier partners to set and pursue emissions reduction goals.
- 04** Product innovation, to reduce embodied carbon emissions with sustainable alternatives, including material and product changes and reduce emissions in products’ end-of-life.
- 05** Renewable energy, intended to execute an aggregate Virtual Power Purchase Agreement (VPPA) to procure renewable electricity for CHARME participants.

Cardinal Health has participated heavily in the product innovation and renewable energy workstreams since CHARME’s inception. In fiscal 2025, we increased our participation in the product durability and reprocessing workstreams.

Solar power

We have signed Power Purchase Agreements (PPAs) with solar developers for solar projects at eight Cardinal Health facilities across the U.S. We expect construction to begin on some of these projects in 2026.

Energy efficiency

In fiscal 2025, we made good progress on our climate action plan with the deployment of 28 energy efficiency projects across our portfolio. These projects must meet specific financial and environmental targets to be funded and deliver cost and energy savings for our sites. We invested \$2 million in these projects which are expected to deliver \$964,000 in annual cost savings, and reduce GHG emissions by more than 4,500 metric tons CO₂e, which is equivalent to the emissions from 1,051 gasoline-powered passenger vehicles driven for one year.

One of these energy efficiency projects was an upgrade to a high-efficiency rooftop HVAC unit at our pharmaceutical distribution facility in Madison, Mississippi, as shown at right.

Our energy efficiency work in fiscal 2025 resulted in:

\$964K+ *in annual cost savings on a \$2M investment*

Reduced GHG emissions by over **4.5K** *metric tons of CO₂e*

28 *energy efficiency projects deployed*



14. Collaborative for Healthcare Action to Reduce MedTech Emissions (CHARME), Sustainable Purchasing Leadership Council, <https://www.sustainablepurchasing.org/charme>, (accessed October 30, 2025).



21.6M
single-use devices
collected in fiscal 2025
from health systems
across the U.S.

6.6M lb.
of waste diverted
from landfills

1.9K+
metric tons CO₂e
emissions avoided

ENERGY AND CLIMATE

Sustainable Technologies announces new reprocessing facility in Australia

Sustainable Technologies, a Cardinal Health business, extends the life of single-use medical devices through FDA-regulated reprocessing. The business drives financial value and supply resilience, while supporting clinical teams' efforts to help achieve their organization's sustainability goals.

In fiscal 2025, Sustainable Technologies collected 21.6 million single-use devices from health systems across the U.S., diverting 6.6 million pounds of waste from landfills, and avoiding more than 19,000 metric tons CO₂e.

Various research shows that reprocessing single-use medical devices can have a significant impact on the environment, diverting the devices from landfill and returning them to circulation.

For example, a recent peer reviewed life cycle assessment (LCA)¹⁵ shows that reprocessed compression sleeves have a 40% lower carbon footprint compared to single-use sleeves, and reduce hospital waste disposal costs by 90%.

As the Association of Medical Device Reprocessors reports, several additional LCAs have been published,¹⁶ providing evidence that reprocessing can significantly reduce waste and greenhouse gas emissions compared to new, single use devices.

Cardinal Health announced plans in fiscal 2025 to launch its first Sustainable Technologies facility outside the U.S. This new facility will be located outside of Newcastle, New South Wales, Australia. This will be one of the few facilities in Australia that remanufactures single-use medical devices.

When it is fully operational in fiscal 2027, the Australia facility will focus on the remanufacturing of compression sleeves, using cleaning and disinfection processes to remove soil and contamination from single-use medical devices, which meet the requirement of the Australian Therapeutic Goods (Medical Device) Regulations of 2002. The reprocessed devices will undergo 100% functionality and quality testing, followed by high-level disinfection, and then will be returned to hospitals for use.

This investment will support the growing demand from customers seeking sustainable, local solutions in Australia and New Zealand. The site will enable future growth of remanufacturing across the regions served.

Increasing sustainability initiatives in locations around the globe



Within distribution centers, manufacturing facilities and offices around the world, our teams focus on increasing sustainable business practices. These are just a few highlights.

In India, our 400+ employees occupy one floor of a building that is LEED Platinum certified, meaning that it was built and operated to be sustainable. Within this space, the HVAC system is turned on only 30 mins before a shift; employees sit in one area of the office and

turn on air handling units in that area, which saves both energy and costs. The office space also is WELL Platinum certified, equipped with ergonomic work stations and chairs; medical doctors visit the facility regularly to talk about ergonomic safety and there are separate wellness rooms for men and women.

And, in many of our distribution centers and medical product manufacturing facilities, employees are engaged in regular gemba walks to identify ways to

reduce energy use, increase reliance on renewable energy, reduce waste, use less water, and increase recycling. Over the past several years, they have replaced dated equipment with more energy-efficient models, completed LED retrofits, reduced paper use by adopting electronic documentation, and installed water faucets with motion sensors.

15. Sabrina Lichtnegger, Markus Meissner, Francesca Paolini, Alex Veloz, Rhodri Saunders, "Comparative Life Cycle Assessment Between Single-Use and Reprocessed IPC Sleeves," National Library of Medicine, December 13, 2023, <https://pubmed.ncbi.nlm.nih.gov/38107437/>.

16. "How do we know reprocessed devices are better for the climate?" AMDR website, <https://amdr.org/portfolio-items/understanding-lcas/> (accessed August 26, 2025).



Efficient transportation and logistics

Enabling efficiency in the pharmaceutical supply chain

Using fewer totes

Our Pharmaceutical Distribution team has expanded its work to reduce the overall number of totes used to ship products from distribution centers (DCs) to customers. The work done in fiscal 2024, which reduced the number of totes used by more than 3 million, focused on consolidating pick zones, reordering picking and packing, and adjusting picking cart configurations to pack totes more densely and shipping small products in mail bags instead of totes. In fiscal 2025, the team analyzed product picking and packing in their DCs' refrigerated storage areas (the cold storage areas where temperature-sensitive medications, vaccines and biological substances are kept), and realized there was a significant opportunity to increase packing efficiencies.

By moving to a larger-sized tote and re-engineering picking and packing in these areas, the team reduced the total number of totes by about 7.1 million in fiscal 2025 compared to fiscal 2024. The reduction in tote usage for products requiring cold storage is particularly significant, as such specialized products are growing at about three times the rate of all other pharmaceutical product categories.

Tote-efficiency improvements across the network have achieved an annualized reduction of 11.1 million totes, corresponding to approximately 2,000 metric tons of avoided end-of-life emissions.



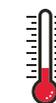
The team has achieved an annualized tote reduction of

11.1M

Eliminating traditional refrigerants

Because the category of products known as cold chain pharmaceuticals — temperature sensitive medications, biologics and vaccines that require temperature-controlled storage and shipping — is growing so rapidly, our Pharmaceutical Distribution team is expanding the refrigerated areas in a few distribution centers each year, adding several thousand square feet to these spaces with each expansion.

In fiscal 2025, the team began converting our operations away from traditional refrigerants to carbon dioxide (CO₂), which has significantly lower environmental impact. In fact, CO₂ has a Global Warming Potential (GWP) — a formula used to measure how much something contributes to global warming — of just 1, while the GWP of traditional refrigerants can be 2,000 to 4,000 times that. Additionally, CO₂ systems can be very efficient, particularly in cooler climates; technological advancements are making them increasingly efficient in warmer environments, too. In fiscal 2026, refrigerated areas in two additional DCs will be converted to CO₂.



In fiscal 2025, we converted to CO₂ refrigerant in the cold storage areas in one DC, expected to reduce annual GHG emissions by 100 metric tons of CO₂e.



EFFICIENT TRANSPORTATION AND LOGISTICS

Shipping small pharmaceutical products in bags instead of totes

By the end of fiscal 2025, 15 of our 21 pharmaceutical distribution centers (DCs) had implemented processes for shipping small products in bags instead of totes; more DCs have been implementing this solution in fiscal 2026.

Product orders that are 150 cubic inches (about the size of a large grapefruit) or smaller and do not require special packaging or temperature control are now packed and shipped in bags. Using more bags and fewer totes has provided multiple benefits, including reduced operational costs, improved management of unexpected increases in order volume, greater on-time delivery, and fewer delivery errors. What's more, the Pharmaceutical Distribution team's data show that there are fewer damage claims for eligible products when they're delivered in bags rather than totes. (To mitigate damage or loss, Cardinal Health's couriers are required to use a tote or box to transport the bags in their vehicles.)

Bags make unauthorized access immediately noticeable, effectively discouraging tampering attempts and ensuring that the integrity of the bag's contents is maintained throughout transit to the customer.

To ensure that products in glass containers are not packed in bags, to drive consistency across the network and to continually reduce errors, the Pharmaceutical Distribution team is developing a systematic control that excludes ineligible products from the bagging process. (Ineligibility is based on objective criteria, including shipping damage data.)

This bag initiative is helping to minimize delivery delays, particularly during peak demand periods like holidays or extreme weather events. It's also increasing the efficient packing of delivery vehicles; the bags mean that vehicles can handle larger order volumes and can sometimes be shipped in smaller vehicles. This conversion to shipping in bags was the primary driver that resulted in a 1.2 million mile reduction in line haul miles and avoidance of 489 metric tons CO₂e emissions.



Shipping smaller product orders in bags rather than totes is reducing operational costs and improving customer service by allowing us to better manage unexpected increases in order volume, increase on-time deliveries, and reduce delivery errors.



EFFICIENT TRANSPORTATION AND LOGISTICS

Ongoing lane optimization in the Global Medical Products and Distribution segment

In fiscal 2025, GMPD continued its focus on lane optimization to increase shipping route efficiencies and reduce miles and fuel consumption. Lane optimization is critical to increasing our supply chain efficiency and reducing both transit times and costs.

The GMPD logistics team uses advanced analytics to determine the most efficient routes from distribution centers (DCs) to customers and back, based on distance, traffic patterns and fuel consumption.

Optimized routes are enabling improved customer service through more reliable delivery, and increasing supply chain visibility. They also help lower emissions.

The GMPD logistics team has done extensive planning and analysis to optimize routes from our medical product distribution centers in Groveport, Ohio; Waukegan, Illinois; and Boylston, Massachusetts, to customers' facilities. The new, optimized routes were put into practice at the end of calendar year 2025 and the beginning of 2026.

Results of optimizing routes between the distribution centers and customers

Groveport, Ohio

- Miles reduced: **210,000 miles a year**
- Emissions reduced: **350 metric tons CO₂e**

Waukegan, Illinois

- Miles reduced: **91,000 miles a year**
- Emissions reduced: **150 metric tons CO₂e**

Boylston, Massachusetts

- Miles reduced: **156,000 miles a year**
- Emissions reduced: **250 metric tons CO₂e**

Additional increases in transportation efficiencies were put into place in our Presource business. Presource assembles surgical kits and sterilizes the kits using multiple sterilization partner sites. The transportation team identified an opportunity for network efficiency at the sterilization site in Ontario, California. Prior to fiscal 2025, kits from Ontario were sent back to our El Paso, Texas, cross-dock to deploy into the U.S. distribution network. Presource eliminated the step of shipping products back to El Paso and now upon completion of sterilization, kits are delivered into the distribution network directly.

GMPD also has significantly reduced air miles simply by loading many products previously shipped by air onto trucks already scheduled to travel to the same destinations as intended by air. In fiscal 2025, this initiative avoided approximately 9,000 metric tons of CO₂e. Based on EPA estimates of annual CO₂ emissions from a typical passenger vehicle, this is roughly equivalent to removing 2,100 cars from the road for a year.¹⁷

17. The Environmental Protection Agency (EPA) estimates 4.6 mt CO₂ per passenger vehicle, and total avoided emissions is 9,654, equal to taking 2,099 cars off the road. EPA website, <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle#:~:text=typical%20passenger%20vehicle?-,A%20typical%20passenger%20vehicle%20emits%20about%204.6%20metric%20tons%20of,8%2C887%20grams%20of%20CO2%20,> (accessed August 29, 2025).

Waste management

WaveMark™ Solutions: Reducing waste and improving financial performance for customers

Many health systems across the U.S. still manage medical supply inventory manually, tracking and documenting products as they are received, stored, moved and used. These manual processes are labor intensive and time consuming, and likely to be inaccurate, so products may be over- or under-ordered, leading to inefficiencies and waste.

Yet supplies represent the second largest expenditure for hospitals, after labor costs. A regional health system may purchase as many as 60,000 unique products annually, some of which may be duplicative or unnecessary.¹⁸ In 2023, hospitals spent nearly \$147 billion on medical supplies,¹⁹ an increase of 4.7% over the previous year.

The operating room is responsible for nearly 70% of a hospital’s revenue, and also accounts for much of the health system’s waste. In fact, 13% of surgical supply costs can be attributed to wasted supplies.²⁰

Cardinal Health™ WaveMark™ Solutions provides health systems with clinical supply chain insights that empower them to operate the most efficient flow and clinical documentation of medical supplies. The solution helps optimize workflows and

supports product availability by using predictive modeling and automated inventory management, along with expert support.

Currently, WaveMark partners with more than 350 U.S. hospitals. With mobile readers or radio-frequency identification (RFID)-enabled cabinets powered by proprietary IntelliWave™ Technology, WaveMark helps health systems track supplies across departments. An advanced analytics portfolio, driven by AI and smart algorithms, gives health systems a comprehensive view of their inventory across all sites, and can drill down to specific departments and products. Its predictive analytics deliver real-time inventory insights and recommendations based on current supply levels.

Additionally, the WaveMark™ Moment of Care™ System, a solution for operating rooms and catheterization labs, integrates into a health system’s electronic health record (EHR) and provides seamless documentation of a product when scanned via RFID reader at the point of care. The solution is also fully integrated into the hospital materials management information system (MMIS), so the product scan automatically deducts the product from current inventory.

This enables the automated ordering of needed supplies based on an AI and machine learning algorithm to ensure product availability without overstocking.

Hospitals using WaveMark see, on average, a 65% reduction in product waste in the first year

With WaveMark, hospitals are able to base purchase decisions on actual use data. Customers leveraging Cardinal Health™ WaveMark™ Solutions have been able to reduce supply inventory carrying costs by an average of 26%. WaveMark’s real-time documentation gives

insights into current inventory availability and protects patients from the risk of recalled or expired products. It also helps dramatically reduce supply waste in operating and procedural rooms. (Supply waste can include opened and unused supplies, expired products as well as products that are lost or have become obsolete.) Hospitals using WaveMark™ Solutions see, on average, a 65% reduction in product waste and a 52% reduction in expired products within the first year of install, which represents an average savings per department of \$263,000.

Results for customers leveraging Cardinal Health™ WaveMark™ Solutions:

26%

average annual reduction in inventory carrying costs

\$471K

reduction in wasted and expired products across installed customers in 2025

\$263K

average waste and expiration savings per department after the first year

18. Eric Bishop, Brienne Bowen, Sabriya Karim, Margarita Protopappa-Sieke, and William Weinstein, "Bolstering health system supply chain resilience to reduce risk," McKinsey and Company, July 11, 2023, <https://www.mckinsey.com/industries/healthcare/our-insights/bolstering-health-system-supply-chain-resilience-to-reduce-risk>.

19. "America's hospitals and health systems continue to face escalating operational costs and economic pressures as they care for patients and communities," American Hospital Association, May 2024, <https://www.aha.org/guidesreports/2025-04-28-2024-costs-caring>.

20. Corinna C Zygourakis, Seungwon Yoon, Victoria Valencia, Christy Boscardin, Christopher Moriates, Ralph Gonzales, and Michael T Lawton, "Operating room waste: disposable supply utilization in neurosurgical procedures," Journal of Neurosurgery, February 2017, <https://pubmed.ncbi.nlm.nih.gov/27153160/#full-view-affiliation-6>.



Presource surgical kitting solutions can help hospitals drive procedural efficiencies, reduce costs and reduce waste.

WASTE MANAGEMENT

Cardinal Health™ Presource® Solutions

Presource provides standard and custom surgical procedural kits that include most of the necessary supplies and components for a given procedure, packaged together, sterilized and ready to use. Standard kits include the most frequently used supplies for a procedure; custom kits are built to meet the needs and preferences of specific health systems.

Presource delivers increased efficiencies for healthcare systems by reducing product pick time, operating room turnover time, and the number of items needing to be individually sourced and opened for each procedure. Significantly, Presource helps customers optimize their supply chain management and reduce both cost and waste. The Presource team uses data-driven tools to show customers greenhouse gas (GHG) emissions in optimized kits, identify opportunities to eliminate

On average, Presource custom packs can result in more than 2K pounds of waste reduction per hospital per year. packaging waste and reduce the number of unused items that would otherwise enter the waste stream.

When Presource brings on a new health system, a team of clinicians and logistics experts works closely with the customer to design customized packs that align with their health system’s specific procedural needs. This entails evaluating current practices, case pick lists, and identifying potential areas for optimization.

The Presource team then creates sample custom packs for the customer to review, adapt and approve. Presource is currently offering the option to use virtual sample pack reviews instead of physical pack reviews to help further reduce waste.

Kit assembly takes place in controlled access rooms with strict environmental controls and cleaning protocols, to minimize contamination. Once assembled, the packs are wrapped, weighed, sealed, and sent for sterilization, then shipped to our GMPD distribution centers and on to customers.

In fiscal 2025, the Presource® and WaveMark™ Solutions teams began working together to create a solution that will help Presource customers reduce product waste even more. WaveMark is using its technology to track how Presource® kits are actually used to then help inform the most appropriate custom pack, removing products that aren’t being used. This new program is expected to be rolled out with customers in fiscal 2026.

Responsible sourcing

At Cardinal Health, we seek out suppliers around the world who not only provide high quality products and services but also share our core values and our responsible sourcing priorities. We believe that, by collaborating with and training our suppliers on key environmental and social practices, together we can achieve positive impacts across our shared supply chain.

All Cardinal Health suppliers are expected to comply with multiple policies, including:

- 01** **Vendor Code of Conduct** and Standards for Suppliers, which set forth the obligation of all vendors and suppliers that do business with Cardinal Health; they are reviewed and updated regularly.
- 02** **Conflict Minerals policy**, which establishes Cardinal Health's requirements for raw material, component, or contract manufacturing suppliers providing goods that contain tin, tantalum, tungsten and/or gold.
- 03** **Global Human Rights and Labor Standards policy**, which establishes requirements for global conduct related to human rights and labor standards. This policy is informed by internationally recognized frameworks setting forth human rights and labor standards to continue to enhance our management of these issues in our operations and supply chain.

Driving sustainable business performance improvements among our suppliers

Through supplier trainings and the education of internal sourcing professionals across the enterprise, we have helped create a broad understanding of our sustainable business priorities as well as potential environmental and social risks in the supply chain. Suppliers now better understand those risks and trust that remediation plans and corrective action plans are designed to help them perform better and improve responsible business practices across our supply chain.

In fiscal 2025, the team built on that shared understanding and matured the supply chain due diligence program to place a greater focus on impactful improvements. The team expanded its due diligence training in fiscal 2025 to include one-on-one supplier engagement to address supplier-specific environmental, labor and human rights, and ethics risks.

This training serves multiple purposes: It provides suppliers with greater understanding of compliance requirements, ethical standards and potential risks, including potential labor law violations and environmental issues.

For example, at the annual Responsible Glove Alliance conference (see next page), the team provides a full-day training for suppliers in the glove supply chain, focused on identifying and preventing forced labor. In addition, we provide training through EcoVadis, a trusted provider of business sustainability ratings that the team has engaged since fiscal 2024. EcoVadis surveys suppliers across the enterprise; those surveys are translated into easy-to-use, transferable and actionable scorecards for suppliers. Suppliers receive information about environmental issues, labor and human rights, ethics, and sustainable procurement performance, with recommendations for improvement.

In fiscal 2025, 741 sites and facilities were assessed for inherent risk using the EcoVadis platform. Based on risk level, on-site audits may also be conducted at select supplier facilities. These multiday audits assess labor rights, employee health and safety, environmental compliance, business ethics, and management systems at supplier facilities. Corrective actions are put into place with suppliers to address findings in these audits, and training is delivered by our audit provider to support the timely closure of corrective actions.

63% of our suppliers by spend were assessed through a survey or onsite environmental, social or governance audit, up from 45% in fiscal 2024.

Due diligence efforts were expanded in fiscal 2025 to three additional Cardinal Health businesses: Major™, Rugby™ and Leader™ Brands, which supply generic prescription, over-the-counter, and vitamin and supplement products; WaveMark™ Solutions; and Cardinal Health Canada, which distributes medical products and services to the Canadian market.

Around the world, there is a growing body of legislation impacting the healthcare supply chain, with particular focus on protecting against medical device shortages and against risks like forced labor and child labor. Examples include the U.S. Uyghur Forced Labor Prevention Act (UFLPA), SEC Conflict Minerals Rule, Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act, UK Modern Slavery Act, Swiss Article 964, and the EU Deforestation Regulation (EUDR). We have been working cross-functionally to help ensure compliance with existing regulations and to prepare for new regulations to come.

**RESPONSIBLE SOURCING**

Responsible Glove Alliance



Cardinal Health is a founding member of the Responsible Glove Alliance (RGA), launched in March 2022 as a collaborative initiative of the Responsible Business Alliance (RBA).

The RGA works to prevent, identify and remediate conditions that contribute to forced labor in the gloves industry. Membership is open to all glove manufacturers and all companies that purchase gloves. Members must apply due diligence to their supply chains, and are vetted before being admitted. The RGA was founded with seven members; at the end of fiscal 2025, nine companies were members.

The RGA held its second annual in-person steering committee meeting in Malaysia in fiscal 2025, engaging with the Malaysia Rubber Glove Manufacturers Association (MARGMA), and exhibiting and speaking at MARGMA's International Rubber Glove Conference and Exhibition.

During the meeting, the steering committee approved adding a new membership level, aimed at attracting smaller suppliers that may not be ready to fully engage with the RGA. This new

supporter level is intended to provide capacity building to help smaller suppliers become ready for and move to full membership.

The steering committee also approved the establishment of a working group to address recruitment fees within a specific sub-industry. This working group was launched in fiscal 2025. It allows suppliers working with RGA members to have one risk assessment that can be used by multiple customers, to help reduce both audit fatigue and audit costs, and will coordinate corrective action work to eliminate duplicative efforts.

In addition, the RGA has increased its engagement with the RBA, co-sponsoring outreach events to increase exposure, and gaining access to and training on RBA platform modules and risk assessment tools to enhance forced labor due diligence across the glove industry supply chain.

The Responsible Glove Alliance works to ensure that the rights of workers in the glove industry supply chain are respected and promoted through responsible sourcing practices.





Business ethics and compliance

At Cardinal Health, our culture reinforces our value of integrity: Employees hold themselves to the highest ethical standards so our customers, suppliers, shareholders and fellow employees can trust us to do the right thing.

Our Ethics and Compliance Program is aligned with our company values, and it helps ensure that we comply with applicable laws and regulations as we conduct business. The program is led by a senior vice president who reports directly to our Chief Legal and Compliance Officer. The Ethics and Compliance team partners closely with business leaders across the enterprise to implement our program and foster a culture of compliance.

We regularly evaluate and enhance our Compliance Program, as appropriate, to meet changing regulatory expectations and emerging risks as Cardinal Health continues to grow. The work of the Ethics and Compliance team is overseen by a Compliance Committee, which includes our executive leadership team. Chaired by our Chief Legal and Compliance Officer, the Compliance Committee provides guidance on the implementation of our compliance program and monitors ongoing improvement in the overall processes across the organization that prevent, detect and respond to compliance risks.

Our Board's Risk Oversight Committee oversees the Ethics and Compliance Program, among other responsibilities.

Standards of Business Conduct

The Cardinal Health Standards of Business Conduct outline the standards of integrity and responsible conduct that all employees must follow to protect the trust of our customers, suppliers and shareholders. Employees are directed to use the Standards of Business Conduct as a navigation tool to guide daily decisions.

Our Standards of Business Conduct are authorized and supported by the Cardinal Health Board of Directors and senior leadership, and available in 14 languages (including two versions each of French, Spanish and Portuguese). They are distributed internally to every employee upon hire and are posted on the Cardinal Health website and intranet. [View them here](#). As part of our global compliance training program, employees are expected to complete training on the Standards of Business Conduct upon hire and thereafter on an annual basis.



Our Standards of Business Conduct are available to all employees in 14 languages.
[View them here »](#)



BUSINESS ETHICS AND COMPLIANCE

Training and awareness

Cardinal Health employees receive training through our web-based training platform on a core curriculum that addresses applicable risks within our businesses. In fiscal 2025, 96.2% of employees completed our Standards of Business Conduct training course. Compliance business partners supplement our web-based training with additional virtual or in-person training sessions based on specific areas of risk within the business units they support. In fiscal 2025, virtual or in-person training was provided to several key departments, including Sales, Finance, Human Resources, Quality, Medical Affairs, Regulatory and Marketing across 29 countries.

In addition, the Ethics and Compliance team increased the number of visits to our global facilities with the goal of raising compliance awareness, conducting compliance culture assessments, and fostering relationships with frontline employees.

These site visits include training for supervisors and employees and provide opportunities for employees to ask questions, raise concerns and meet one-on-one with Ethics and Compliance representatives.

Bribery and corruption prevention

As Cardinal Health operates through extended distribution channels and supply chains, we seek to follow the highest ethical and business standards and comply with laws prohibiting bribery and corruption. Cardinal Health's anti-bribery and anti-corruption program helps ensure compliance with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and other country-specific anti-corruption laws. Our Standards of Business Conduct and Anti-Bribery and Anti-Corruption (ABAC) Policy prohibit bribery or any other means of trying to obtain any improper advantage from government officials or others with decision-making power or influence over any aspect of our business.

Third-party compliance risk program

We maintain a robust third-party compliance risk management program focused on mitigating bribery and corruption risks that may arise from interactions with certain third parties, including distributors, wholesalers, sales agents and potentially high-risk vendors and direct suppliers.

Business Conduct Line

The Business Conduct Line is available to employees and third parties 24 hours a day, 365 days a year.

It exists so that anyone can confidentially and, if desired, anonymously, raise issues about the business conduct of Cardinal Health and its employees.

Cardinal Health encourages and promotes a "speak-up" culture, free from retaliation. Employees can raise issues, voice concerns, or seek guidance through the Business Conduct Line. All reports will be treated confidentially, except where disclosure is required to properly investigate the issue or where disclosure is mandated by law. All issues submitted are entered into an electronic case management system for tracking and communication.

All matters escalated through the Business Conduct Line, as well as other reporting channels, are investigated and documented by an Internal Investigations team, staffed by dedicated, experienced individuals with diverse backgrounds. Cardinal Health's investigations process includes a review of the misconduct and actions taken to ensure that corrective action is applied and documented consistently.



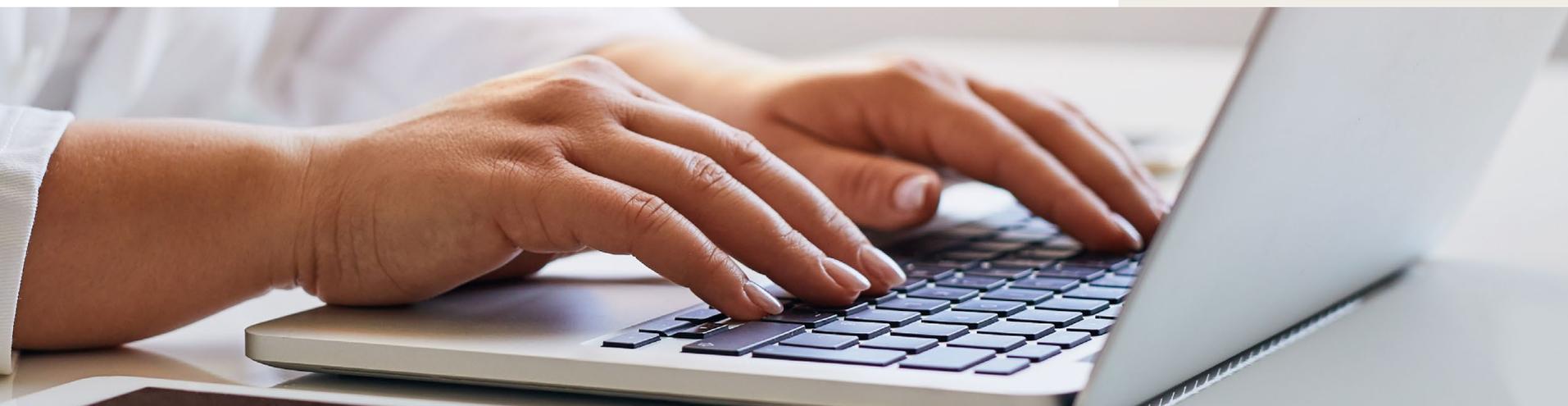
U.S. Business
Conduct Line:
800.926.0834

Find an international number »
Multilingual representatives available.

To learn more about business ethics and compliance at Cardinal Health, including compliance with the European Whistleblowing Directive, Transparency Reporting, and related policies and procedures, please see our website: <https://www.cardinalhealth.com/en/about-us/who-we-are/ethics-and-compliance.html>

96.2%

of employees completed our Standards of Business Conduct training course in fiscal 2025.





Data privacy and security

Privacy is always a key priority at Cardinal Health: Our Enterprise Privacy Office (EPO) exists to strengthen and centralize the company’s global privacy program. The EPO keeps leaders and employees at all levels current on the continually changing regulatory landscape, on industry-leading practices, and on emerging areas of privacy risk.

The EPO also addresses existing risks and enables the use of personal data for business growth and innovation in a compliant manner.

The EPO partners with Cardinal Health’s Information Security team to protect the personal information we collect from our customers, patients, employees, suppliers, and other business partners, and works to build connectivity and expertise with key stakeholders across the enterprise. The team holds an Annual Privacy Summit to discuss key privacy topics and share knowledge with Security and Privacy Officers from across the enterprise, as well as marketing teams, indirect procurement, human resources, and other business teams.

In fiscal 2025, our Pharmaceutical and Specialty Solutions business launched The Specialty Alliance,

a multi-specialty managed services organization (MSO) platform. The Specialty Alliance encompasses GI Alliance, the leading gastroenterology MSO in the U.S., in which we acquired a majority stake in fiscal 2025. GI Alliance includes more than 900 physicians across 345 practice locations in 20 states, with extensive reach into the local communities they serve.

The Specialty Alliance also includes Solaris Health, the country’s leading urology MSO, which Cardinal Health acquired in November 2025.

Additionally, Cardinal Health acquired the Integrated Oncology Network (ION), an MSO that supports more than 50 practice sites in 10 states. ION was combined into our existing Navista business.

With these acquisitions came large amounts of protected health information (PHI), which has to be protected in order to comply with the Health Insurance Portability and Accountability Act (HIPAA).

In connection with these acquisitions, the EPO has added designated privacy officers to each business and additional in-house legal counsel to integrate and update the legacy privacy programs, while also engaging third party experts to assess program gaps and remediation.

Finally, our Information Security Office continues to assess where additional resources are needed to keep all patient data secure and ensure that we continue to be fully compliant with all patient privacy laws and regulations.



Acquisitions in fiscal 2025 brought large amounts of protected patient data, requiring updates to our privacy policies and procedures.



DATA PRIVACY AND SECURITY

Cybersecurity risk management

At Cardinal Health, we identify, assess and manage risks related to cybersecurity through documented policies, standards and procedures as part of our overall approach to cybersecurity — a critical component of our wider enterprise risk management program. Our approach to detection, mitigation, remediation and prevention of cybersecurity risks uses a range of measures including, among other elements: benchmarking to generally accepted industry standards and frameworks, such as the National Institute of Standards and Technology cybersecurity framework; maintenance of cybersecurity incident response, disaster recovery, and business continuity plans; using tabletop exercises (discussion-based sessions in which teams walk through hypothetical emergency scenarios to test and refine response plans) to promote awareness and improve internal processes; periodic penetration testing; a dedicated staff of cybersecurity professionals; and implementation of security measures and policies intended to identify as well as assist in containing and remediating cybersecurity risks. We also maintain a formal employee cybersecurity training requirement that includes training on social engineering, as well as several other topics.

In the event of a cybersecurity incident, members of the Information Security team alert their leadership, who in turn alert appropriate management teams and Legal and Finance teams, so they can assess the materiality of the event and fulfill any reporting requirements. If warranted, senior management will notify the Risk Oversight Committee of the Board of Directors or the full Board.

Employee cybersecurity training



With the growth of AI, the cybersecurity risk landscape has changed, as threat actors leverage AI to create phishing emails that are nearly indistinguishable from authentic email messages. This makes it more difficult to train employees about cybersecurity awareness.

Threat actors also use AI to scrape sites like LinkedIn to find employees' personal cell phone numbers and emails or an employee's entire reporting chain. The Information Security team has adapted its training to educate employees about how AI has enabled them to be

targeted in new ways. For example, before AI, uncovering a correct password was a time-consuming process, but AI can identify common or weak passwords in just minutes.

To help further their reach and impact in helping employees keep themselves and data safe, the Information Security team has grown its cohort of Security Ambassadors across the enterprise to more than 100. Ambassadors, all Cardinal Health employees who volunteer their time, help raise awareness about the Information Security team, the importance of AI phishing training and cybersecurity best practices.

Governance

Our cybersecurity leadership team guides the assessment and management of cybersecurity-related risks, in coordination with our Chief Information Officer (CIO), to whom they report.

As part of management's oversight of our cybersecurity program, we maintain an IT risk governance process that includes multiple levels of escalation from our IT Risk Advisory Board, which includes cybersecurity leaders and IT functional area leaders and meets monthly, to an executive-level committee to address cybersecurity risks at an enterprise level.

While the company's Board of Directors oversees our overall risk management process, the Board has delegated certain responsibilities to committees of the Board. The Risk Oversight Committee of the Board has primary responsibility for discussing with management our cybersecurity and other major information technology risk exposures and the steps management has taken to monitor and control such exposures.

The Risk Oversight Committee receives quarterly updates from the CIO and cybersecurity leadership on these risks and the Board receives at least annual cybersecurity updates. These updates focus

on, among other things, the threat environment and the risks our businesses face; the state of, priorities of, and investments in our information protection program; the availability of cyber insurance; relevant cybersecurity operational metrics; and integration updates for newly acquired businesses, including cyber assessment findings, risk evaluations and alignment with enterprise standards.

The Board's Risk Oversight Committee also monitors Cardinal Health's compliance with applicable legal and regulatory requirements with respect to data privacy and security.

In fiscal 2025, to help manage potential risks created by the rapid growth in AI, Cardinal Health management established an internal AI Governance Committee, which oversees the governance and use of AI at the company; implements procedures for ensuring that our use of AI complies with applicable laws, regulations and policies; and identifies AI risks, communicates those risks to business leadership and manages those risks across Cardinal Health. This AI Governance Committee includes members from our Information Security, Privacy and Legal teams.

Cardinal Health is committed to using AI efficiently and sustainably.

We use AI to enhance our operations, improve efficiency, and support decision-making processes without incurring the high resource implications associated with extensive AI model training.

Our energy consumption related to AI is low compared to our technology partners, many of whom have industry-leading emissions reduction targets.





04 Healthy patients and communities

We are passionate about delivering innovative solutions to advance healthier outcomes for patients, communities, and the environment.

- 48 Product quality and patient safety
- 51 Product and service innovation
- 55 Responsible use of prescription medications
- 56 Community engagement



Product quality and patient safety

Patient safety in medical products manufacturing

From the earliest conversations about the development of a potential new medical product, to research and development, to the processes within our medical manufacturing facilities, to post-market vigilance, product quality and patient safety is at the core of what our Global Medical Products and Distribution (GMPD) segment does.

This work is grounded in the GMPD Quality, Regulatory and Medical Affairs (QRMA) team, whose focus is providing safety, regulatory and quality oversight for all Cardinal Health GMPD medical products and manufacturing processes. The team includes experts who not only know quality and regulatory requirements, but also have deep product knowledge. This expertise enables GMPD to bring the highest-quality medical products to our customers.

The QRMA team is at the table early in product development, and helps navigate decisions from a product safety, quality and regulatory lens.

The team plays a critical role in product development, helping to ensure products will:

01 Meet customers' requirements

02 Perform clinically as expected, and with instructions that are easy to understand

03 Comply with regulations in all of the countries where we want to do business

Additionally, the QRMA team has quality oversight in every GMPD manufacturing facility to ensure quality throughout production. Once our products are on the market, the team engages in post-market vigilance and quickly responds if there is an issue.

PRODUCT QUALITY AND PATIENT SAFETY

A new state-of-the-art chemistry lab for product research and development

In fiscal 2025, GMPD opened its new Scientific Services Chemistry Center, a state-of-the-art testing and FDA-regulated laboratory located in GMPD's Mansfield, Massachusetts, office. This represents a significant milestone in ensuring the highest standards in safety, efficacy and quality of our products by giving Cardinal Health full control of the testing process.

The Chemistry Center includes nearly 26,000 square feet of lab space dedicated to innovation and quality assurance and will provide a comprehensive range of testing services, helping to accelerate new product development, enhance business continuity and manufacturing efficiency, and enable best-in-class regulatory compliance.

By adhering to industry standards, including FDA approval through the Accreditation Scheme for Conformity Assessment (ASCA), GMPD ensures that its products, both self-manufactured and contract manufactured, undergo rigorous safety and efficacy testing before reaching the market. Staffed with experienced scientists, the Chemistry Center handles a comprehensive range of testing services, from routine quality control testing to advanced research and development projects.

The lab represents a crucial step forward in GMPD's mission to deliver the highest quality medical products to our customers and their patients. Because it enables in-house testing, the GMPD Chemistry Center supports faster turnaround times, allowing products to move efficiently from testing to market with enhanced quality assurance.

The cost savings achieved through in-house testing are also enabling further investments in additional research and development — driving innovation and helping maintain a competitive edge.

The Chemistry Center also supports supply chain resiliency through raw material suitability analysis, cost reductions using internal compliance testing, and the ability to implement next generation sterilization techniques like cycle optimization. The team is doing in-depth analyses for patient point-of-use and evaluating material interactions against these new processes which use existing technologies in a more efficient and sustainable manner. The lab provides many analytical capabilities (such as residual testing, material equivalency testing, and other patient safety-related testing) needed to achieve this goal. The GMPD team plans to implement these industry leading processes over the next one to three years.



With faster and more reliable testing results, GMPD can take swift action, leading to faster product releases and improved market responsiveness.





PRODUCT QUALITY AND PATIENT SAFETY

Drug Supply Chain Security Act milestone achieved

Cardinal Health completed preparations to comply with the Drug Supply Chain Security Act (DSCSA) before August 27, 2025 — the conclusion of the FDA’s exemption period for wholesale distributors.

The DSCSA is designed to protect patient safety and the integrity of the pharmaceutical supply chain, by establishing a single, federal solution to trace prescription medications.

Every trading partner in the supply chain, including manufacturers, distributors and those who dispense pharmaceuticals, must ensure that all required transaction information is provided at every transfer of ownership of these pharmaceuticals. The law requires interoperability, meaning that all the entities along the supply chain must be able to easily and seamlessly exchange data.

Cardinal Health collaborated closely with our dispenser customers, including retail independent pharmacies, chain pharmacies, hospital pharmacies, and pharmaceutical manufacturers to prepare to meet DSCSA enhanced drug distribution security requirements.

We invested in barcode scanning and labeling systems to record and share serialized data for prescription drug transactions. We established Electronic Product Code Information Services (EPCIS) connections with our suppliers and our customers. EPCIS is a GS1 sharing standard²¹ that enables visibility across the supply chain; it enables the capture and sharing of interoperable information — about the physical movement and status of products — in a secure manner. We also updated our Track and Trace Reporting web portal to provide dispensers with ready access to unit level traceability information.

As a pharmaceutical distributor, Cardinal Health is required to have systems and processes in place to respond to government requests for tracing and verification of any counterfeit, suspect or illegitimate product. That means we must be able to isolate and investigate any questionable product and notify trading partners and the FDA when any counterfeit or illegitimate product is identified.

We also helped our 3PL (third-party logistics) manufacturing clients ensure their track and trace readiness by facilitating key aspects of serialization strategies, including inbound scanning, 2D barcode testing, electronic data storage and data submission, verification of serialized product, and serialized data reporting.

The Drug Supply Chain Security Act (DSCSA) is designed to protect patients from exposure to counterfeit, contaminated, harmful or otherwise dangerous pharmaceuticals.

21. GS1 is an international nonprofit organization that develops and maintains standards for barcodes.





Product and service innovation

NPHS: Manufacturing actinium-225

Our Nuclear & Precision Health Solutions (NPHS) business is now manufacturing at scale the therapeutic isotope actinium-225 (Ac-225). This is possible thanks to a collaboration with TerraPower Isotopes, a company co-founded by Bill Gates, whose mission is to solve the world's toughest problems in energy, climate and human health through innovative nuclear technology.

Ac-225 is in very high demand, as it is seen as a promising new weapon in the fight against cancer. It is currently being tested in TATs that are part of worldwide clinical studies, to evaluate safety and efficacy in treating some of the most commonly diagnosed cancers, and is used for development by pharmaceutical innovators worldwide.

 **Ac-225 is a rare, alpha-emitting radionuclide that can be attached to small molecules, peptides or antibodies. The resulting targeted alpha therapies (TATs) intend to deliver Ac-225 directly to diseased tissues, potentially killing those cells without damaging any nearby healthy tissues.**

Cardinal Health and TerraPower Isotopes have developed a process to produce Ac-225 in much greater quantities than were possible in the past, which positions Cardinal Health to expand global access to the isotope.



PRODUCT AND SERVICE INNOVATION

Sustainability considerations in GMPD: products and packaging

In fiscal 2025, our Global Medical Products and Distribution (GMPD) segment built on the foundational product and packaging sustainability framework that it introduced in fiscal 2024.

GMPD updated its research and design (R&D) procedures to incorporate sustainability, and hosted a session during its Design Control Training program, an ongoing educational series for R&D, Design Quality, and Regulatory teams. On this page we highlight examples of how the teams support sustainability initiatives.

Reducing material usage in product design and packaging



Reducing the volume of materials used in single-use medical products and packaging is a key strategy for minimizing

environmental impact and supporting industry goals around waste reduction.

The Nutritional Delivery team delivered a meaningful change in a product with a significant impact and no reduction in product functionality when it determined that the total length of tubing on standard Cardinal Health™ Kangaroo OMNI™ Feeding Sets could be reduced from 24 inches to 15 inches. This product change, which reduces the total length of plastic tubing in the single use device by 10%, supports the healthcare industry’s waste reduction initiatives.

This change is projected to prevent ~215K pounds of plastic from going to landfills annually.

In another packaging project, GMPD redesigned the packaging for its Infection Control Apparel (ICA) gowns by replacing corrugated material from the dispenser boxes with chipboard. This initiative is projected to reduce packaging waste by approximately 85,000 pounds annually.

Using alternative, more sustainable materials or recycled materials



Rethinking materials used is another key area of GMPD’s product and packaging sustainability framework. Incorporating sustainably-

sourced materials, using recycled content, and identifying ways to use renewable materials in product and packaging are included in the team’s considerations.

For example, over a 5-year period ending in fiscal 2024, more than

9M pounds of plastic scrap material from our Greenwood, South Carolina, facility were recycled and repurposed into resin used in the production of Cardinal Health Monoject™ SharpStar™ Renewable Containers.

Work continues to advance our corrugate packaging strategy. By the end of fiscal 2030, we aim to have all corrugate packaging certified and labeled by one of the following: Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI) or the Programme for the Endorsement of Forest Certification (PEFC).

Additionally, by the end of fiscal 2026 we will establish defined goals for incorporating recycled content into corrugate and develop reduction plans for targeted packaging items.

Driving product circularity and end of life sustainability



GMPD drives circularity by extending the useful life of product and packaging. This can include reprocessing

medical devices and making products more easily recyclable.

Additionally, the Sustainable Technologies business is a leading provider of single-use device (SUD) collection and reprocessing services in the U.S.

Many single-use devices can be reprocessed multiple times, and when they can no longer be reprocessed, they can be recycled. Sustainable Technologies manages end-of-life disposition of products through a combination of waste-to-energy and recycling.

In fiscal 2025, the business:

Collected 21.6M single-use devices from health systems

Diverted 6.6M pounds of waste from landfills

Avoided 1.9K+ metric tons of CO₂e emissions

(Read more about Sustainable Technologies on [page 35](#).)

Strengthening packaging data systems to support compliance and sustainability

GMPD is also advancing packaging data capabilities to meet both regulatory requirements and voluntary sustainability goals. This initiative, led by our Packaging team, focuses on improving data accuracy, transparency and utility.

Efforts include:

- 01** Overhauling packaging data systems to identify opportunities to improve sustainability and reduce costs
- 02** Tracking material types and weights to enhance reporting accuracy and support compliance with Extended Producer Responsibility (EPR) regulations, which make manufacturers responsible for their products’ end-of-life
- 03** Conducting data analysis to inform EPR reporting and future packaging decisions
- 04** Increasing data capture and analytics, to meet this goal:

By the end of fiscal 2026, we plan to leverage updated data to establish specific commitments for incorporating recycled content in corrugate packaging, and define plans for targeted packaging items based on fiscal 2024 data.

PRODUCT AND SERVICE INNOVATION

Helping our customers increase access to quality care and medications

An estimated 26 million people under the age of 65 in the U.S., or 8% of the population, were uninsured in 2024; another 23% of the population were underinsured.²² Those without adequate health insurance are more likely to delay or forgo care altogether, leading to poorer health outcomes. When they do seek healthcare, those without insurance can face unaffordable bills: 62% of uninsured adults report carrying healthcare debt.²³

However, removing barriers to care and helping connect uninsured and underinsured people to healthcare providers and prescription medications can create healthier communities for everyone. Here, we highlight several Cardinal Health businesses that are focused on increasing access to care across the country.

at-Home Solutions

Enabling hospital at home care: Research data shows that caring for certain conditions at home can reduce hospital readmission rates, prevent hospital-acquired infections and lower the cost of care.²⁴

Hospital-at-home programs began to take shape during the COVID-19 pandemic, due to constraints on healthcare systems globally, and have been growing steadily ever since. Velocare, a business within at-Home Solutions, was piloted at the height of the pandemic, and designed to support that growth. It's a digital platform that coordinates all requirements for hospital-level care, and works with leading health systems to enable complex, high-acuity care in the home to thousands of patients nationwide. Velocare delivers and replenishes medical supplies at a rapid pace during a patient's hospital-at-home admission.

Here's how it works: When a hospital stands up home hospital service lines, they can give their patients the option of receiving inpatient-level care in their home. The hospital dispatches a Velocare technician who arrives at the patient's home within two hours, with all the items in a typical hospital room, including monitoring technology, oxygen systems, IV equipment, and medically approved meals. The technician visits the home throughout a patient's hospital-at-home stay to check on technology, deliver new products, meals or supplies based on their needs, and help to ensure appropriate disposal of medical waste.

When the patient is discharged, the technician returns to the home to remove all equipment and waste.

It's an important way to increase healthcare access, especially in rural communities where hospitals are closing. About 20% of Americans — about 65 million people — live in rural regions, and 80% of them are considered medically underserved, and, as a result, have shorter life expectancies and rates of obesity and diabetes that are nearly 25% higher than those in urban areas.²⁵

Hospital-at-home takes out costs; it's less expensive to care for a patient in the home. And, allowing patients who have more manageable conditions to receive care in their own homes frees up hospital capacity for patients who need more critical or complex care. By further enabling this shift to home-based care, we are strengthening the continuum of care and keeping patient wants and needs in the center of what we do.

At the end of fiscal 2025, Velocare was serving 17 hospital-at-home programs across the U.S., including in Fort Lauderdale/Miami, Portland, Boston, Detroit, Atlanta and Los Angeles.

The Hospital Inpatient Services Modernization Act, recently passed by the U.S. House of Representatives, would extend the Acute Hospital Care at Home

waiver, which reimburses hospitals at the same rate for home-based acute care under Medicare as it does for care in a healthcare facility. We continue to support efforts to advance such an extension.

Providing direct-to-home delivery: at-Home Solutions also serves more than 6 million people annually who are managing chronic conditions such as diabetes, ostomy, incontinence or sleep apnea. Some of the people served may also be recently discharged from the hospital or recovering from an operation or acute illness. The business includes Edgepark, which provides medical supplies directly to patients in their homes.

In fiscal 2025, Cardinal Health acquired Advanced Diabetes Supply Group (ADSG), which now operates under the at-Home Solutions umbrella. ADSG has solely focused on diabetes care, delivering critical medical supplies like continuous glucose monitors (CGM) and insulin directly to patients. ADSG brings expanded patient reach, increased pharmacy channel access (with access to serve people with Medicare and Medicare Advantage plans) and excellent customer experience.

With its nationwide distribution center network, at-Home Solutions can reach nearly 100% of the U.S. population with medical supplies in less than 48 hours.

6M+

people managing chronic conditions are served by at-Home Solutions.

17

hospital-at-home programs across the U.S. were being served by Velocare by the end of fiscal 2025.

~100%

of the U.S. population can be reached in less than 48 hours by at-Home Solutions.

22. Sara R. Collins and Avni Gupta, "The State of Health Insurance Coverage in the U.S.: Findings from the Commonwealth Fund 2024 Biennial Health Insurance Survey," The Commonwealth Fund, November 21, 2024, <https://www.commonwealthfund.org/publications/surveys/2024/nov/state-health-insurance-coverage-us-2024-biennial-survey>.

23. Jennifer Tolbert, Sammy Cervantes, Clea Bell and Anthony Damico, "Key Facts about the Uninsured Population," KFF, December 18, 2024, <https://www.kff.org/uninsured/key-facts-about-the-uninsured-population/>.

24. "Providers betting big on future of hospital at home," American Hospital Association Center for Health Innovation Market Scan, American Hospital Association, <https://www.aha.org/aha-center-health-innovation-market-scan/2024-04-09-providers-betting-big-future-hospital-home>.

25. Health disparities, University of Utah Health, <https://uofuhealth.utah.edu/community/our-health-priorities/rural-health#:~:text=America%E2%80%99s%20traditional%20brick%20and%20mortar,precisely%20where%20it%E2%80%99s%20needed%20most> (accessed July 7, 2025).

PRODUCT AND SERVICE INNOVATION

Helping our customers increase access to quality care and medications (continued)

Sonexus™ Access and Patient Support

This business runs patient support hub programs for specialty pharmaceutical manufacturers, including cell and gene therapies. Patient support hubs serve patients who've been diagnosed with an oncological, neurological, immunological, or other specialty disease.

For many patients, specialty therapies hold the promise of better health outcomes — often, they are the only options patients have. However, patients who need specialty medications face multiple barriers, and sometimes, they forego or can't complete a prescribed therapy because of complicated qualification processes, high costs, or uncertainty about their medications — resulting in poorer health outcomes.

When patients have been prescribed a specialty drug, they can enroll in Sonexus™ Access and Patient Support (or their healthcare provider can enroll them). Once enrolled, the Sonexus team of nurses, dietitians and other healthcare professionals assists them in prior authorization and reimbursement challenges, helps them understand their medication therapies, and helps them stay adherent.

For those who are uninsured or underinsured, Sonexus has a non-commercial pharmacy based in Lewisville, Texas, which dispenses manufacturer donated specialty therapies for free to patients. Medications are shipped to these patients based on their prescribed refill schedule for a full year, and then patients are re-enrolled at the beginning of the new year, as long as they need to be on their therapy.

Sonexus has invested heavily in technologies over the last few years, adding digital enrollment portals and benefit verifications as well as AI-powered chat bots that patients can interact with any time of day or night. All of these are helping get patients on their specialty therapies faster, and helping them stay on them. In fiscal 2025, the average time it took Sonexus to enroll a patient and provide therapy was three days.

By fiscal 2028, Sonexus is expected to more than double the number of different therapies it supports.

\$5.5B *in manufacturer donated specialty medications were provided by Sonexus to patients for free in fiscal 2025.*

Cardinal Health Community Health Center Pharmacy Services

Cardinal Health manages the pharmacies located within 69 Federally Qualified Health Centers (FQHCs) across the country. These federally funded nonprofit health centers serve as patients' primary medical home, providing services such as primary care, pediatric services, women's health, and, in some cases, dental and optometry services to medically underserved populations — regardless of their ability to pay. The value of a FQHC pharmacy is multifaceted, offering significant clinical, operational, and financial benefits to both patients and the health center itself.

Through these onsite Cardinal Health managed pharmacies, the FQHCs also offer medications through the 340B Drug Pricing Program, which requires that pharmaceutical manufacturers who participate in

Medicaid sell outpatient drugs at discounted prices to healthcare organizations that serve uninsured and low-income patients. As a result, FQHC pharmacies can leverage 340B discounts to provide medications at significantly reduced costs, often 30–50% lower than retail. The FQHCs can then reinvest these savings into expanded services such as dental, behavioral health, and translation support.

Pharmacists in FQHCs provide medication therapy management (MTM), conducting comprehensive medication reviews, helping ensure patient adherence, addressing gaps in therapy, referring patients to other care providers and more. MTM also enables pharmacists to identify and help resolve socioeconomic issues that may prevent a patient from receiving the appropriate medication therapy.

Pharmacists often support clinical services such as diabetes education, medication reconciliation, and preventive care, contributing to holistic patient management. Research shows that MTM improves patient outcomes by helping to prevent medication-related problems like inappropriate dosing; negative interactions between various prescriptions, or between prescriptions and over-the-counter medications; or taking medications that are no longer needed.²⁶ These problems can cause side effects that include falls, cognitive decline, increased hospital admissions and increased use of emergency departments. Having an on-site pharmacy improves collaboration between the physician and pharmacist and ensures that patients can be on the most cost-effective therapy with appropriate follow-up to ensure patient concerns that impact adherence can be addressed ahead of time.

Cardinal Health manages the pharmacies within 69 Federally Qualified Health Centers (FQHCs) across the country.

These federally funded nonprofit health centers serve as patients' primary medical home and provide services regardless of ability to pay.





Responsible use of prescription medications

At Cardinal Health, we are committed to ensuring our customers have the necessary medications on hand to safely and effectively meet the legitimate medical needs of their patients.

We operate an uncompromising system to identify and report suspicious orders of controlled substances and maintain effective controls against diversion. Our Controlled Substance Monitoring Program team includes investigators, data analysts, pharmacists, and compliance officers at our pharmaceutical distribution centers, in the field and at our corporate headquarters. We regularly conduct on-site inspections of our pharmacy customers and collect pharmacy customer data. We identify and terminate the distribution of controlled substances to customers that do not meet our rigid Controlled Substance Monitoring Program standards.

A core group of nearly 1,750 employees is required to take controlled substances training upon hire and annually; a broader group of several thousand more employees is required to take the training upon hire and every three years. The training is available online for all other employees to take electively at any time.

Training is offered online and includes four components:

- 01** The duties of Cardinal Health to maintain effective controls against the potential diversion of controlled substances and to report suspicious orders
- 02** The core functions of the Controlled Substance Monitoring Program at Cardinal Health
- 03** The responsibilities of Cardinal Health under the injunctive relief terms of the national opioid settlement agreement entered into in 2022
- 04** What employees must do if they observe or suspect potential diversion of controlled substances or violations of Cardinal Health policy or procedure



Drug take-back days

Since 2016, the Cardinal Health Foundation has sponsored drug take-back events across the country twice a year, in partnership with Kroger.

These events have resulted in the safe disposal of 217K+ lbs of unused or expired medications.

The Foundation also sponsors permanent drug drop boxes near the in-store pharmacy at participating Giant Eagle stores in Indiana, Ohio and Pennsylvania.

Community engagement

Through our philanthropy and volunteerism, we're focused on strengthening our communities. Our Foundation's signature initiative, Equity Rx, is increasing access to medications and care.



Equity Rx ensures that those in need can get their medications when they need them. Because the pharmacies and clinics work closely together, Equity Rx also gives patients access to pharmacists who provide counsel on health issues, medication adherence, and more. This education component helps prevent emergency department visits and helps improve the patients' quality of life.



Rusty Curington,
PharmD and VP
of Pharmacy at
St. Vincent de Paul

Equity Rx expands partnerships to increase access to medications

The number of U.S. adults who report taking at least one prescription medication per day is 70% and about 24% of U.S. adults take four or more prescription medications daily.²⁷ However, drug costs prevent 29% of people from filling their needed prescriptions.²⁸ Cost is a factor for people with and without insurance coverage, highlighting a critical need for affordable access. The need is especially great for those living with chronic conditions, such as diabetes, asthma or chronic obstructive pulmonary disease (COPD), who need medications to manage their diseases and avoid complications.

To help meet the needs of more people who can't afford their prescription medications, the Foundation has expanded its signature program, Equity Rx.

Launched as a pilot in Ohio in fiscal 2024, Equity Rx was created through a partnership of the Cardinal Health Foundation, the Charitable Health Network (CHN) and St. Vincent de Paul Charitable Pharmacy in Cincinnati, Ohio. Late in fiscal 2025, the Foundation awarded additional grant dollars to CHN, which will continue to work with St. Vincent de Paul to build out the program.

During the pilot, CHN established an Equity Rx fund to support free and charitable healthcare providers in increasing access to medications and partnered with St. Vincent de Paul Charitable Pharmacy to expand access to other clinics in southwest Ohio.

St. Vincent de Paul fills prescriptions and delivers them to charitable clinics for on-site dispensing to patients during their visits with primary care physicians. CHN oversees the coordination between St. Vincent de Paul Charitable Pharmacy and the free clinic partners.

Once the pilot was up and running, the Foundation also partnered with the National Association of Free and Charitable Clinics (NAFC) to establish Equity Rx programs in 10 charitable clinics in other parts of Ohio and in Pennsylvania, Tennessee, and Illinois.

The Foundation's most recent grant brings its total investment in this program to \$5 million. The new grant funds will:

- 01** Enable replication of the southwest Ohio model in the northeast and southeast quadrants of the state, and, in partnership with NAFC and Charitable Pharmacies of America, replicate the model in three additional states.
- 02** Launch the development of Ohio's first statewide drug repository and distribution center (in partnership with the Ohio Board of Pharmacy), where donated medications will be sorted, inventoried, catalogued, and made ready to order at no cost for the CHN network organizations.

Through Equity Rx, St. Vincent de Paul Charitable Pharmacy is now serving four free clinics and about 500 patients. "We survey our patients every year," Curington said. "Our survey has an open-ended section, and in the couple of years since we launched Equity Rx, our patients have responded very positively. Among the messages I've seen are, 'Because of you, I won't lose my kidneys,' 'Because of you, I am stable, I have peace of mind,' 'I can take control of my health,' and 'I'm inspired to give back to my community.'"

Jessica Mayer, Cardinal Health's Chief Legal and Compliance Officer and Chair of the Cardinal Health Foundation Board of Trustees, said, "At Cardinal Health, our mission is to improve the lives of people every day. Equity Rx and the services it provides are absolutely aligned — and give our Foundation a powerful way to live our mission."

Through Equity Rx since its inception:

~28K prescriptions filled
(\$4.9 million in retail value)

755 patients served

\$1.5M in healthcare costs prevented

27. Andrew Gallant, "A growing number of Americans report taking prescription medications daily," Civic Science, January 11, 2023, <https://civicscience.com/a-growing-number-of-americans-report-taking-prescription-medications-daily/#:~:text=The%20number%20of%20U.S.%20adults,from%2018%25%20to%2024%25.>

28. Tori Marsh, MPH, "Nearly a third of Americans aren't filling their prescriptions because of high costs," GoodRx, July 2, 2025, [https://www.goodrx.com/healthcare-access/research/third-of-americans-dont-fill-prescriptions-due-to-cost?srltid=AfmBOopeXVW-ErDB8kpmWwq6JxxUV8wyF2ycFzJP5AfhRNttxmjuOrT/.](https://www.goodrx.com/healthcare-access/research/third-of-americans-dont-fill-prescriptions-due-to-cost?srltid=AfmBOopeXVW-ErDB8kpmWwq6JxxUV8wyF2ycFzJP5AfhRNttxmjuOrT/)



COMMUNITY ENGAGEMENT

Equity Rx is enabling Ohio's first statewide drug repository and distribution center



Our vision is to create a streamlined, statewide drug repository where anyone can easily donate unused medications. The medications will be upcycled and sent to free clinics and charitable pharmacies, helping to further expand access.

Rusty Curington, PharmD and VP of Pharmacy at St. Vincent de Paul

Each year, nursing homes and long-term care pharmacies dispose of millions of dollars' worth of medications that are not expired and are safe to use. In Ohio, these facilities can donate medications to state-run drug repository programs. Currently, these are run by various entities, including charitable pharmacies, hospitals, and nonprofit clinics. An Ohio law enacted in 2023 also makes it possible for individuals to donate prescription medications to these entities.

"We want to make it simpler for everyone to donate their medications to a statewide drug repository," Curington said. Donated medications must be sealed and in their original packaging. All medicines are inspected by licensed pharmacists who ensures they've not expired, look for any signs of tampering and confirm the drug is as it's labeled. "We imagine a future state, where all anyone needs to do is go to a website for the drug repository and distribution center, print a shipping label, and use it to ship unused medications.

At the repository, we can sort the medications, process and inventory them and list them on a website that free clinics and charitable pharmacies across the state can access to order the medications for free."

This new repository will create a hub and spoke model for the entire state, Curington explained. "As we build out Equity Rx, a charitable pharmacy in each region of the state will take care of the free clinics in that region. The statewide drug repository will upcycle donated meds and send them to the clinics and pharmacies. This is a scalable model, and replicable for the entire country."

St. Vincent de Paul Charitable Pharmacy already has access to a large, warehouse-like facility that will house the drug repository, which will be created in partnership with the Ohio State Board of Pharmacy. Part of the new Foundation grant dollars are being used for start-up technologies and operations for the repository. The facility is expected to be fully operational by 2027.



Equity Rx has been a game changer, helping clinics get medications their patients need, and connecting pharmacists to the patient's care team. We believe the sky's the limit for the program.

Jason Koma, Executive Director, Charitable Health Network



**COMMUNITY ENGAGEMENT**

Preventing pediatric suicide

Suicide is now the second leading cause of death among young people 10-14 years old and the third leading cause of death for those between the ages of 15 and 24.

Yet experts believe that children's death by suicide is preventable. That is why the Cardinal Health Foundation, in partnership with the Children's Hospital Association and Zero Suicide Institute at Education Development Center (EDC), created its Preventing Youth Suicide Collaborative, first launched as a pilot in 2020.



The Collaborative brought together 39 children's hospitals across the country to accelerate improvement in the identification and care of children at risk for suicide.

For several years, teams within each of the hospitals participated in the Collaborative's community of practice webinars and an annual academy to accelerate learning and culture change.

"At Cardinal Health, we are deeply committed to investing in work that helps reduce mental health stigma, raise awareness and increase access to resources and services. Our Collaborative is based on the unique needs of children and youth, and provides resources that empower healthcare providers to help reduce pediatric suicide and improve children's mental health."

Jessie Cannon, President of the Cardinal Health Foundation

Children's hospitals participating in the collaborative have standardized a suicide-focused approach to care. They have adopted universal suicide screening protocols and built tools into electronic health records (EHRs) to create standardized documentation.

Because access to firearms increases the likelihood of death by suicide for children and adolescents more than fourfold, most of the children's hospitals have increased or improved counseling for families on safer firearm storage (called lethal means counseling). As a result of this work, their patients are receiving care that is safe, evidence-based and effective.

Advancing resiliency through The Ohio State University

Experts know that resiliency is essential to mental health, helping us to thrive in life, with family and friends, and at work. However, current understanding of resiliency is limited; gaining deeper insights could be crucial for addressing mental health issues and improving treatment options.

That is why Cardinal Health donated

\$1M to The Ohio State University Wexner Medical Center in fiscal 2025 to support its new Center for Psychiatry and Resilience.

The center provides clinical services and conducts extensive research to better understand mental illness and addiction, with the ultimate goal of developing practical strategies that help prevent mental health disorders, support recovery and build resilience.

Dr. K. Luan Phan, MD, chair of the Department of Psychiatry and Behavioral Health and its Center for Psychiatry and Resilience, said, "Mental health is complex and pervasive; it will take all of us playing a part to develop these strategies. That includes not only medical centers and clinics, but individuals, families and those in the workplace."

The Cardinal Health Foundation's Cannon said, "We believe that the long-term impact of the Center's work will help build resilience in Ohioans and in people around the globe, and help protect them from the worst impacts of mental health issues."





COMMUNITY ENGAGEMENT

Partnering with the National Community Pharmacists Association (NCPA)

As convenient, accessible community healthcare providers, pharmacists are well-positioned to help increase awareness and fill care gaps for patients in need of mental health services. Additionally, with ongoing pressures such as shifting industry dynamics, ever-expanding workloads and staffing challenges, pharmacies must also ensure their staffs have mental health resources to help maintain their personal wellbeing.

That is why the Cardinal Health Foundation has supported the National Community Pharmacy Association (NCPA) Innovation Center's work to help expand mental health education and training opportunities for community pharmacists, including funding and scholarships for Mental Health First Aid (MHFA) training.

With the Foundation's support, NCPA has hosted five MHFA trainings since early in fiscal 2025, helping more than 75 pharmacists and technicians understand how to recognize and respond to signs of mental health and substance use challenges. Additional training opportunities are planned.

Providing support close to home

In Central Ohio, home to our headquarters, the Foundation works to support a community where everyone has the opportunity to thrive.

Healthcare and medication access

We support the Nationwide Children's Hospital school health program, providing medication access at school for children with type 1 diabetes and/or sickle cell disease.



Education

We continue to support free post-secondary education at Columbus State Community College for all graduates of the Columbus City School District through Columbus Promise. This initiative is a public-private partnership launched by the City of Columbus, Columbus City Schools, Columbus State Community College and the nonprofit I Know I Can.



Addressing social determinants of health in Central Ohio

Homelessness prevention

We provide continued support to the Community Shelter Board and its efforts to prevent homelessness.



Hunger prevention

We provide ongoing support to the Mid-Ohio Food Collective, helping to fund its mission of ending hunger.





COMMUNITY ENGAGEMENT

Our volunteers: Strengthening communities around the globe

Our employees live our mission of improving people’s lives every day — through their work and through their commitment to the communities where we live and work. In fiscal 2025, our employees around the globe provided more than 63,000 hours in volunteer service.

In January, to honor Martin Luther King Jr. Day as a day of service, our Community Relations team organized volunteer events for employees of our distribution centers in Tolleson, Arizona; Detroit, Michigan; Madison, Mississippi; Twinsburg, Ohio; and Salt Lake City, Utah. Employees at these sites packed more than 400 food and hygiene kits that were delivered to local homeless shelters.

Hundreds of employees participate in two signature events, Pelotonia and the American Heart Walk:

- **Pelotonia:** Each year, employees, friends and families raise funds to support the innovative cancer research at Arthur G. James Cancer Hospital and Richard J. Solove Research Institute at The Ohio State University through Pelotonia, an annual cycling and volunteer event. In fiscal 2025, our employees and the Foundation donated nearly \$370,000 to Pelotonia.
- **American Heart Walk:** Employees across the U.S. support the American Heart Association (AHA) through local Heart Walks, the Heart Ball and STEM Goes Red. In fiscal 2025, our employees and the Foundation donated more than \$317,000 to help fund the AHA’s research and education initiatives.

Volunteer of the Year

Diego Armendariz, director of strategic sourcing in the Pharmaceutical and Specialty Solutions segment, is among



Cardinal Health’s most active volunteers. He’s been engaged in community service for 30 years in the Houston, Texas, area where he lives and works. He coaches youth sports and supports critical disaster recovery efforts. For him, a particularly meaningful experience was working with a team of other volunteers who delivered critical supplies to a flood-isolated hospital (and Cardinal Health customer) that was inaccessible to product delivery vehicles during a natural disaster.



Cardinal Health philanthropy and volunteer giving in fiscal 2025

The Cardinal Health Foundation and the company donated

\$9.6M

to charitable causes

Cardinal Health employees donated an additional

\$1.4M+

to charitable organizations

Cardinal Health employees collectively gave

63K+ hrs

as volunteers, valued at \$2.2 million
(Volunteer hours are based on employee self reporting)

Cardinal Health donated:

\$16M

in product donations

Pharmaceutical and Specialty Solutions segment donations: **\$13.6M**

Global Medical Products and Distribution segment donations: **\$2.4M**



05 Reporting indices

- 62 Global Reporting Initiative (GRI) Index
- 86 Sustainability Accounting Standards Board (SASB) Index
- 93 Task Force on Climate-Related Financial Disclosures (TCFD) Index
- 99 Basis of reporting
- 103 About this report and cautionary statement



Global Reporting Initiative (GRI) Index

Cardinal Health has reported in accordance with the GRI Standards for the period of July 1, 2024 through June 30, 2025.

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations																																																						
GRI 2 – General Disclosures²⁹																																																									
GRI 2-1	Organizational Details	Cardinal Health, Inc. is a U.S. publicly traded corporation headquartered in Dublin, Ohio, with business operations in more than 30 countries globally. We have two reportable segments: Pharmaceutical and Specialty Solutions segment and Global Medical Products and Distribution (“GMPD”) segment. All remaining operating segments that are not significant enough to require separate reportable segment disclosures are included in Other, which comprises Nuclear and Precision Health Solutions (NPHS), at-Home Solutions, and OptiFreight® Logistics.	Business operations are based on permanent employee work location.																																																						
GRI 2-2	Entities included in the organization’s sustainability reporting	As used in this report, “we,” “our,” “us,” “Cardinal Health” and similar pronouns refer to Cardinal Health, Inc., and its majority-owned and consolidated subsidiaries, unless the context requires otherwise. For a list of majority-owned and consolidated subsidiaries, please refer to Exhibit 21.1 within our Form 10-K .																																																							
GRI 2-3	Reporting period, frequency and contact point	Unless noted otherwise, the enclosed Sustainable Business Report and supporting indices cover Cardinal Health’s fiscal 2025 (July 1, 2024 - June 30, 2025), thereby aligning with our company’s financial reporting period. Reporting is completed annually. Please submit inquiries regarding the information included within this report and supporting indices to: sustainablebusiness@cardinalhealth.com																																																							
GRI 2-4	Restatements of information	Cardinal Health acquired several Managed Service Organizations (MSOs) within the reporting period. These included the Specialty Alliance, Advanced Diabetes Supply Group, and Navista that expanded our organizational boundary and required us to restate our FY2019 baseline year for Scope 1 and Scope 2 emissions and water withdrawal. Additionally, a scaling factor was applied for our FY2023 Scope 3 baseline GHG inventory to account for these acquisitions. Please see table inset below. Please see Basis of Reporting for additional details on these categories and methodologies applied during restatement. These figures were subject to third-party assurance and included in our fiscal 2025 assurance statement from ERM CVS. The assured, restated base year value for Scope 3 will also be resubmitted to the Science-based targets initiative (SBTi) in fiscal 2026-2027.																																																							
		<table border="1"> <thead> <tr> <th></th> <th>Fiscal 2019 Baseline</th> <th>Fiscal 2019 Restatement</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>172,890**</td> <td>172,693**</td> </tr> <tr> <td>Scope 2 (LBM)</td> <td>289,392**</td> <td>260,704**</td> </tr> <tr> <td>Scope 2 (MBM)</td> <td>265,989**</td> <td>250,796**</td> </tr> <tr> <th></th> <th>Fiscal 2023 Baseline</th> <th>Fiscal 2023 Restatement</th> </tr> <tr> <td>Category 1</td> <td>19,644,932</td> <td>19,846,274</td> </tr> <tr> <td>Category 2</td> <td>80,675</td> <td>81,502</td> </tr> <tr> <td>Category 3</td> <td>94,193</td> <td>96,912</td> </tr> <tr> <td>Category 4</td> <td>1,308,047</td> <td>1,308,047</td> </tr> <tr> <td>Category 5</td> <td>24,387</td> <td>24,387</td> </tr> <tr> <td>Category 6</td> <td>16,164</td> <td>18,652</td> </tr> <tr> <td>Category 7</td> <td>47,260</td> <td>54,535</td> </tr> <tr> <td>Category 8</td> <td>1,024</td> <td>1,024</td> </tr> <tr> <td>Category 11</td> <td>41,505</td> <td>41,505</td> </tr> <tr> <td>Category 12</td> <td>76,155</td> <td>76,155</td> </tr> <tr> <td>Category 13</td> <td>6,592</td> <td>6,592</td> </tr> <tr> <td>Category 15</td> <td>22,337</td> <td>22,337</td> </tr> <tr> <td>Scope 3 total</td> <td>21,363,271</td> <td>21,577,922**</td> </tr> </tbody> </table>		Fiscal 2019 Baseline	Fiscal 2019 Restatement	Scope 1	172,890**	172,693**	Scope 2 (LBM)	289,392**	260,704**	Scope 2 (MBM)	265,989**	250,796**		Fiscal 2023 Baseline	Fiscal 2023 Restatement	Category 1	19,644,932	19,846,274	Category 2	80,675	81,502	Category 3	94,193	96,912	Category 4	1,308,047	1,308,047	Category 5	24,387	24,387	Category 6	16,164	18,652	Category 7	47,260	54,535	Category 8	1,024	1,024	Category 11	41,505	41,505	Category 12	76,155	76,155	Category 13	6,592	6,592	Category 15	22,337	22,337	Scope 3 total	21,363,271	21,577,922**	
	Fiscal 2019 Baseline	Fiscal 2019 Restatement																																																							
Scope 1	172,890**	172,693**																																																							
Scope 2 (LBM)	289,392**	260,704**																																																							
Scope 2 (MBM)	265,989**	250,796**																																																							
	Fiscal 2023 Baseline	Fiscal 2023 Restatement																																																							
Category 1	19,644,932	19,846,274																																																							
Category 2	80,675	81,502																																																							
Category 3	94,193	96,912																																																							
Category 4	1,308,047	1,308,047																																																							
Category 5	24,387	24,387																																																							
Category 6	16,164	18,652																																																							
Category 7	47,260	54,535																																																							
Category 8	1,024	1,024																																																							
Category 11	41,505	41,505																																																							
Category 12	76,155	76,155																																																							
Category 13	6,592	6,592																																																							
Category 15	22,337	22,337																																																							
Scope 3 total	21,363,271	21,577,922**																																																							

29. Cardinal Health includes the year in which the GRI Standard was released to note the version we are disclosing against. Please see GRI 2-3 for our reporting period.

Reference Metric Disclosure Boundary, Assumptions, and Estimations

GRI 2 – General Disclosures 2021 (continued)

GRI 2-5 External assurance Cardinal Health engaged an external, third-party assurance provider to verify our Scope 1 GHG emissions, Scope 2 location- and market-based GHG emissions, Scope 3 GHG emissions, water withdrawal, global gender diversity and U.S. racial and ethnic diversity. We have indicated the specific metrics that were assured by placing a double asterisk next to the value (**). [Please see our fiscal 2025 assurance statement here.](#)

GRI 2-6 Activities, value chain and other business relationships Cardinal Health is a distributor of pharmaceuticals and specialty products; a supplier of home-health and direct-to-patient products and services; an operator of nuclear pharmacies and manufacturing facilities; a provider of performance and data solutions; and a global manufacturer and distributor of medical and laboratory products. The diverse set of products and services we offer our customers requires a globally interconnected value chain. For more information on the specific activities, products, services, and markets please see the Business section of our fiscal 2025 [Form 10-K](#) (pages 25-32).

GRI 2-7 Employees

Employees by type and gender					
	Permanent employees	Temporary employees	Non-guaranteed hours employees	Full-time employees	Part-time employees
Female	31,175	540	932	30,463	1,558
Male	25,749	272	450	25,240	987
Non-binary (U.S. only)	38	0	1	37	2
Not declared	197	66	23	246	20
Total	57,159	878	1,406	55,986	2,567

Employee by type and region					
	Permanent employees	Temporary employees	Non-guaranteed hours employees	Full-time employees	Part-time employees
U.S.	39,060	532	1,406	37,605	2,533
Outside U.S.	18,099	346	0	18,381	64
Total	57,159	878	1,406	55,986	2,597

Cardinal Health's population of employees is calculated based on data from our HR system of record in August 2025 for the population of employees as of June 30, 2025.

Permanent employees are defined as regular employees (both full- and part-time) or employees not otherwise identified as on-call (employees that work "as needed"), or intern. Note some part-time employees are not permanent employees. Cardinal Health discloses human capital information in our [Form 10-K](#) (page 28) based on data available at the time of filing; therefore, figures herein may vary slightly due to additional data refinement conducted for this report.

Temporary employees: Non-U.S. temporary/fixed term (employees who are paid directly by the company and whose employment is for a limited period — not valid in the U.S.) and Interns.

Non-guaranteed hours employees: On-call.

Full-time employees: Employees who work 30 or more hours per week.

Part-time employees: Employees who work less than 30 hours per week.

Note: Employees from the recently acquired Urology America business were excluded from these numbers, as their data was not yet available for this reporting period.

GRI 2-8 Workers who are not employees

Employee by type and region	Number of contractors
Information technology	2,893
Light industrial	1,697
Professional	1,434
Quality & regulatory, and engineering	175
Cardinal Health International India	51
Total Contractors	6,250

Workers who are not employees are defined as contractors on assignment at the end of fiscal 2025 (i.e., June 30, 2025).

Contractors are workers whose scope is based on a defined contract and who are not permanent or temporary employees of Cardinal Health.

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 2 – General Disclosures 2021 (continued)			
GRI 2-9	Governance structure and composition	<p>Cardinal Health’s Board of Directors represents the highest governance body at the organization and comprises 12 directors with relevant skills and experience that contribute to a well-functioning Board effectively overseeing our strategy and management.</p> <p>The management of Cardinal Health’s Sustainable Business function receives oversight from the Board’s Governance and Sustainability Committee, which is specifically outlined in the Committee’s charter. However, the full Board discusses significant sustainable business risks, and each standing Board committee has oversight of select risks.</p> <p>For more details regarding the composition of the Board and its committees, please see our 2025 Proxy Statement.</p>	
GRI 2-10	Nomination and selection of the highest governance body	For information regarding the nomination and selection process for Cardinal Health’s Board of Directors, please see our 2025 Proxy Statement .	
GRI 2-11	Chair of the highest governance body	Our Chairman of the Board of Directors is Gregory B. Kenny, who is not a senior executive of Cardinal Health.	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	The management of Cardinal Health’s Sustainable Business function receives oversight from the Board’s Governance and Sustainability Committee, which is specifically outlined in the Committee’s charter .	
GRI 2-13	Delegation of responsibility for managing impacts	For information on Cardinal Health’s sustainable business governance model to manage impacts throughout the organization, please see the Governance section within this report.	
GRI 2-14	Role of the highest governance body in sustainability reporting	The Board’s Governance and Sustainability Committee has formal oversight of our sustainable business activities, policies, strategy, and reporting and disclosure practices, and monitors and evaluates environmental, social, and political risks potentially impacting the company. Other standing Board committees have oversight of other specific sustainable business areas, such as human capital management.	
GRI 2-15	Conflicts of interest (within highest governance body)	Our Board of Directors has adopted written Standards of Business Conduct that outline our corporate values and standards of integrity and behavior, including conflicts of interest. Please see pages 14–15 of our Standards of Business Conduct to learn more about how we seek to prevent and mitigate potential conflicts of interest.	
GRI 2-16	Communication of critical concerns	As noted on page 9 of our Standards of Business Conduct , items of critical concern regarding Cardinal Health’s business practices can be communicated through our Business Conduct Line.	
GRI 2-17	Collective knowledge of the highest governance body	Please see the Director Skills Matrix on page 13 of our 2025 Proxy Statement for more information on the collective knowledge of our Board of Directors.	
GRI 2-18	Evaluation of performance of the highest governance body	Please see page 29 of our 2025 Proxy Statement to learn more about our Board of Directors’ performance evaluation process.	
GRI 2-19	Remuneration policies	Please see pages 38-39 of our 2025 Proxy Statement to learn more about director compensation and pages 40–75 to learn more about named executive officer compensation.	As described in the proxy statement and consistent with U.S. Securities and Exchange Commission (SEC) requirements, named executive officers include the CEO, CFO, CEO of the Pharmaceutical and Specialty Solutions Segment, CEO of the Global Medical Products and Distribution Segment, and Chief Legal and Compliance Officer.

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 2 – General Disclosures 2021 (continued)			
GRI 2-20	Process to determine remuneration	Please see pages 38-39 of our 2025 Proxy Statement to learn more about director compensation and pages 40-75 to learn more about named executive officer compensation.	As described in the proxy statement and consistent with SEC requirements, named executive officers include the CEO, CFO, CEO of the Pharmaceutical and Specialty Solutions Segment, CEO of the Global Medical Products and Distribution Segment, and Chief Legal and Compliance Officer.
GRI 2-21	Annual total compensation ratio	As noted on page 70 of our 2025 Proxy Statement , "For fiscal 2025, the median annual total compensation of all our employees (other than the CEO) was \$72,657. CEO Jason Hollar's annual total compensation for fiscal 2025 for purposes of the pay ratio disclosure was \$18,990,992. Based on this information, for fiscal 2025, the ratio of the compensation of the CEO to the median annual total compensation of all other employees was estimated to be 261 to 11.	
GRI 2-22	Statement on sustainable development strategy	See letter from CEO Jason Hollar at the beginning of this report.	
GRI 2-23	Policy commitments	Cardinal Health's Standards of Business Conduct represents our primary policy commitment for ethical business conduct. It communicates both our company's core values and our standards to our employees for how we interact with each other, customers, vendors, and all other third parties. All employees worldwide, from our senior leadership to our sales and marketing departments to our warehouse and plant employees, receive our Standards of Business Conduct when they join the company. Our Standards of Business Conduct provides specific guidance on conduct related to competing responsibly in the marketplace including the topics of anti-bribery, anti-corruption, and unethical behavior. Our Standards of Business Conduct also contains the contact information to our confidential and anonymous platform for all Cardinal Health stakeholders to raise issues about business conduct.	
GRI 2-24	Embedding policy commitments	Cardinal Health builds on our Standards of Business Conduct and guidance when we implement company-wide policies and procedures that provide requirements for doing our jobs in compliance with the laws and regulations applicable to each business unit's operations. From our manufacturing locations to our distribution centers to our sales and marketing teams, these policies often require detailed procedures to ensure appropriate review and approval of various regulated activities and activities that involve a transfer of value to third parties, specifically customers and healthcare professionals.	
GRI 2-25	Processes to remediate negative impacts	Cardinal Health provides all stakeholders with a confidential and anonymous platform to raise issues about business conduct of Cardinal Health and its employees. All reports will be treated confidentially by our Ethics and Compliance function, except where disclosure is required to properly investigate the issue or where disclosure is mandated by law. All issues submitted are entered into an electronic case management system for tracking and communication. All claims submitted through the Business Conduct Line are thoroughly investigated.	
GRI 2-26	Mechanisms for seeking advice and raising concerns	As noted on page 9 of our Standards of Business Conduct , items of critical concern regarding Cardinal Health's business practices can be raised through our Business Conduct Line.	
GRI 2-27	Compliance with laws and regulations	We report any significant instances of non-compliance, or alleged non-compliance, with laws and regulations in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
GRI 2-28	Membership associations	Cardinal Health plays an active role in several membership and advocacy associations globally. For a full listing of trade associations to which we paid more than \$25,000 in 2025, please see our Political Activities and Contributions Report .	Cardinal Health updates our Political Activities and Contributions Report on a calendar year basis. Therefore, the report link will provide our data for calendar year 2024.



Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 2 – General Disclosures 2021 (continued)			
GRI 2-29	Approach to stakeholder engagement	<p>Some of the ways we engage with key stakeholders include:</p> <ul style="list-style-type: none"> • Employees: providing regular town halls and leadership panels that help drive an inclusive culture; talent development and retention and strategies and goals; engaging employees and gathering feedback through an annual employee engagement survey and more frequent pulse and life cycle surveys; and connecting with employees at all levels through internal social media websites, newsletters, digital signage, and posters. • Investors and other interested parties: disclosing against standards and frameworks (e.g., SASB, TCFD, GRI) and participating in surveys that are significant to them; investor engagement calls; and the Annual Meeting of Shareholders. • Customers: assessing satisfaction through periodic surveys and responding to sustainability-related surveys and inquiries. • Suppliers and partners: engaging to improve our responsible sourcing practices, increase worker well-being in the supply chain, and hold ourselves and our suppliers to high ethical standards. 	
GRI 2-30	Collective bargaining agreements	As disclosed in our fiscal 2025 Form 10-K , approximately 6% of total employees are covered by a collective bargaining agreement.	The percentage of global employees covered by a collective bargaining agreement is calculated by taking the number of employees covered by a collective bargaining agreement that was still valid as of the end of fiscal 2025 (i.e., June 30, 2025) and dividing that by the total number of global permanent employees (GRI 2-7).
GRI 3 – Material Topics 2021			
GRI 3-1	Process to determine material topics	<p>To determine our material sustainable business topics, we worked with a third-party advisor to perform the following steps:</p> <ol style="list-style-type: none"> 1. Through peer and industry research, we aligned on a list of topics relevant for the company. 2. We interviewed and surveyed internal and external stakeholders, including Cardinal Health's executive leaders, other key business and functional leaders across the company, customers, investors, outside experts, and associations. 3. We scored, prioritized, and ranked the topics based on the company's priorities and strategies, customer importance, relevant reporting frameworks, industry trends and goals, industry association and collaborative initiatives, and existing and potential regulation. 4. We validated the results with internal stakeholders and then reviewed the final list of priorities with our internal Sustainable Business Governance Committee and the Governance and Sustainability Committee of our Board of Directors. <p>Please see the Sustainable business topics and priorities section of this report for more information.</p>	
GRI 3-2	List of material topics	Within the Sustainable business topics and priorities section of this report, we disclose the full list of material topics and how we have organized them for purposes of strategic planning and risk management activities. In fiscal 2026, we began our double materiality assessment process and plan to disclose the results in next year's report.	
GRI 3-3	Management of material topics	<p>This report and accompanying indices were organized based on our list of material sustainable business topics, so we could directly describe the actual and potential positive and negative impacts that Cardinal Health has on the environment, society, and stakeholders. Throughout these disclosures, we include descriptions of business relationships, company policies and commitments, and actions taken to manage each topic and the related impacts. To determine the effectiveness of these policies and actions, we measure and disclose within this report performance metrics for each topic that align with GRI, SASB, and TCFD standards and frameworks.</p>	

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 201 – Economic Performance 2016			
GRI 201-1	Direct economic value generated and distributed	For information on Cardinal Health’s financial performance, including the generation and distribution of economic value, please see our Financial Statements starting on page 49 of our fiscal 2025 Form 10-K .	
GRI 201-2	Financial implications and other risks and opportunities due to climate change	As noted in our TCFD Index , Cardinal Health has performed a climate scenario analysis to identify relevant climate-related risks and opportunities for consideration during strategic, financial, and business planning activities.	
GRI 201-3	Defined benefit plan obligations and other retirement plans	Cardinal Health offers a 401(k) defined contribution plan to all regular U.S. employees. We offer a full suite of investment options, and participants can defer into pre-tax and Roth accounts up to the annually defined IRS contribution limits, while benefiting from a competitive company match. Internationally, all countries have government mandated retirement programs; some schemes are defined benefit or defined contribution. In many countries, Cardinal Health also contributes to supplemental retirement programs on behalf of employees.	
GRI 201-4	Financial assistance received from government	For information on Cardinal Health’s financial performance, including the generation and distribution of economic value, please see our Financial Statements starting on page 49 of our fiscal 2025 Form 10-K .	
GRI 202 – Market Presence 2016			
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 202-2	Proportion of senior management hired from the local community	41% of senior management	Senior management is defined as all permanent employees who are at a Vice President level and above within the management and executive tracks, excluding Kinray employee details. Local community is defined by work address in our HR system of record and includes the Dublin, Ohio, headquarters or other Central Ohio Cardinal Health locations.
GRI 203 – Indirect Economic Impacts 2016			
GRI 203-1	Infrastructure investments and services supported	<p>Cardinal Health supports infrastructure investments that advance healthcare access, logistics efficiency, and digital health innovation. These efforts contribute to community well-being and economic development across multiple regions.</p> <p>In fiscal 2025, one key investment within our at-Home business was a 340,000 sq. ft. distribution center in Fort Worth, Texas, consolidating two facilities and adding 74,000 sq. ft. of inventory capacity. It includes 74 robots, a 1,500-foot conveyor system, and AI-powered warehouse management that provides a daily shipment volume of 10,000 healthcare packages to patients nationwide.</p> <p>Similar technology-enabled centers opened in South Carolina and Ohio, with two more planned in the American West and Northeast U.S. More detail can be found in the Resilient Business section of this report.</p>	



Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
-----------	--------	------------	--

GRI 203 – Indirect Economic Impacts 2016 (continued)

GRI 203-2	Significant indirect economic impacts	<p>The Cardinal Health Foundation's Equity Rx program addresses a critical barrier to healthcare: prescription affordability. With 29% of U.S. adults unable to fill needed prescriptions due to cost, the program expands access to both medications and care for underserved populations, especially those with chronic conditions.</p> <p>Launched in Ohio and expanded to four states, Equity Rx has:</p> <ul style="list-style-type: none"> • Supported 10+ charitable clinics through partnerships with CHN, NAFC, and others. • Served more than 11,000 patients • Provided patients with more than 145,000 prescription medications • Prevented over \$1.3M in healthcare costs <p>These efforts improve medication adherence, reduce emergency visits, and enhance quality of life — generating meaningful indirect economic impacts in vulnerable communities.</p> <p>For more details, see the Healthy patients and communities section of our report.</p>	
------------------	---------------------------------------	---	--

GRI 204 – Procurement Practices 2016

GRI 204-1	Proportion of spending on local suppliers	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
------------------	---	---	--

GRI 205 – Anti-corruption 2016

GRI 205-1	Operations assessed for risks related to corruption	<p>Our Anti-Bribery and Anti-Corruption Policy identifies requirements for employee conduct, and we train employees on those requirements. Third-party sellers are bound by contractual provisions that oblige them to follow our Standards of Business Conduct and how to apply them when transacting business with Cardinal Health or when acting on our behalf. We regularly seek guidance from outside legal experts and consultants to make improvements to our anti-bribery and anti-corruption program.</p> <p>Cardinal Health maintains a robust third-party compliance risk management program focused on mitigating bribery and corruption risks. We subject third-party intermediaries who market or sell products on our behalf to regular compliance due diligence, training, and monitoring. We also implement a strict due diligence, training, and monitoring system for our higher risk vendors across the globe.</p> <p>Our Ethics and Compliance team conducts risk assessments and uses data from various compliance systems to monitor activity levels in key compliance risk areas. In addition, our Internal Audit department conducts regular Foreign Corrupt Practices Act (FCPA) audits in our commercial organizations, manufacturing, and sourcing locations.</p>	
------------------	---	---	--

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 205 – Anti-corruption 2016 (continued)			
GRI 205-2	Communication and training about anti-corruption policies and procedures	Employees are assigned a training, whether in person or online, on our Standards of Business Conduct . The online training course is deployed to any new hire and annually thereafter, and includes scenario-based situations, knowledge checks, policy links and other information on anti-bribery and anti-corruption, conflicts of interest and privacy and confidential information. The online training course is deployed in 14 different languages in 34 countries in all regions- U.S., Canada, LATAM, EMEA and APAC. Those in manufacturing and distribution centers mostly received in person trainings. We actively monitor training completions and follow up with reminders to employees. In addition to the content in our Standards of Business Conduct training, employees from relevant functional areas also receive annual training on anti-bribery and corruption in a separate online course.	
GRI 205-3	Confirmed incidents of corruption and actions taken	We report any significant incidents of corruption, or alleged corruption, and actions taken in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
GRI 206 – Anti-competitive Behavior 2016			
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	We report any significant legal proceedings concerning alleged anti-competitive behavior or anti-trust and monopoly practices in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
GRI - 207 Tax 2019			
GRI 207-1	Approach to tax	For information on our approach to tax during fiscal 2025, please see our Financial Statements and Notes to Consolidated Financial Statements starting on page 55 of our fiscal 2025 Form 10-K .	
GRI 207-2	Tax governance, control, and risk management	For information on tax governance, control and risk management activities during fiscal 2025, please see our Financial Statements and Notes to Consolidated Financial Statements starting on page 55 of our fiscal 2025 Form 10-K .	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	For information on stakeholder engagement and management of concerns related to tax during fiscal 2025, please see our Financial Statements and Notes to Consolidated Financial Statements starting on page 55 of our fiscal 2025 Form 10-K .	
GRI 207-4	Country-by-country reporting	For information on country-specific reporting on tax, please see our Financial Statements and Notes to Consolidated Financial Statements starting on page 55 of our fiscal 2025 Form 10-K .	

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 301 – Materials 2016			
GRI 301-1	Materials used by weight or volume	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 301-2	Recycled input materials used	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 301-3	Reclaimed products and their packaging materials	Sustainable Technologies™, a Cardinal Health business, is a leading provider of single-use device collections and reprocessing services in the United States. Our reprocessing program drives supply resiliency and financial value while making it simple for clinical teams to contribute to their organization’s sustainability goals. Upon arrival at our FDA-registered reprocessing facility, devices are inspected, sorted, cleaned, 100% functionally tested, disinfected and/or sterilized, and finally, sold back to our customers. In fiscal 2025, the team collected approximately 21.6 million single use devices, which diverted 6.6 million pounds of waste from landfill.	Waste diversion is calculated by multiplying the average weight of all devices eligible for collection and reprocessing by the number of single use devices collected during the reporting period.
GRI 302 – Energy 2016			
GRI 302-1	Energy consumption within the organization	Total energy consumption (non-renewable and renewable): 4,661,366 GJ Total non-renewable energy consumption: 4,468,493 GJ Total renewable energy consumption: 192,874 GJ Total grid-purchased electricity consumption: 2,093,593 GJ	Energy consumption within the organization is inclusive of all energy sources consumed by assets under Cardinal Health’s operational control, including diesel, gasoline, jet fuel, liquified petroleum gas (LPG), natural gas, grid-purchased electricity, and solar photovoltaic (PV)- generated electricity. Renewable energy consumption includes on-site PV generated electricity, purchased unbundled RECs to account for PV generated where Cardinal Health does not retain the RECs, RECs associated with a clean energy utility program, and a single on-site biomass facility. Factors used: - 2023 Climate Registry Default Conversion Factors (unit conversions)
GRI 302-2	Energy consumption outside of the organization	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 302-3	Energy intensity	0.000021 GJ of energy consumption per dollar of revenue	Energy intensity is calculated by dividing total energy consumption (as reported in GRI 302-1) by total enterprise-wide revenue as reported in our fiscal 2025 Form 10-K
GRI 302-4	Reduction of energy consumption	42,245 GJ	Cardinal Health completed 28 energy efficiency projects across the portfolio, across project categories of compressed air, cooling plants, heating plant, HVAC, lighting, and solar equipment.
GRI 302-5	Reductions in energy requirements of products and services	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 303 – Water and Effluents 2018			
GRI 303-1	Interactions with water as a shared resource	<p>Cardinal Health withdraws, consumes, and discharges water at our locations globally. Most locations, including all distribution centers and pharmacies, withdraw water via the local municipality or utility. In distribution centers and pharmacies, water is typically used for general office and landscaping activities. At these locations, water is discharged through the local municipality or utility's wastewater infrastructure. Manufacturing locations withdraw water via wells and the local municipality or utility.</p> <p>To monitor water usage, data is tracked with month-over-month comparisons of utility invoices and reported water withdrawal to identify leaks or opportunities to reduce water withdrawal at our locations.</p> <p>While Cardinal Health has not established external water-related goals, water withdrawal was included in the scope of our fiscal 2025 assurance statement.</p>	
GRI 303-2	Management of water discharge-related impacts	<p>Cardinal Health internal environment, health and safety (EHS) Standard 22: Water management requires managers of operations with wastewater discharge to understand their location's wastewater generation, characterize the properties of that wastewater, and ensure a discharge permit is in place prior to any regulated discharge. Additionally, the water management standard requires the implementation of several other best management practices related to water discharge.</p> <p>In areas without existing discharge regulations, the water management standard sets minimum water quality thresholds for effluent discharges. These thresholds represent maximum daily concentration limits for typical wastewater parameters such as: oil and grease, total suspended solids (TSS), biological oxygen demand, chemical oxygen demand, and pH. These concentration limits are based on general discharge conditions often found in industrial discharge permits issued in locations with wastewater discharge regulations.</p> <p>Locations in jurisdictions with water quality regulations are required to obtain permits prior to discharging any effluent. Locations in jurisdictions without water quality regulations are required to follow the internally developed effluent water quality standards found in the water management standard.</p> <p>While we do not specifically consider the profile of the receiving waterbody at each location, our approach ensures that impacts to waterbodies are compliant when local authorities issue location-specific permits with conditions specific to receiving waterbodies, such as the U.S. National Pollutant Discharge Elimination System (NPDES) permitting program. For waterbodies located in jurisdictions without water quality regulations, our best management practices implemented by each location mitigate potential impacts.</p>	
GRI 303-3	Water withdrawal	3.78 million cubic meters**	Water withdrawal is measured in alignment with GRI 303 guidance. Withdrawal is captured for facilities within our operational boundary from utility invoices and meter readings. Where primary data is not available, and where impact is material, water withdrawal is estimated using water intensity factors and building types from EPA EnergySTAR Water Use Intensity (WUI) tables. Data related to the MSO acquisitions mentioned in GRI 2-4 were estimated using these tables.
GRI 303-4	Water discharge	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 303-5	Water consumption	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	



Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 305 – Emissions 2016			
GRI 305-1	Direct (Scope 1) GHG emissions	154,395 mtCO ₂ e **	<p>Scope 1 GHG emissions were measured in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development’s (WBCSD), The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol). Cardinal Health selected an organizational boundary based on operational control and direct emissions sources include stationary and mobile combustion. Fuel sources included in Cardinal Health’s calculation of Scope 1 GHG emissions include natural gas, gasoline, diesel, jet fuel, liquified petroleum gas (LPG), and CH4 and N2O from biomass. Per the Greenhouse Gas Protocol Corporate Standard, direct CO2 from the combustion of biomass shall not be included in Scope 1 but reported separately. Cardinal Health’s direct CO2 emissions from the combustion of biomass is not included in the figures reported here in GRI 305-1, but is noted separately here as 15,079 mtCO2e.</p> <p>Emissions factors used: - EPA 2025 Stationary Fuel Conversion Factors [AR5]</p> <p>Please see our Basis of reporting for details on boundary, estimations, assumptions, and emissions factors. Please see our fiscal 2025 assurance statement.</p>
GRI 305-2	Indirect (Scope 2) GHG emissions	Location-based method: 198,583 mtCO ₂ e ** Market-based method: 197,849 mtCO ₂ e **	<p>Scope 2 GHG emissions were measured using the location-and market-based methods in accordance with the WRI WBCSD GHG Protocol Scope 2 Guidance. Cardinal Health selected an organizational boundary based on operational control. Sources of emissions included in Cardinal Health’s calculation of Scope 2 GHG emissions includes electricity.</p> <p>As part of a green power contract made with a provider in 2023, RECs associated with the contract have at last been provided to Cardinal Health following multiple delays, contributing 15,034 MWh’s of renewable energy.</p> <p>Scope 2 Emissions Factors:</p> <p>Location-based method emission factors - 2024 International Energy Agency (IEA) Emissions Factors (2022 data) - eGRID2023 (2025 release) [AR6]</p> <p>Market-based method emission factors - Green-e 2024 (2022 Data) - 2024 International Energy Agency (IEA) Emissions Factors (2022 data) - eGRID2023 (2025 release) [AR6] - AIB Residual Mix 2023 Data (2024 Release) - Electric Edison Institute (EEI) Electric Company Carbon Emissions and Electricity Mix Reporting Database for Customers</p>

Numbers marked with ** have been assured.

Reference Metric Disclosure Boundary, Assumptions, and Estimations

GRI 305 – Emissions 2016 (continued)

GRI 305-3 Other indirect (Scope 3) GHG emissions

Category number	Relevant Scope 3 categories	Fiscal 2023 Baseline Restatement	Fiscal 2024	Fiscal 2025
1	Purchased goods and services	19,846,274	20,772,535	18,342,398
2	Capital goods	81,502	71,990	79,174
3	Fuel- and energy-related activities	96,912	92,120	88,634
4	Upstream transportation and distribution	1,308,047	716,234	788,231
5	Waste generated in operations	24,387	20,642	22,184
6	Business travel	18,652	18,690	26,064
7	Employee commuting	54,535	50,398	64,887
8	Upstream leased assets	1,024	3,126	438
11	Use of sold products	41,505	56,661	244,510
12	End-of-life treatment of sold products	76,155	80,071	92,794
13	Downstream leased assets	6,592	2,504	8,964
15	Investments	22,337	22,544	30,939
	Total	21,577,922	21,907,517**	19,789,216**

Numbers marked with ** have been assured.

As referenced in our Basis of Reporting, we restated our FY23 Scope 3 baseline. A scaling factor of 1.2% was applied to relevant Scope 3 categories to account for the Managed Service Organization (MSO) acquisitions.

Please see our [Basis of reporting](#) for details on boundary, estimations, assumptions, and emission factors.

GRI 305-4 GHG emissions intensity

0.000002 mtCO₂e

Emissions intensity is calculated by dividing total Scope 1 emissions from GRI 305-1 and total market-based emissions in [GRI 305-2](#), and dividing by total enterprise-wide revenue as reported in our fiscal 2025 [Form 10-K](#).

GRI 305-5 Reduction of GHG emissions

4,507 mtCO₂e

Cardinal Health experienced emissions reductions in Scope 1 and Scope 2 due to the projects completed as described in [GRI 302-4](#).

GRI 305-6 Emissions of ozone-depleting substances (ODS)

Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.

GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 306 – Waste 2020			
GRI 306-1	Waste generation and significant waste-related impacts	As a distributor of pharmaceuticals, a global manufacturer and distributor of medical and laboratory products, and a provider of performance and data solutions for healthcare locations, Cardinal Health has several waste streams and related impacts throughout our value chain that we actively work to measure and manage. Activities such as sourcing raw materials, manufacturing products, distribution of products and services, routine waste generation from operations, regulatory actions, product recalls, and changing waste disposal requirements all have an impact on Cardinal Health's waste streams and must be monitored on an on-going basis. We recognize that waste-related impacts apply not only to Cardinal Health, but also extend upstream to our raw material and product suppliers, and downstream to our customers.	
GRI 306-2	Management of significant waste-related impacts	<p>Cardinal Health internal environment, health and safety (EHS) Standard 23: Waste management requires managers of operations to understand their location's waste generation, characterize the properties of that waste, and ensure management of that waste aligns with local, state and/or federal requirements. Cardinal Health's EHS team develops and oversees our waste management program that requires all operations to manage waste in accordance with regulatory requirements, monitor waste streams (including identifying new waste streams or significant changes to waste generation), and consider the feasibility of reducing waste generation.</p> <p>We partner with third-party providers to dispose of waste, divert waste from landfills where possible, and manage our hazardous waste. Our EHS team requires these partners to provide Certificates of Destruction, if necessary, waste manifests, and other instruments to document that contractual and regulatory requirements are being met.</p> <p>One external partner, Veolia, provides select sites with detailed data regarding their activity via an online database shared with Cardinal Health EHS leaders. Cardinal Health also maintains an internal database to manage information related to waste generation and recycling. Field EHS teams and the Sustainable Business team monitor this data for completeness and accuracy as part of our environmental data validation process.</p>	
GRI 306-3	Waste generated	109,471 tonnes	Cardinal Health reports waste generation across our locations that contract directly with a waste management provider or actively manage waste collection and disposal. For locations that are not invoiced based on weight, the size and type of receptacle as well as the frequency of pick-up by the third-party vendor are used to estimate waste generation.
GRI 306-4	Waste diverted from disposal	87,228 tonnes	Cardinal Health reports waste diversion across our locations that contract directly with a recycling provider or actively manage recycling collection and disposal.
GRI 306-5	Waste diverted to disposal	During fiscal 2025, Cardinal Health directed 22,243 tonnes of waste to disposal. 5,087 tonnes were directed to disposal for energy generation through incineration and waste to energy programs. Of our disposal materials, 1,018 tonnes were designated hazardous.	Cardinal Health reports waste diversion across our locations that contract directly with a recycling or waste to energy provider or actively manage recycling collection and disposal. For locations that are not invoiced based on weight, the size and type of receptacle as well as the frequency of pick-up by the third-party vendor are used to estimate waste diversion.

Reference Metric Disclosure Boundary, Assumptions, and Estimations

GRI 308 – Supplier Environmental Assessment 2016

GRI 308-1	New suppliers that were screened using environmental criteria	46 new suppliers were screened using environmental criteria in fiscal 2025.	New suppliers engaged during fiscal 2025 who completed a self-assessment questionnaire or a social compliance audit.
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	0 suppliers identified as having actual and potential negative environmental impacts.	

GRI 401 – Employment 2016

GRI 401-1	New employee hires and employee turnover	Percentage of new hires by gender and region		The number and percentage of new employee hires and turnover by gender and region are calculated for fiscal 2025 (as of June 30, 2025) based on data pulled from our HR system of record in September 2025. Given the sensitive nature of our employees’ age information, we have elected to exclude that data point from this topic’s disclosure. New hires include both internal employee transfers and external candidates selected to fill open positions at Cardinal Health. Turnover includes both voluntary and involuntary separations from Cardinal Health. Both new hires and turnover percentages are calculated for permanent employees only and exclude our Kinray employee base. Kinray is excluded as employment information is managed by a third party in a separate system of record and represents a de minimis number of employees.
		Gender break-out		
		Female	49.0%	
		Male	48.0%	
		Non-binary	0.1%	
		Not declared	0.6%	
		Regional break-out		
		U.S.	64.9%	
		Outside U.S.	35.1%	
		Percentage of turnover by gender and region		
Gender break-out				
Female	46.5%			
Male	53.0%			
Non-binary	0.1%			
Not declared	0.5%			
Regional break-out				
U.S.	57.3%			
Outside U.S.	42.7%			

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 401 – Employment 2016 (continued)			
GRI 401-2	Benefits paid to full-time employees that are not provided to temporary or part-time employees	Cardinal Health seeks to offer health and wellbeing benefits and resources that include comprehensive support for the “whole self” at affordable prices. Our Benefits team’s guiding principle is to manage costs and drive efficiencies to provide the best care to our employees and their families. U.S.-based staff who work an average of 30 or more hours per week can choose from a menu of health and wellness plans that help support their unique needs. International employee benefits vary by country and are established based on market competitiveness, while maintaining statutory compliance. All global employees and their household members, regardless of benefit enrollment, have access to an Employee Assistance Program (EAP) to help support their mental health, manage stress, and deal with a variety of financial and legal issues.	Benefits enrollment and tracking occurs on a calendar year basis and does not align with Cardinal Health’s fiscal year.
GRI 401-3	Parental leave	In the U.S., Cardinal Health offers employees 2.5 weeks of paid parental leave for mothers and fathers, including adoptive parents. When used in combination with the short-term disability benefit, birth mothers receive 100% of pay for up to 10.5 weeks. International parental leave benefits vary by country and are established based on market competitiveness, while maintaining statutory compliance.	This benefit applies only to employees in the U.S. with weekly scheduled hours of 20 or more.
GRI 402 – Labor/Management Relations 2016			
GRI 402-1	Minimum notice periods regarding operational changes	Six out of the 10 active collective bargaining agreements in place at the end of fiscal 2025 include specific language regarding the minimum notice periods for any operational changes.	All collective bargaining agreements are active as of the end of fiscal 2025 (i.e., June 30, 2025).
GRI 403 – Occupational Health and Safety 2018			
GRI 403-1	Occupational health and safety management system	Starting in fiscal 2025, the Cardinal Health EHS Management System (EHSMS) with seven elements (aligned with the ISO 14001 and 45001 Standards) became effective and was implemented to manage risks in all the high-risk operations in the company (i.e., distribution centers and manufacturing sites). It applies to all workers (including those who are not employees but whose work is controlled by Cardinal Health), and all activities performed within the physical boundaries (addresses) of the operations. In addition to implementing the Cardinal Health EHSMS, 18 of our 29 manufacturing sites are certified to ISO 14001:2015 and ISO 45001:2018 management system standards. These manufacturing sites have been audited and certified to both ISO standards by an external third party.	EHSMS applies to Cardinal Health distribution and medical manufacturing operations worldwide, including those joint ventures, partnerships, or other business arrangements where Cardinal Health holds a majority ownership interest, majority voting control, or where Cardinal Health, by contract, has agreed to manage the company.
GRI 403-2	Hazard identification, risk assessment, and incident investigation	<p>Element 4.3 of Cardinal Health’s EHSMS, Planning, defines our requirements and processes for identifying work-related hazards and assessing risks on a routine and non-routine basis, and for applying the hierarchy of controls to eliminate hazards and minimize risks and to continually improve the occupational health and safety management system. Element 4.3 of Cardinal Health’s EHSMS, Planning, includes processes to identify environmental aspects and evaluate their environmental impacts and identify safety hazards and evaluate their risks and opportunities. Element 4.4 of Cardinal Health’s EHSMS, Support, defines our requirements and processes to ensure the competency of persons who carry the risk assessment and incident investigation processes. Element 4.2 of Cardinal Health’s EHSMS, Leadership and Employee Engagement, addresses the requirement for workers to report work-related hazards and hazardous situations, and states that they are protected against reprisals and allowed to remove themselves from work situations that they believe could cause injury or ill health. Through this element, employees are encouraged to get involved in safety activities and programs, particularly in addressing the hazards and investigating incidents that arise from those hazards or unsafe work situations.</p> <p>Furthermore, a Risk Assessment and Reduction Program has been established to guide operations in completing the risk assessments. Element 4.7 of Cardinal Health’s EHSMS, Improvement, defines our requirements and program (Incident Reporting and Investigation Program) to investigate work related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system.</p>	See GRI 403-1



Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 403 – Occupational Health and Safety 2018 (continued)			
GRI 403-3	Occupational health services	<p>Cardinal Health has established and implemented an EHS Standard for Occupational Health that defines the requirements to recognize, evaluate, and control occupational health hazards. The standard requires each location to have a system in place to deliver timely medical care in the event of sudden injury or illness, which includes having the appropriate number of trained personnel and ensuring the availability of first responders. Each location is also required to establish a relationship with a local medical clinic, have a first aid kit(s) to provide for the immediate treatment of minor injuries by first aid responders, and to have automatic external defibrillators (AEDs) that can be used by authorized operators who have been trained as required by local regulations and as recommended by the manufacturer.</p> <p>Cardinal Health maintains the confidentiality of workers' personal health-related information through our data management system where personal health-related information is reported and kept. In addition, paper copies of reports or assessments that may contain other personal health-related information are required to be kept in a secured filing system at each location. Cardinal Health ensures that workers' personal health-related information and their participation in any occupational health services is not used for any favorable or unfavorable treatment through the established accountability systems and mechanisms as required by the EHSMS.</p>	See GRI 403-1
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Element 4.2 of Cardinal Health's EHSMS, Leadership and Employee Engagement, requires operations to provide employees opportunities to engage in EHS initiatives and processes. Our 18 manufacturing locations operating in accordance with the ISO Standards 14001 and 45001 follow the guidance provided in ISO 45001:2018, clauses 5.4d and 5.4e. Some examples of how our operations provide workers the opportunity to participate, consult, and communicate include, but are not limited to:</p> <ul style="list-style-type: none"> • EHS committees that address specific issues • Annual safety or EHS awareness campaigns • Management or business reviews • Employee suggestion programs or surveys • Town halls or employee group meetings <p>Operations are required to define location-specific processes for employee participation and consultation. For team-based mechanisms, the location-specific process includes the frequency of meetings, members of the teams, topics needed to be discussed, specific goals they need to achieve, and tasks needed to be completed to achieve the team goals. For the rest of the mechanisms, the location is required to establish goals that they need to achieve (e.g., number of inspections to be completed and number of suggestions to be addressed).</p>	See GRI 403-1
GRI 403-5	Worker training on occupational health and safety	<p>Element 4.4 of Cardinal Health's EHSMS, Support, requires operations to ensure employees have the required skills and knowledge to safely and accurately complete all assigned tasks. Each operation is required to provide effective training and education opportunities for employees to engage in the EHS initiatives and processes. Training can be delivered online through the Cardinal Health learning management system or by live instructor-led training (ILT) sessions. Corporate EHS and its Learning and Development business partners provide training guidance and tools for operations to plan for and deliver the training, including a Training Needs Analysis template to establish training topics for that operation. These topics include regulatory required training (e.g., hazard communication and bloodborne pathogens) and company-required training (e.g., EHSMS training, risk assessment training, incident investigation and root cause analysis training).</p>	See GRI 403-1

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations																																				
GRI 403 – Occupational Health and Safety 2018 (continued)																																							
GRI 403-6	Promotion of worker health	<p>Cardinal Health’s Benefits team actively manages and facilitates workers’ access to non-occupational medical and healthcare services and voluntary health promotion services and programs.</p> <p>Cardinal Health provides 100% preventive care coverage in all medical plan options. In addition, Cardinal Health offers many well-being tools and resources such as an employee assistance program, virtual behavioral health visits, a tobacco cessation program, 100% covered immunizations and mindfulness programs.</p>	Benefits disclosed are specific to U.S. based, full-time Cardinal Health employees.																																				
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Element 4.3 of Cardinal Health’s EHSMS, Planning, requires the identification of hazards and assessment of risks on a routine and non-routine basis and to apply a hierarchy of controls to eliminate hazards and minimize risks. These activities include the mitigation of significant negative occupational health and safety impacts directly linked to the operations’ activities, products, and services. The identification of hazards and assessment of risks accounts for all interested parties, including but not limited to contractors, vendors, regulatory agencies, communities, and business partners. Cardinal Health’s Risk Assessment and Reduction Program provides operations with guidance and methodologies to determine the significance of the risks associated with hazards identified for activities, products and services of our operations and their interested parties.	See GRI 403-1																																				
GRI 403-8	Workers covered by an occupational health and safety management system	<p>Cardinal Health actively uses two EHS management systems at our operations, which comprise manufacturing locations and distribution centers.</p> <ol style="list-style-type: none"> ISO 14001:2015 and ISO 45001:2018 for 18 manufacturing locations that have been certified by an external third party. Cardinal Health’s internal EHSMS for operations controlled by Cardinal Health. <p>Total number and percentage of workers covered by an externally audited and certified occupational health and safety management system (i.e., ISO 45001:2018): 12,041 (25%)</p> <p>Total number and percentage of workers that are covered by an internally audited occupational health and safety management system (i.e., Cardinal Health’s internal EHSMS): 28,789 (60%)</p>	All employees and workers who are not employees but whose work and/or workplace is controlled by the organization as of June 30, 2025 are included in the calculation of these metrics.																																				
GRI 403-9	Work-related injuries	<table border="1"> <thead> <tr> <th>Metric</th> <th>All employees</th> <th>Workers who are not employees but whose work is controlled by Cardinal Health</th> <th>Unit of measure</th> </tr> </thead> <tbody> <tr> <td>Recordable work-related injury/illness</td> <td>431</td> <td>25</td> <td>Injuries/illnesses</td> </tr> <tr> <td>Total Recordable Incident Rate (TRIR)³⁰</td> <td>1.00</td> <td>2.50</td> <td>Incident per 200,000 hours worked</td> </tr> <tr> <td>Lost time cases</td> <td>179</td> <td>11</td> <td>Lost time cases</td> </tr> <tr> <td>Lost Time Incident Rate (LTIR)³⁰</td> <td>0.42</td> <td>1.10</td> <td>Incident per 200,000 hours worked</td> </tr> <tr> <td>Main type of work-related injury/illness</td> <td>Contusion</td> <td>Laceration</td> <td>N/A</td> </tr> <tr> <td># of fatalities from work-related injury</td> <td>0</td> <td>0</td> <td>Fatalities</td> </tr> <tr> <td># of high-consequence work-related injury/illness (excluding fatalities)</td> <td>2</td> <td>1</td> <td>Injuries/illnesses</td> </tr> <tr> <td># of hours worked</td> <td>85,793,755</td> <td>2,002,142</td> <td>Hours</td> </tr> </tbody> </table>	Metric	All employees	Workers who are not employees but whose work is controlled by Cardinal Health	Unit of measure	Recordable work-related injury/illness	431	25	Injuries/illnesses	Total Recordable Incident Rate (TRIR) ³⁰	1.00	2.50	Incident per 200,000 hours worked	Lost time cases	179	11	Lost time cases	Lost Time Incident Rate (LTIR) ³⁰	0.42	1.10	Incident per 200,000 hours worked	Main type of work-related injury/illness	Contusion	Laceration	N/A	# of fatalities from work-related injury	0	0	Fatalities	# of high-consequence work-related injury/illness (excluding fatalities)	2	1	Injuries/illnesses	# of hours worked	85,793,755	2,002,142	Hours	<p>Work-related injuries and illnesses are self-reported by employees and entered by a location manager into the Intelex application for record keeping and reporting.</p> <p>Fatalities, high-consequence work-related injuries and illnesses, and recordable work-related injuries and illnesses were determined as of October 16, 2025, for fiscal 2025.</p> <p>Cardinal Health defines a recordable injury or illness in accordance with the Occupational Safety and Health Administration’s (OSHA) definition. Cardinal Health defines high-consequence work-related injuries and illnesses as those that result in employee lost time exceeding 180 days.</p>
Metric	All employees	Workers who are not employees but whose work is controlled by Cardinal Health	Unit of measure																																				
Recordable work-related injury/illness	431	25	Injuries/illnesses																																				
Total Recordable Incident Rate (TRIR) ³⁰	1.00	2.50	Incident per 200,000 hours worked																																				
Lost time cases	179	11	Lost time cases																																				
Lost Time Incident Rate (LTIR) ³⁰	0.42	1.10	Incident per 200,000 hours worked																																				
Main type of work-related injury/illness	Contusion	Laceration	N/A																																				
# of fatalities from work-related injury	0	0	Fatalities																																				
# of high-consequence work-related injury/illness (excluding fatalities)	2	1	Injuries/illnesses																																				
# of hours worked	85,793,755	2,002,142	Hours																																				
GRI 403-10	Work-related ill health	Cardinal Health does not distinguish between work-related injuries and ill health; therefore, all work-related incidents are disclosed within GRI 403-9.																																					

30. Cardinal Health calculates TRIR by dividing the number of recordable work-related injuries and illnesses by the total number of hours worked and multiplying the quotient by 200,000; LTIR is calculated by dividing the number of lost time injuries by the total number of hours and multiplying the quotient by 200,000.



Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 404 – Training and Education 2016			
GRI 404-1	Average hours of training per year per employee	Employees: 13.06 Contractors: 4.05	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	<p>We offer interactive leadership development programs for first-time people leaders who have transitioned from individual contributors to leading others and existing leaders who are looking for practical relevant resources to effectively lead and manage their teams.</p> <p>Programs such as Aspire (potential leaders), Advance (new leaders) and Amplify (tenured leaders) are designed to prepare our employees to be effective, inclusive people leaders that align with Cardinal Health’s core values. While most are U.S. based, we are also inclusive of our global employees, with dedicated resources to support leadership and professional development for our international employees in the LATAM, EMEA, Canada and APAC regions.</p> <p>We also offer a robust curriculum of professional development courses that will increase our employees’ skillsets in business writing, presentation skills, and technical skills. Our content is available in our Learning Management System and is offered in a variety of methods including in-person, virtual and web-based.</p>	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	At Cardinal Health, we encourage quarterly “Our Time to Talk” (OTTT) performance and development conversations between employees and managers. While completion is tracked quarterly, the fourth quarter and fiscal year end OTTT#4 is formally tracked and used for reporting purposes. For fiscal 2025, 98% of employees completed their OTTT#4 discussion with their manager.	<p>The percentage of employees receiving regular performance and career development reviews is calculated as of October 31, 2025, when OTTT#4 officially closed in our workday system.</p> <p>This metric includes all eligible global employees where the manager has acknowledged that an end-of-year performance and development conversation has occurred.</p> <p>The following employees are not “eligible” and are not included in this report:</p> <ul style="list-style-type: none"> · Outside of U.S. and Canada field and operations employees (have different performance review processes outside of the system) · Executive track employees (currently complete end-of-year reviews outside of the system) · Employees from countries that have labor union laws prohibiting this process · Employees who are on leave of absence or have been terminated during the process timeframe · Employees who are defined as “too new to rate” (started employment on or after March 24, 2025)

Reference Metric Disclosure Boundary, Assumptions, and Estimations

GRI 405 – Diversity and Equal Opportunity 2016

GRI 405-1 Diversity of governance bodies and employees

Board of Directors – Gender Diversity

Gender	Director count (percentage of total)
Female	5 (42%)
Male	7 (58%)
Total	12

Operating Committee – Gender Diversity

Gender	Employee count (percentage of total)
Female	5 (33.3%)
Male	10 (66.7%)
Total	15

Global Employees – Gender Diversity

Gender	Global count (percentage of total)	U.S. count (percentage of total)	Outside U.S. count (percentage of total)
Female	32,353 (54.8%)**	22,013 (54.3%)	10,340 (56.1%)
Male	26,351 (44.6%)**	18,305 (45.1%)	8,046 (43.6%)
Non-binary (USA)	39 (0.1%)**	39 (0.1%)	0 (0.0%)
Not declared	276 (0.5%)**	217 (0.5%)	59 (0.3%)
Total	59,019	40,574	18,445

US Employees – Racial/Ethnic Diversity

Race/Ethnicity	U.S. employee count (percentage of total)
American Indian / Alaskan Native	222 (0.6%)**
Asian	3,777 (9.3%)**
Black or African American	7,056 (17.4%)**
Hispanic or Latino	8,210 (20.2%)**
Native Hawaiian or Other Pacific Islander	233 (0.6%)**
Two or more races	1,035 (2.5%)**
White	19,145 (47.2%)**
Not declared / Not specified	896 (2.2%)**
Total	40,574**

Board of Directors – Racial/Ethnic Diversity

Race/Ethnicity	Director count (percentage of total)
Asian	2 (17%)
Black or African American	1 (8%)
White	9 (75%)
Total	12

Operating Committee – Racial/Ethnic Diversity

Race/Ethnicity	Employee count (percentage of total)
Black or African American	1 (6.7%)
Hispanic or Latino	1 (6.7%)
White	13 (86.7%)
Total	15

Employees at the manager level and above

Women	46.6%**
African American and Black employees	5.7%**
Asian, Latino, Indigenous and all other ethnically diverse groups	21.9%**

Diversity of employees is calculated based on data pulled from our HR system of record in September 2025 for the population of employees as of June 30, 2025, and excludes our Kinray employee base. Kinray is excluded as employment information is managed by a third party in a separate system of record and represents a de minimis impact on the metrics. Given the sensitive nature of our employees' age information, we have elected to exclude that data point from this topic's disclosure.

The composition of the Board of Directors is disclosed on page 14 of our [2025 Proxy Statement](#).

The composition of Cardinal Health's operating committee is disclosed on our website: [Our Leaders \(cardinalhealth.com\)](#).

The diversity of employees by gender includes Cardinal Health's global population of employees, including permanent, temporary, intern, and non-guaranteed-hours employees. As this report reflects a broader employee population for reporting purposes, total counts presented here may differ slightly from those reported in our [Form 10-K](#).

The diversity of employees by ethnicity is limited to Cardinal Health's employees who are based in the United States. Cardinal Health does not collect racial/ethnic demographics of its employees outside of the United States. The number of employees reported is based upon employees self-reporting their gender and/or ethnicity. The "Not declared/Not specified" category of employees are those who declined to disclose such information.

As of the end of fiscal 2025, approximately 55% of our total employee population were women and 51% of U.S. based employees were ethnically diverse. Please see our [fiscal 2025 assurance statement](#).

Note: Employees from the recently acquired Urology America business were excluded from these numbers, as their data was not yet available for this reporting period.

Numbers marked with ** have been assured.

Reference Metric Disclosure Boundary, Assumptions, and Estimations

GRI 405 – Diversity and Equal Opportunity 2016 (continued)

GRI 405-1
(continued)
Diversity of governance bodies and employees (continued)

EEO-1 survey data
Below is the EEO-1 report that we file with the U.S. Equal Employment Opportunity Commission (EEOC) based on calendar year filing requirements. The data reflect U.S. representation of racial/ethnic groups in various job categories at Cardinal Health as of December 31, 2024. (The EEOC mandates the use of specific job categories that differ from our workplace categories.)

Job categories	Race/Ethnicity														Row total
	Hispanic or Latino		Not Hispanic or Latino												
			Male						Female						
	Male	Female	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or more races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaska Native	Two or more races	
Executive/senior level officials and managers	2	2	33	2	1	0	0	2	13	2	1	0	0	0	58
First/mid-level officials and managers	220	173	1,626	215	220	9	9	47	1,393	188	163	2	8	41	4,314
Professionals	258	311	2,102	260	511	8	12	86	2,636	534	455	5	17	96	7,291
Technicians	150	193	471	161	89	5	8	29	444	175	49	9	12	25	1,820
Sales workers	30	40	499	42	19	3	2	14	479	28	11	3	3	12	1,185
Administrative support workers	49	225	163	77	21	0	4	7	832	510	53	7	13	51	2,012
Craft workers	25	4	116	40	1	0	2	3	8	16	0	0	0	0	215
Operatives	2,037	1,574	2,365	2,163	686	64	67	174	1,004	1,067	477	50	45	102	11,875
Laborers and helpers	79	234	40	23	21	0	0	4	52	61	22	0	2	0	538
Service workers	5	3	25	16	1	0	0	1	2	0	0	0	0	0	53
Current 2025 Reporting Year Total	2,855	2,759	7,440	2,999	1,570	89	104	367	6,863	2,581	1,231	76	100	327	29,361
Prior 2024 Reporting Year Total	2,711	2,714	7,710	3,029	1,579	94	84	362	6,956	2,606	1,217	77	93	321	29,553

GRI 405-2
Ratio of basic salary and remuneration of women to men

Among employees who are performing substantially similar work, for each dollar male employees are paid, female employees at Cardinal Health are paid 99 cents.

Cardinal Health's gender pay equity metric is calculated using U.S. permanent employee compensation as of June 30, 2025. The calculation excludes employees located in U.S. territories, executives, employees acquired through M&A activity after annual pay equity analysis, and employees who either identify as non-binary or do not respond to the voluntary survey.



Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 406 – Non-discrimination 2016			
GRI 406-1	Incidents of discrimination and corrective actions taken	<p>Cardinal Health provides equal employment opportunity to all applicants and employees in all aspects of employment, including but not limited to: sourcing; recruiting; hiring; transferring; promoting; maintaining or establishing terms and conditions of employment; training; educational assistance; compensation and benefits; corrective action; and determining layoffs, recalls, position eliminations, and terminations. Discrimination on the basis of race, religion, sex, color, national origin, ancestry, age, physical or mental disability, sexual orientation, gender identity/expression, veteran status, pregnancy, marital status, creed, reproductive health decision-making, status with regard to public assistance, genetic status or any other status protected by federal, state, or local law is prohibited and is not tolerated.</p> <p>All Cardinal Health employees share in the responsibility for fulfilling the commitment of Cardinal Health to equal employment opportunity. Employees who believe they have been discriminated against or who believe they have witnessed discrimination against others must report their concerns to their manager or supervisor immediately. If the employee is uncomfortable raising the concern with their manager, the employee must raise the concern with the Human Resources department immediately. Employees may also raise concerns by filing a report through the Business Conduct Line. Note that all complaints of discrimination, regardless of where they are initially reported, will ultimately be entered into the Business Conduct Line.</p> <p>All allegations of discrimination are thoroughly investigated. Our Ethics and Compliance Investigations team has primary responsibility for leading these. The Investigations team consists of experienced investigators who have expertise in Title VII and Equal Employment Opportunity to identify actions that are a violation of our policy, which is posted on our internal intranet site and externally on cardinalhealth.com. Immediate measures and corrective action, up to and including termination, will be taken against any person who is found to have engaged in conduct that is in violation of our policy. No employee will be retaliated against for making a complaint in good faith or for participating in good faith in an investigation pursuant to our policy.</p>	
GRI 407 – Freedom of Association and Collective Bargaining 2016			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 408-1 – Child Labor 2016			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	<p>In fiscal 2025, we identified 70 suppliers and 87 supplier facilities as having significant risk for incidents of child labor, however no evidence of child labor was identified at these sites. These risks were determined through our risk-based due diligence process, which considers factors such as geographic location, industry sector, and supplier audit results.</p> <p>Our due diligence approach aligns with international standards, and includes:</p> <ul style="list-style-type: none"> • Supplier self-assessments and risk screening using recognized indices and internal criteria • Third-party audits for high-risk suppliers • Corrective action plans and follow-up monitoring where findings occur • Training and resources for suppliers on labor standards and compliance expectations <p>We continue to engage with suppliers to strengthen labor practices and monitor progress through periodic reassessments. For more details, see our Responsible sourcing section.</p>	

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 409 – Forced or Compulsory Labor 2016			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<p>In fiscal 2025, we identified 70 suppliers and 87 supplier facilities as having significant risk for incidents of forced or compulsory labor, however, no evidence of forced labor was identified at these sites. These risks were assessed through our risk-based due diligence process, which considers factors such as geographic location, industry sector, and supplier audit results.</p> <p>Our approach aligns with international standards, including ILO Conventions and OECD Guidelines, and includes:</p> <ul style="list-style-type: none"> • Supplier self-assessments and risk screening using recognized indices and internal criteria • Third-party audits for high-risk suppliers • Corrective action plans and follow-up monitoring where findings occur • Training and resources for suppliers on labor standards and compliance expectations <p>We continue to engage with suppliers to strengthen labor practices and monitor progress through periodic reassessments. For more details, see our Responsible sourcing section.</p>	
GRI 410 – Security Practices 2016			
GRI 410-1	Security personnel trained in human rights policies or procedures	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 411 – Rights of Indigenous People 2016			
GRI 411-1	Incidents of violations involving rights of indigenous peoples	We report any significant legal proceedings concerning the rights of indigenous people in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
GRI 413 – Local Communities 2016			
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 414 – Supplier Social Assessment 2016			
GRI 414-1	New suppliers that were screened using social criteria	46 new suppliers were screened using social criteria. Please refer to our Responsible sourcing section for more information on our risk-based due diligence process.	New suppliers engaged during fiscal 2025 who completed a self-assessment questionnaire or a social compliance audit were included in the calculation of this metric.
GRI 414-2	Negative social impacts in the supply chain and actions taken	Six suppliers were identified as having actual or potential negative social impacts during a risk-based due diligence process. The Sustainable Business team engaged these suppliers in the corrective and preventive action (CAPA) process to address audit findings. This process is ongoing, and audit findings are being addressed. Cardinal Health will continue to monitor the progress of supplier CAPAs and take further remediation action as needed. Please refer to our Responsible sourcing section for more information on our risk-based due diligence process.	Suppliers were identified by having either a very low self-assessment rating and/or audit rating.
GRI 415 – Public Policy 2016			
GRI 415-1	Political contributions	For information on our political contributions, please see our Political Activities and Contributions Report .	Cardinal Health updates our Political Activities and Contributions Report on a calendar year basis. Therefore, the report link will provide our data for 2024.
GRI 416 – Customer Health and Safety 2016			
GRI 416-1	Assessment of the health and safety impacts of product and service categories	Cardinal Health understands the importance of identifying and responding to the health and safety impacts our products and services have on our customers. An example of how we identify and manage those impacts is demonstrated through our Controlled Substance Monitoring Program . Please see the Product quality and patient safety portion of this report for more details on our programs and priorities.	
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	We report any significant incidents regarding non-compliance, or alleged non-compliance, concerning the health and safety of our products and services in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	

Reference	Metric	Disclosure	Boundary, Assumptions, and Estimations
GRI 417 – Marketing and Labeling 2016			
GRI 417-1	Requirements for product and service information and labeling	Cardinal Health is subject to stringent global regulations designed to ensure patient safety and product efficacy. Pursuant to global legislative frameworks such as 21 CFR 820 (U.S. FDA Quality System Regulation) and Regulation (EU) 2017/745 on Medical Devices (EU MDR), Cardinal Health already reports issues related to the safety of its products to the governing regulatory authorities, such as US FDA, Health Canada and the EU Competent Authorities.	
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	We report any significant incidents regarding non-compliance, or alleged non-compliance, concerning product and service information and labeling in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
GRI 417-3	Incidents of non-compliance concerning marketing communications	We report any significant incidents regarding non-compliance, or alleged non-compliance, concerning marketing communications in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
GRI 418 – Customer Privacy			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cardinal Health has established governance measures to protect the security and confidentiality of the information it collects, including policies and procedures for identifying, prioritizing, reporting, mitigating, and responding to potential security and privacy incidents. Training has been deployed across the organization to aid in incident identification and escalation. Additionally, Cardinal Health has invested in technology solutions to expedite our incident discovery and assessment processes. We also leverage these tools to better enable timely notifications to impacted stakeholders as appropriate. We report any substantiated complaints concerning breaches of customer privacy and losses of customer data that relate to material cybersecurity incidents in our Forms 10-K, 10-Q and 8-K filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	



Sustainability Accounting Standards Board (SASB) Index

Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Health Care Distributors Standard				
Fleet Fuel Management	HC-DI-110a.1	Payload fuel economy	<p>Payload fuel economy Diesel: 8.84</p> <p>Payload fuel economy Unleaded Gasoline: 13.15</p>	<p>Fuel efficiency reported under this metric includes only trucks within the U.S. Medical Products and Distribution fleet operated by Penske Logistics and leased through Penske Truck Leasing. Penske Truck Leasing's telematics system supplies the data used to calculate the fuel efficiency for trucks that operate on diesel and unleaded gasoline. Penske Logistics and Penske Truck Leasing provided the data directly to Cardinal Health, using a date range of July 1, 2024 – June 30, 2025.</p>
Fleet Fuel Management	HC-DI-110a.2	Description of efforts to reduce the environmental impact of logistics	<p>Equipment specification When ordering and securing equipment, significant investments in technology are part of an ongoing strategy to improve fuel efficiency. The tractors, trucks, and trailers we lease are equipped with physical options designed to improve fuel economy. These features include roof fairings, side extenders, aerodynamic mirrors, aerodynamic bumpers, fuel tank skirts, eco-flap mud flaps, trailer side skirts, Smartway fuel efficient tires (low roll resistance), single torque engines, automated transmissions with overdrive, aluminum rims, and tire pressure management systems, including auto inflation. The investment in tires and tire systems contribute significantly to improving fuel efficiency. According to Fueleconomy.gov, underinflated tires can lower fuel economy by 0.2% every 1 OSI drop in the average pressure of all tires. According to the NACFE (North American Council for Freight Efficiency), a fleet investing in these technologies can see fuel efficiency increase up to 13%.</p> <p>Vehicle maintenance Penske Truck Leasing maintains our equipment and uses synthetic oil and lubricants where available. This is done both to reduce engine drag (synthetic offers greater resistance to thickening) and to allow for extended drain intervals reducing the waste stream. Regularly scheduled maintenance, paired with onboard proactive diagnostic alerts, identify any malfunctions or non-optimal conditions early; therefore, decreasing the risk that a truck isn't performing in top condition. Malfunctions are identified early for correction before impacting fuel economy at a meaningful level.</p> <p>Vehicle speed management When a tractor or truck is put into service, the engine governors are set at 67 mph. The vehicle's road speed has a tremendous effect on fuel economy. As road speed increases, so does air resistance. For example, at 55 mph, you may get 7 mpg, at 65 mph, you'll get 6 mpg; and at 70 mph, you'll get only 5.5 mpg. The general rule is that above 55 mph, each 1 mph increase in vehicle speed decreases mileage by 0.1 mpg. By limiting the top speed of the vehicle, you can minimize this loss of efficiency.</p> <p>Vehicle idle management When we put a tractor or truck into service, the idle auto shutoff is set at three minutes. Idle time can significantly affect the vehicle's fuel efficiency. The vehicle gets worse mpg when the engine runs, and the truck doesn't move. Every hour of idle time can decrease fuel efficiency by as much as 1%.</p> <p>Tracking and management programs Penske Logistics, which operates our fleet, is required to report mpg and idle time monthly to allow corrective action or investigation of outliers if needed. Additionally, all tractors and trucks are equipped with On-Board technology for driver monitoring.</p> <p>Smartway The Medical Private Fleet participates in the EPA's Smartway program and has been a certified Smartway carrier since 2010 and received a High Performer designation for its 2023 submission of 2022 data.</p> <p>Electrification Cardinal Health leases a total of six EV assets in the state of California. This includes two EV yard tractors in Riverside, CA, one EV yard tractor, two EV tractors, and one EV van in the Ontario, CA location. Cardinal Health's transportation emissions strategy aligns with all current regulations.</p>	



Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Health Care Distributors Standard (continued)				
Product Safety	HC-DI-250a.1	Total amount of monetary losses as a result of legal proceedings associated with product safety	We report any significant legal proceedings associated with product safety in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
Product Safety	HC-DI-250a.2	Description of efforts to minimize health and safety risks of products sold associated with toxicity/chemical safety, high abuse potential, or delivery	To address the health and safety risks of sold products, Cardinal Health has established multiple programs designed to combat prescription drug misuse and the diversion of controlled substances. For more information, please see the following pages within our Company website: Controlled Substance Monitoring Program (CSMP) .	
Counterfeit Drugs	HC-DI-260a.1	Description of methods and technologies used to maintain traceability of products throughout the distribution chain and prevent counterfeiting	<p>The Drug Supply Chain Security Act (DSCSA) is designed to protect patient safety and the integrity of the pharmaceutical supply chain, by establishing a single, federal solution to trace prescription medications.</p> <p>Every trading partner in the supply chain, including manufacturers, distributors and those who dispense pharmaceuticals, must ensure that all required transaction information is provided at every transfer of ownership of these pharmaceuticals. The law requires interoperability, meaning that all the entities along the supply chain must be able to easily and seamlessly exchange data.</p> <p>Cardinal Health collaborated closely with our dispenser customers, including retail independent pharmacies, chain pharmacies, hospital pharmacies, and pharmaceutical manufacturers to prepare to meet DSCSA enhanced drug distribution security requirements.</p> <p>We invested in barcode scanning and labeling systems to record and share serialized data for prescription drug transactions. We established Electronic Product Code Information Services (EPCIS) connections with our suppliers and our customers. EPCIS is a GS1 sharing standard that enables visibility across the supply chain; it enables the capture and sharing of interoperable information — about location, chain of custody and location — in a secure manner. We also updated our Track and Trace Reporting web portal to provide dispensers with ready access to unit level traceability information.</p> <p>As a pharmaceutical distributor, Cardinal Health is required to have systems and processes in place to respond to government requests for tracing and verification of any counterfeit, suspect or illegitimate product. That means we must be able to isolate and investigate any questionable product and notify trading partners and the FDA when any counterfeit or illegitimate product is identified.</p>	

Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Health Care Distributors Standard (continued)				
Counterfeit Drugs	HC-DI-260a.2	Discussion of due diligence process to qualify suppliers of drug products and medical equipment and devices	Cardinal Health distributes a wide range of drug products and medical equipment and devices through multiple businesses, including the Pharmaceutical and Specialty Solutions segment, the Global Medical Products and Distribution segment, Cardinal Health at Home Solutions, and Nuclear & Precision Health Solutions. These businesses have their own risk-based processes setting forth requirements for qualifying and managing suppliers, depending upon the type of supplier and product being supplied. These supplier qualification processes may include, for example, supplier questionnaires, site or virtual audits, supplier agreements, assessment of third-party certifications, and other evaluations as appropriate depending upon the relevant supplier and regulatory requirements. These processes ensure Cardinal Health maintains a risk-based, regulatory-driven approach to supplier qualification and ongoing oversight.	
Counterfeit Drugs	HC-DI-260a.3	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products	When we discover potential suspect or counterfeit product, either through the receiving process at our distribution centers, a customer complaint, an inquiry from a state or federal agency, or from a manufacturer communication, we immediately quarantine the product and investigate, in conjunction with the manufacturer, to determine if the product is illegitimate. The identification of illegitimate product triggers several subsequent notification processes. Downstream customers would be notified through our recall process. In addition, the DSCSA requires that any trading partner who identifies illegitimate product in their possession or control to notify the FDA and all immediate trading partners believed to have received the illegitimate product within 24 hours of the determination. Notifications to the FDA regarding illegitimate product are made on Form FDA 3911.	
Product Lifecycle Management	HC-DI-410a.1	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	At Cardinal Health, our packaging engineering team is responsible for the design and sourcing of packaging materials used for our Cardinal Health-branded medical products as well as our Presource® kit services. We are continuously improving our sustainability focused principles into packaging design for all new products and are implementing a methodical plan to renovate our current packaging to incorporate more of these principles. Our current packaging guardrails consider the entire lifecycle and include optimization for environmentally preferred attributes as much as possible. Considerations include but are not limited to: reduction of materials, reusability, recyclability, homogenous materials preference, and processes that reclaim energy. Our packaging guidelines also list Materials of Concern that are documented for compliance with the new packaging design. To help monitor these efforts, the packaging engineering team has created a sustainability tracker that categorizes projects based on the strategy used to reduce environmental impact, including component elimination, material changes, or reduced packaging.	
Product Lifecycle Management	HC-DI-410a.2	Amount (by weight) of products accepted for take-back and reused, recycled, or donated	Cardinal Health engages in both the collection and reprocessing of single-use medical devices, as well as the donation of both medical and pharmaceutical products each year. During fiscal 2025, we collected and reprocessed 21.6 million single use devices representing 6.6 million pounds diverted from landfills and donated almost \$16 million in medical and pharmaceutical products to nonprofit organizations.	Waste diversion is calculated by multiplying the average weight of all devices eligible for collection and reprocessing by the number of single use devices collected during the reporting period. Product donation (in dollars) is calculated based on the internal cost of products at the time they are designated for donation.
Business Ethics	HC-DI-510a.1	Description of efforts to minimize conflicts of interest and unethical business practices	Within our Standards of Business Conduct , Cardinal Health outlines our corporate values and standards of integrity and behavior. Please see page 43 of this report to learn more.	



Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Health Care Distributors Standard (continued)				
Business Ethics	HC-DI-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery, corruption, or other unethical business practices	We report any significant legal proceedings associated with bribery, corruption, or other unethical business practices in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
Activity Metrics	HC-DI-000.A	Number of pharmaceutical units sold by product category	Approximately 755 million units	<p>Pharmaceutical units are measured using the number of items ordered by a customer and fulfilled by Cardinal Health as recorded in our sales system of record. Pharmaceutical units are reported depending on how our sales systems organize items into purchase orders and can represent both single- and multi-dose volumes sold by both Cardinal Health's Global Medical Products and Distribution (GMPD) and Pharmaceutical and Specialty Solutions segments.</p> <p>For the GMPD segment, pharmaceutical units include items assigned a prescription drug regulatory code in our sales system of record.</p> <p>For the Pharmaceutical and Specialty Solutions segment, all nonprescription drug-related items were excluded from the metric as well as the following business units:</p> <ul style="list-style-type: none"> • Metro Medical • Major Rugby
Activity Metrics	HC-DI-000.B	Number of medical devices sold by product category	Approximately 505 million units	<p>Medical devices are measured using items ordered by a customer and fulfilled by Cardinal Health as recorded in our sales system of record within the GMPD segment only. Cardinal Health defines a medical device in accordance with the World Health Organization's definition, which states "a medical device can be any instrument, apparatus, implement, machine, appliance, implant, reagent for in vitro use, software, material or other similar or related article, intended by the manufacturer to be used, alone or in combination for a medical purpose". The value reported excludes the following medical segment business units:</p> <ul style="list-style-type: none"> • Cardinal Health Singapore • Cardinal Health Canada • Cardinal Health at-Home Solutions

Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Medical Equipment and Supplies Standard				
Affordability & Pricing	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or to their agents	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
Affordability & Pricing	HC-MS-240a.3	Percentage change in: (1) weighted average list price and (2) weighted average net price across product portfolio compared to previous reporting period	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
Product Safety	HC-MS-250a.1	(1) Number of recalls issued, (2) total units recalled	During fiscal 2025, Cardinal Health reported six Class II product recalls. Class II recalls represent a situation in which use of or exposure to a violative product may cause temporary or medically reversible adverse health consequences or where the probability of serious adverse health consequences is remote.	
Product Safety	HC-MS-250a.2	Products listed in any public medical product safety or adverse event alert database	Cardinal Health reports all data as required by the FDA regarding Manufacturer and User Facility Device Experience (MAUDE). To see Cardinal Health information, please visit the MAUDE Database .	
Product Safety	HC-MS-250a.3	Number of fatalities associated with products	To see Cardinal Health information, please visit the MAUDE Database .	
Product Safety	HC-MS-250a.4	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type	We report any significant enforcement actions taken in response to violations, or alleged violations, of good manufacturing practices (GMP) or equivalent standards in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
Ethical Marketing	HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	We report on significant legal proceedings associated with false marketing claims in our Forms 10-K and 10-Q filed with the SEC to the extent required by the SEC. Please see our Investor Relations website for access to corporate filings.	

Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Medical Equipment and Supplies Standard (continued)				
Ethical Marketing	HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	<p>Cardinal Health maintains an active policy in the U.S. that prohibits the promotion of medical device products for off-label use as defined within our policy or otherwise unapproved purposes. The policy applies to all forms of promotional activities, including but not limited to direct healthcare provider communications, conducting or sponsoring promotional talks or discussions that involve off-label promotions, and providing access to online materials or educational programs for the purpose of off-label promotions.</p> <p>The global procedure for copy review of marketing communications (promotions/advertising) is a centralized global process that outlines global advertising requirements. The Global Copy Clearance Procedure, QS00015304, incorporates requirements of the ICC Consolidated Code of Advertising and Marketing Communications Practice (2011) and GRI 417 as well as country/region specific requirements.</p>	
Product Design and Lifecycle Management	HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	<p>Single use device reprocessing helps hospitals save money, reduce waste and lower carbon emissions, while strengthening their supply chain. Sustainable Technologies™, a Cardinal Health business, collects and sells reprocessed single use medical devices. Many single-use devices can be reprocessed multiple times, and when they can no longer be reprocessed, they can be recycled. We manage end-of-life disposition of products through a combination of waste-to-energy (WTE) and recycling programs to help reduce our environmental footprint. Leveraging this process for end-of-life disposition reduces the volume of waste going to landfills by 99% and provides a sustainable energy source to communities.</p> <p>WTE facilities process non-hazardous municipal solid waste (MSW) and produce electricity and/or steam through a combustion process. These facilities divert waste from landfills, mitigating the impact of greenhouse gas emissions in the atmosphere. WTE facilities are defined as renewable and are recognized as preferable to landfilling in the solid waste management hierarchy. WTE facilities are also resilient sources of baseload energy, meaning they generate their energy consistently. As a result, they serve as a valuable complement to intermittent renewable resources such as wind and solar.</p>	
Product Design and Lifecycle Management	HC-MS-410a.2	Total amount of products accepted for take-back and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	Cardinal Health engages in both the collection and reprocessing of single-use medical devices, as well as the donation of both medical and pharmaceutical products each year. During fiscal 2025, we collected and reprocessed 21.6 million single use devices representing 6.6 million pounds diverted from landfill and donated almost \$16 million in medical and pharmaceutical products to nonprofit organizations.	Waste diversion is calculated by multiplying the average weight of all devices eligible for collection and reprocessing by the number of single use devices collected during the reporting period. Product donation (in dollars) is calculated based on the internal cost of products at the time they are designated for donation.
Supply Chain Management	HC-MS-430a.1	Percentage of (1) entity's facilities and (2) Tier 1 suppliers' facilities participating in third-party audit programs for manufacturing and product quality	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	

Topic	SASB Code	Accounting Metric	Disclosure	Boundary, Assumptions, and Estimations
SASB Index – Medical Equipment and Supplies Standard (continued)				
Supply Chain Management	HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	Cardinal Health has elected not to disclose performance on this metric for fiscal 2025.	
Supply Chain Management	HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	Cardinal Health acknowledges that 3TG minerals (tin, tantalum, tungsten and gold) are used in the manufacturing of medical devices and electronic components. We also recognize that profits from certain mining operations of conflict minerals found in the Democratic Republic of the Congo and adjoining countries, and other conflict-affected and high-risk areas of the world, may provide financial support to armed groups that commit violence and human rights violations. In addition, the U.S. Conflict Minerals Rule requires public companies such as Cardinal Health to annually disclose specific information about the origin of the conflict minerals in the products they manufacture or contract to manufacture to the extent those conflict minerals are necessary to the products' functionality or production, as well as information on their related compliance procedures. For more information, please see Cardinal Health's Conflict Minerals Global Policy and our 2024 Form SD filed with the U.S. SEC .	
Business Ethics	HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	We report on significant legal proceedings associated with bribery or corruption in our Forms 10-K and 10-Q filed with the SEC to the extent required by SEC rules. Please see our Investor Relations website for access to corporate filings.	
Business Ethics	HC-MS-510a.2	Description of code of ethics governing interactions with health care professionals	Our Interactions with Customers and Healthcare Professionals policy applies to all interactions by Cardinal Health companies, business units and functional groups with Customers, Healthcare Professionals (HCPs) and Government Officials (GOs). This policy applies to all Transfers of Value to a Customer, HCP or GO. It also applies to indirect Transfers of Value to Customers, HCPs or GOs requested by Cardinal Health or its employees through third parties. Employees who violate this policy or its related procedures will be subject to disciplinary action up to and including termination. Cardinal Health has also adopted the AdvaMed Code of Ethics on Interactions with Healthcare Professionals. As part of our Ethics and Compliance program, Cardinal Health has engaged compliance business partners who train, monitor, and oversee compliance with this policy.	
Activity Metrics	HC-MS-000.A	Number of units sold by product category	Approximately 1.2 billion units	<p>Number of units is measured using the number of items ordered by a customer and fulfilled by Cardinal Health as recorded in our sales system of record. This includes all medical equipment and supplies, including general medical supplies and health aid items sold by our Pharmaceutical and Specialty Solutions segment to retail pharmacies. More than 23 million units sold included in this total were pulled under categories labeled "HBA – Health and Beauty Aid" and "GENMERCH" (General Merchandise) and include medical equipment and supplies but also include many other product types. Business unit exclusions include:</p> <ul style="list-style-type: none"> • Medical Distribution – International • Cardinal Health Singapore • Cardinal Health Canada • Cardinal Health at-Home Solutions • Metro Medical • Major Rugby • Nuclear and Precision Health Solutions • Cordis Products



Task Force on Climate-Related Financial Disclosures (TCFD) Index

Recommended Disclosure

Disclosure

Governance

Describe the board's oversight of climate-related risks and opportunities.

Board-level oversight of sustainable business activities, policies, strategy, and reporting resides with the Governance and Sustainability Committee, which is formalized within the Governance and Sustainability Committee Charter. The sustainable business activities overseen by the Governance and Sustainability Committee include climate-related risks and opportunities and the strategy to manage those risks and opportunities. Among its other responsibilities, the Governance and Sustainability Committee is expected to:

1. Oversee and report to the full Board regarding the company's sustainable business activities, policies, strategy, and reporting (except to the extent such matters are overseen by another Board committee) and discuss such matters with the company's management as appropriate.
2. Monitor and evaluate environmental, social, and political issues and risks potentially impacting the company and report to the full Board regarding such matters.

Describe management's role in assessing and managing climate-related risks and opportunities.

Our sustainable business strategy is closely aligned with our overall business strategy. Successfully carrying out our sustainable business strategy and improving impact across our sustainable business priorities relies on an effective governance structure. This governance structure is also critical to the appropriate management and oversight of sustainable business-related risks and opportunities. See [Sustainable business governance at a glance](#) for more detail.

Throughout fiscal 2025, we continued to execute on the company's climate action plan to achieve our 2030 goal. We continued investment in a range of decarbonization levers across our operational footprint that will be deployed through fiscal 2030 and beyond. See our [Energy and climate](#) section for more detail.

Recommended Disclosure

Disclosure

Strategy

Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Given the nature of our operations, Cardinal Health faces a diverse portfolio of risks and opportunities. We continuously monitor factors that could significantly impact financial performance, customer needs, stakeholder expectations, and company reputation.

Our VP of Sustainable Business and SVP & Deputy General Counsel communicate climate-related risks and opportunities to the Governance and Sustainability Committee of the Board and the internal Sustainable Business Governance Committee, which also considers potential financial impacts and time horizons of such risks and opportunities.

In fiscal 2025, we embedded climate-related risks into Cardinal Health's Enterprise Risk Management (ERM) program, ensuring these risks are assessed and managed alongside other strategic and operational risks. This integration represents a significant advancement in aligning climate considerations with enterprise-wide risk management planning.

In fiscal 2025, we completed our evaluation of climate-related physical and transition risks and opportunities across short-term (1–3 years), medium-term (3–10 years), and long-term (10–30 years) horizons.

Climate-related risks:³¹

- **Business disruption due to acute physical climate risks (short- to medium-term):** Cardinal Health's business operations are susceptible to disruption from severe weather events, including floods, hurricanes, tornadoes, and wildfires. These events can cause temporary facility closures, damage to assets or inventory, and could cause shortages of products or increase delivery times. The concentration of certain geographic regions for the sourcing of raw materials may also cause delays in the production or delivery of impacted products.
- **Business disruption due to chronic physical climate risks (long-term):** Cardinal Health faces potential future business disruptions due to chronic shifts in weather patterns, including, but not limited to, rising temperatures, changing drought patterns, and sea level rise. These weather patterns could impact manufacturing facilities and raw material supply, particularly in water-stressed areas or coastal regions prone to flooding. Additionally, rising temperatures may inflate operating expenses at Cardinal Health's facilities due to the increased energy demands for cooling. Furthermore, projected climate-driven shifts in disease patterns may necessitate adjustments to Cardinal Health's product portfolio to meet evolving market and public health needs. Business disruptions caused by physical risk events, such as the drought-induced Panama Canal disruption, could also hinder the global movement of Cardinal Health's finished goods and extend transit times.
- **Increased compliance costs from new and emerging sustainability and climate-related regulations (short- to medium-term):** As emerging regulations focused on energy and emissions are adopted domestically and abroad, Cardinal Health could experience increased regulatory reporting costs. Authorities are continuously developing a growing body of regulations that govern Cardinal Health's operations. These regulations are increasing in number and complexity and are changing frequently. Notably, compliance with increasingly stringent climate change and sustainability-related regulations may result in additional costs associated with lower-carbon production and distribution and disclosure.
- **Changes in customer demand for sustainable products, services and information (short- to medium-term):** There is growing customer demand for sustainable medical supplies, pharmaceuticals and healthcare-related services. Delayed adaptation to this change in customer preference could lead to reduced demand for existing products and loss of future business. Competitors and new market entrants may capitalize on this shift if they are able to offer low-carbon or more sustainable products faster and at a lower cost.
- **Reliance on non-renewable energy sources susceptible to market forces (medium- to long-term):** Cardinal Health's dependence on non-renewable energy sources (e.g., fossil fuels) could expose the company to increased costs to make and deliver its products and services. Price fluctuations may increase operational and shipping costs across business segments and the value chain.

Climate-related opportunities:

- **Improved supply chain and distribution through resilience, redundancy, and nearshoring operations (short- to medium-term):** A shift in customer preferences towards nearshoring and localized manufacturing and distribution provides an opportunity for Cardinal Health to offer manufacturing closer to its primary markets. This could reduce transportation costs and time-to-delivery to customers.

31. The inclusion of examples of potential climate-related risks relating to Cardinal Health should not be read as a characterization regarding the materiality or financial impact of such potential risks for purposes of applicable securities laws or any other laws of the United States. For a discussion of risks that Cardinal Health has determined could be financially material, please see "Risk Factors" and other sections in and exhibits to our Form 10-K, as well as any such risk factors and other sections in and exhibits to our subsequent Form 10-Q filings.

Recommended Disclosure

Disclosure

Strategy (continued)

Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

As noted above, Cardinal Health has identified climate-related risks and opportunities that can have a significant impact on the operational and financial performance of the business as well as our reputation over the short-, medium-, and long-term. These also serve as Cardinal Health's foundation for considering climate during business, strategy, and financial planning to mitigate risks and take advantage of opportunities.

Climate-related risks³¹ (see footnote on the previous page):

- **Business disruption due to acute and chronic physical climate risk:** Physical climate risks, including floods, tropical cyclones and extreme precipitation events, may temporarily shut down manufacturing plants, distribution centers, warehouses, laboratories, and pharmacies, and may disrupt transportation routes and supplier operations. These events can result in reduced productivity, delays in the delivery of raw materials and finished goods and potentially cause impacts to revenue. Cardinal Health's Facilities and Real Estate Management team partners with our global insurance provider to regularly assess the risk of acute physical impacts on our facilities. As a part of this assessment, we consider the potential loss expectancy at each facility from wildfire, wind gusts, storms, and flood risk in terms of both physical damage and business interruption. These loss expectancy figures are considered when preparing our business resilience, strategic, and financial planning activities, which have resulted in capital expenditures across Cardinal Health's portfolio of facilities to mitigate loss expectancy, improve resilience, and reduce our insurance premiums. Our Transportation and Logistics teams also evaluate potential disruptions to domestic and international transportation routes and mitigate impacts to the flow of raw materials or finished goods.
- **Increased compliance costs from new and emerging sustainability and climate-related regulations:** As regulations focused on energy and emissions are adopted domestically and abroad, Cardinal Health considers the impact on our operations when engaging in strategic and financial planning. Cardinal Health could experience increased regulatory reporting costs due to emerging and increasingly stringent sustainability and climate-related regulations. The company has dedicated resources that evaluate emerging regulations in key markets like the U.S. and European Union, and regulations that may impact specific product categories. Cross-functional steering committees have also been established to evaluate required investments and prepare for compliance. Simultaneously, the organization is proactively preparing for requirements through the implementation of greenhouse gas emission reduction projects, climate risk assessments, and strong data controls to manage sustainability-related data.
- **Changes in customer demand for sustainable products, services and sustainable business information:** As demand for more sustainable products, services and information continues to increase, Cardinal Health could lose customer contracts if we cannot keep up with demand. In response to stakeholder and customer inquiries on sustainability and climate, Cardinal Health has worked to improve its external-facing commitments and communications to meet changing expectations. Through our comprehensive Sustainable Business Report, we share information and progress transparently. Aligned with peers in the industry, Cardinal Health has received approval from the Science Based Targets initiative (SBTi) for our science-based target which includes Scopes 1, 2 and 3 greenhouse gas emissions. We have established a product and service innovation working group to identify opportunities for sustainability improvements for products and services, and sustainability criteria have been built into our new product development evaluation process. We are becoming more engaged with our customers in sustainability and have increasingly attended quarterly business reviews to provide updates and identify opportunities to increase industry collaboration.
- **Reliance on non-renewable energy sources susceptible to market forces:** Cardinal Health's reliance on fossil fuels could expose it to increased energy cost volatility, potentially affecting pass-through costs to customers and financial planning. As Cardinal Health experiences these increases, it expects its suppliers to face similar cost pressures that could be passed on to Cardinal Health. Cardinal Health has begun implementing various emission mitigation actions to decarbonize our operations including making capital expenditures to reduce our energy intensity, increasing on-site generation of renewable electricity, and improving transportation fuel efficiency; actions which will also support compliance with emerging regulations.

Climate-related opportunities:

- **Improved supply chain and distribution through resilience, redundancy, and nearshoring operations:** In response to global supply chain disruptions such as Covid-19, Cardinal Health is evaluating opportunities across its value chain and operations to build resiliency and improve redundancy. Investments in optimizing distribution networks and prioritizing efficient operations could improve operational efficiency, and nearshoring certain products could decrease time from manufacturing to receipt by the customer. Embedding resiliency into strategic planning presents the opportunity to improve existing enterprise risk management and business continuity programs, and anticipate potential climate disruptions, mitigate their impact, and ensure Cardinal Health's ongoing resiliency and success. These investments could generate cost savings in the long run through reduced waste, improved delivery times, and enhanced customer satisfaction.



Recommended Disclosure

Disclosure

Strategy (continued)

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

With the help of a third-party consultant, Cardinal Health performed a climate scenario analysis in fiscal 2024 and 2025 using three different scenarios augmented with industry and geographic trends specific to Cardinal Health. A scenario analysis is used to understand the strategic implications of climate-related risks and opportunities. A climate scenario analysis employs a range of plausible future climate conditions to assess potential risks and opportunities, informing decision-making. This forward-looking approach enhances the ability to navigate the risks and opportunities presented by climate change.

The scenarios chosen for Cardinal Health's analysis are the most applicable and updated scenarios as of this point in time. These selected scenarios allow Cardinal Health to better understand potential future impacts of climate change across the entire organization's operations and different business segments. Each scenario narrative summarizes a set of assumptions regarding global socioeconomic development and the transition to a lower carbon economy. Scenario narratives and assumptions are informed by publicly established reference scenarios by the Intergovernmental Panel on Climate Change (IPCC) and Shared Socioeconomic Pathways (SSP) and associated data.

- **Aggressive climate action (Transition Risk: IPCC SSP1-1.9, Physical Risk: IPCC SSP1-2.6):** Aggressive emission reduction scenario to meet the Paris Agreement marked by global collaboration by governments, society and industry to lead steep decarbonization. This scenario is characterized by ambitious global collaboration by governments, society, and industry towards climate-related commitments, laws, and regulations to reduce GHG emissions and negative environmental impacts. These measures could intensify transitional changes, such as an increased number of new regulations for Cardinal Health. The rapid reduction of GHG emissions is expected to lead to fewer climate-related events or physical risks in the long-term. Projected warming of 1.8 °C by end of 21st century.
- **Moderate climate action (IPCC SSP2-4.5):** Emissions reductions achieved by all governments meeting climate targets, including Nationally Determined Contributions (NDCs). This scenario is characterized by moderate emissions reductions and consistent application of laws and provisions among governments. The moderate pace of action may result in a slower pace of emissions reductions and higher frequency and intensity of physical risks, severe ecosystem and biodiversity loss, and large reduction of available agricultural lands. There are moderate challenges to mitigate and adapt to climate change. Projected warming of 2.7°C by end of 21st century.
- **Insufficient climate action (IPCC SSP5-8.5):** Emissions curbed based on existing policies, commitments, and NDCs, but fall short of meeting the Paris Agreement targets. This scenario is characterized by less ambitious emissions reductions and a wide range of climate-related laws and provisions across the globe that do not aggressively address climate-change or emissions reduction. The lack of action is expected to result in the slowest pace of emissions reductions and highest frequency and intensity of physical risks and severe ecosystem and biodiversity loss. In restructuring its networks and operations, Cardinal Health may face high challenges to mitigate impacts of climate change and low challenges to adapt to impacts of climate change. Projected warming of 4.4 °C by end of 21st century.

Through this analysis, the Cardinal Health team recognized that our strategy must continue evolving as the impacts of climate change are felt throughout our business. Cardinal Health continues to monitor and assess both the physical and transition risks that climate change may pose to our business. Please see our [Energy and climate](#) section for more details on our response to the impacts of climate change.

Risk Management

Describe the organization's process for identifying and assessing climate-related risks.

The VP of Sustainable Business shares responsibility for the identification of climate-related risks and opportunities with Cardinal Health's business leaders. Risks and opportunities are identified primarily through engagement and discussion with teams across the business, active participation in industry groups, and news monitoring. The ultimate assessment and management of such risks and opportunities is led by the relevant impacted internal business partners and considers both physical and transition risks as well as existing and emerging regulatory requirements related to climate change.

Climate-related risks and opportunities are then presented to Cardinal Health's internal Sustainable Business Governance Committee, where they are prioritized based on significance and, as appropriate, presented to the Board's Governance and Sustainability Committee, which is responsible for board-level oversight of climate-related risks and opportunities and the strategy to manage both.

Our Sustainable Business team works closely with our business partners in our Legal, Finance, Accounting, and Government Relations teams to maintain line of sight into other emerging domestic and international regulations pertaining to energy and emissions, use of materials, waste management, and financial controls on climate-related capital expenditures.

Describe the organization's processes for managing climate-related risks.

The effective management of climate-related risks requires a cross-functional team of business leaders. The climate-related risk assessment process includes our Enterprise Risk Management (ERM) team, business unit leaders, the VP of Sustainable Business, and others as needed, with oversight by the internal Sustainable Business Governance Committee. The Sustainable Business team engages with functional leaders to assess the potential impact of significant risks on product and service offerings, raw material availability, and the performance of our locations and fleet. Climate-related risks are integrated into business, strategy, and financial planning activities at the functional level. The Sustainable Business team serves as subject matter experts and an ongoing resource to ensure risks and mitigation plans are consistently defined and aligned with the strategic direction set by the internal Governance Committee and the Board's Governance and Sustainability Committee. The team meets regularly with business units to review progress and provides updates to governance committees during scheduled meetings throughout the year.



Recommended Disclosure

Disclosure

Risk Management (continued)

Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

Responsibility for identifying, assessing, and managing climate-related risks is shared among business segment leaders and the Sustainable Business team. These risks and opportunities are incorporated into Cardinal Health's enterprise-wide risk governance process through our Enterprise Risk Management (ERM) program.

The ERM function works with business segment leadership teams in collaboration with risk management partners to identify and assess the top and emerging risks to the business. Risk is examined as it pertains to the business segment's forward looking strategies for growth, operations, and compliance. A quarterly process is established to assess on the impact and the likelihood of the risks and for aggregation to establish an enterprise-wide risk profile.

Business segment and functional leaders are accountable for addressing the risks that have been identified through the ERM process and establish the necessary risk response plans to monitor the effectiveness of actions to mitigate risks. The enterprise and business segment risk profiles are reported on quarterly basis to the Board's Risk Oversight Committee.

The ERM function will facilitate the process and further support as necessary with quarterly reviews to assess progress of mitigation plans. Cardinal Health's ERM function reports to the SVP of Internal Audit, who oversees the ERM process. Oversight is provided by senior management, the Board's Risk Oversight Committee and the Board's Audit Committee.

Metrics & Targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Through our materiality assessment, Cardinal Health identified energy and climate as key topics within our sustainable business strategy. Our reporting aligns with the GRI Universal Standards and includes disclosures consistent with SASB standards for Health Care Distribution and Medical Equipment and Supplies. We report on climate-related metrics such as energy use, greenhouse gas (GHG) emissions, fleet efficiency, and waste management, and also disclose through our annual CDP submission. These metrics are tracked, reported, and used to measure progress against publicly stated targets, risks, opportunities, and overall performance. In fiscal 2026, Cardinal Health began its double materiality assessment process and will use the results to inform our next report.

Recommended Disclosure

Disclosure

Metrics & Targets (continued)

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks

		Emissions (mtCO ₂ e)		
		Fiscal 2024	Fiscal 2025	%Total
Scope 1		204,723**	154,395**	0.8%
Scope 2 (market-based)		160,150**	197,849**	1.0%
Scope 3 categories (relevant categories)		21,907,517**	20,141,460**	98.3%
1	Purchased goods and services	20,772,535	18,342,398	91.1%
2	Capital goods	71,990	79,174	0.4%
3	Fuel- and energy-related activities	92,120	88,634	0.4%
4	Upstream transportation and distribution	716,234	788,231	3.9%
5	Waste generated in operations	20,642	22,184	0.1%
6	Business travel	18,690	26,064	0.1%
7	Employee commuting	50,398	64,887	0.3%
8	Upstream leased assets	3,126	438	0.0%
11	Use of sold products	56,661	244,510	1.2%
12	End-of-life treatment of sold products	80,071	92,794	0.5%
13	Downstream leased assets	2,505	8,964	0.0%
15	Investments	22,544	30,939	0.2%
Total GHG Footprint (Scope 1-3)		22,272,390**	20,141,460**	100.0%

Numbers marked with ** have been assured.

Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

In September 2021, we publicly announced our goal to reduce absolute Scope 1 and 2 GHG emissions by 50% by fiscal 2030, as compared to a fiscal 2019 base year. In fiscal 2024, we received validation and approval of our science-based targets from the Science Based Targets initiative for Scope 1 and 2 as well as Scope 3 GHG emissions. At the end of fiscal 2025, we achieved a 17% reduction in Scope 1 and Scope 2 GHG emissions compared to our base year. Additionally, we saw improvement in our Scope 3 goal and noted 72% of our suppliers by spend have a science-based target.

Basis of reporting

Greenhouse Gas (GHG) Emissions - Basis of Reporting

Guidance and Boundary	<p>Within this report, Cardinal Health measures and discloses the company's Scope 1, Scope 2, and relevant categories of Scope 3 GHG emissions in accordance with the following guidance and standards:</p> <ul style="list-style-type: none"> • World Resources Institute (WRI)/World Business Council for Sustainable Development's (WBCSD), The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol) • WRI WBCSD GHG Protocol Scope 2 Guidance • WRI WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard <p>For Scope 1 and Scope 2 location- and market-based GHG emissions, Cardinal Health selected an organizational boundary based on operational control. Therefore, only assets or facilities where our business operates and has the ability to directly influence emissions-generating activities are included in our Scope 1 and Scope 2 GHG emissions calculations. Boundaries for Scope 3 categories can vary slightly, as detailed below, but are generally defined as activities upstream from Cardinal Health's operational control but limited to Tier 1 suppliers (i.e., those who contract directly with Cardinal Health or a Cardinal Health business) and downstream from Cardinal Health's operational control but limited to transactions made directly by Cardinal Health with customers or investees.</p> <p>Notable to the assurance period of fiscal 2025 data, Cardinal Health also completed a restatement and assurance of base year fiscal 2019 data due to a significant change in operational boundary from additional managed service organization (MSO) acquisitions: Advanced Diabetes Supply Group (ADSG), Specialty Alliance, and Navista. The fiscal 2019 base year was recalculated and assured to include estimated material emissions including electricity consumption and fugitive emissions from refrigerants. Other emissions sources such as natural gas and other fuels were deemed immaterial and not included in the fiscal 2019 restatement.</p>
Scope 1 GHG emissions	<p>Scope 1 GHG emissions were measured in accordance with the World Resources Institute (WRI)/World Business Council for Sustainable Development's (WBCSD), The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol). Cardinal Health selected an organizational boundary based on operational control and direct emissions sources include stationary and mobile combustion. Fuel sources included in Cardinal Health's calculation of Scope 1 GHG emissions include natural gas, gasoline, diesel, jet fuel, LPG, refrigerant loss, and palm kernel shells (biomass).³²</p> <p>Cardinal Health obtains primary data from utility invoices, aviation reports, fuel receipts, fleet telematics, manufacturing site logs, and maintenance logs. Where primary data is not available, the Cardinal Health team uses generally accepted methods to estimate in order to calculate emissions using a complete and accurate population of data for the reporting period. The following summarizes estimation methodologies used by Cardinal Health for Scope 1:</p> <ul style="list-style-type: none"> • For facility-level data gaps, Cardinal Health uses the Commercial Building Energy Consumption Survey (CBECS) energy intensity values and facility square footage or historic monthly consumption values to estimate. • In fiscal 2023 Cardinal Health collected data to support the generation of a refrigerant estimation methodology to be applied on an ongoing basis until a formalized process is established for collecting source data on refrigerant leakages for fugitive emissions. This methodology was reviewed and approved by third-party external assurance and has been used again to estimate fugitive emissions in fiscal 2025 that cover 100% of our operational boundary. This methodology leverages a sample of primary data available, and is then extrapolated to create a fugitive emissions intensity factor, that is then applied to square footage based on business segment and building type • Biomass emissions are related exclusively to a single manufacturing site located in Thailand, which utilizes a biomass facility on-site to reduce the use of fossil fuels for energy. This site uses palm kernel shell for combustion to generate power. Cardinal Health leverages the provided emissions factors from the journal article "Life-cycle greenhouse gas emissions in power generation using palm kernel shell" (Sato, Issei, et al.)³³, and obtains source data collected from the site for tons of material purchased, to generate estimated emissions. Starting with total tons of palm kernel shell (PKS) from the reporting period, converting to kilograms, Cardinal Health applies the provided conversion of 17.3 MJ/kg PKS to transform the data from weight to energy output based on a low heating value (LHV). From there, the LHV energy is converted to both N2O and CH4 equivalencies with the journal supplied emissions factors and then Global Warming Potential (GWP)'s are applied appropriately. • Fiscal 2025 restatement excluded Scope 1 emissions for the MSO acquisition sites based on the determination of their immateriality, except for fugitive emissions, which was included and done so following Cardinal Health's fugitive emissions estimation methodology outlined above. <p>As noted above, Scope 1 fuel sources include palm kernel shells (PKS) which is considered to be a biofuel. Our Scope 1 emissions footprint includes the methane and nitrous oxide emissions from the combustion of these biofuels, converted into carbon dioxide equivalent. In accordance with the GHG Protocol, Cardinal Health separately disclosed biogenic CO2 emissions generated from the combustion of this biofuel.</p> <p>Scope 1 Emissions Factors:</p> <ul style="list-style-type: none"> • EPA 2025 – Stationary Fuel Conversion Factors [AR5] • California Air Resources Board High-GWP Refrigerants • IPCC Changes in Atmospheric Constituents and in Radiative Forcing, Table 2.14 Lifetimes, radiative efficiencies and direct (except for CH4) GWPs relative to CO2. For ozone-depleting substances and their replacements, data are taken from IPCC/TEAP (2005) unless otherwise indicated • A Comparative Life Cycle Assessment of Palm Kernel Shell in Ceramic Tile Production: Managerial Implications for Renewable Energy Usage

32. Diesel and gasoline consumption associated with carrier fleet includes only US fleet vehicles. Canada fleet contribute to an immaterial portion of fleet emissions (<5%) and has been excluded

33. Sato, Issei, et al. "Life-cycle Greenhouse Gas Emissions in Power Generation Using Palm Kernel Shell." GCB Bioenergy, vol. 14, no. 7, 2022, pp. 875–892, <https://doi.org/10.1111/gcbb.12950>

Greenhouse Gas (GHG) Emissions - Basis of Reporting (continued)

Scope 2 GHG emissions

Scope 2 GHG emissions were measured using the location-and market-based methods in accordance with the WRI WBCSD GHG Protocol Scope 2 Guidance. Cardinal Health selected an organizational boundary based on operational control. Sources of emissions included in Cardinal Health's calculation of Scope 2 GHG emissions includes electricity.

Cardinal Health obtains primary data to calculate Scope 2 GHG emissions from utility invoices at sites that are within Cardinal Health's operational control. Where primary data is not available, the Cardinal Health team uses generally accepted methods in order to calculate emissions using a complete and accurate population of data for the reporting period. The following summarizes estimation methodologies used by Cardinal Health for Scope 2:

- For facility-level data gaps, Cardinal Health uses the Commercial Building Energy Consumption Survey (CBECS) energy intensity values and facility square footage or historic monthly consumption values to estimate. This methodology was also used to estimate data for the acquisition sites for the FY19 restatement, as well as the current fiscal 2025 data for the same sites.
- To generate market-based emissions values, Cardinal Health applies the appropriately assigned market-based emissions factors as outlined below, to the total consumption per site that is not provided from renewable sources. Therefore, consumption that is used to calculate emissions equals total annual consumption less annual consumption from renewable sources (in the case of Cardinal Health, on-site Photovoltaic (PV) and green power contracts through utilities).

Scope 2 Emissions Factors:

<ul style="list-style-type: none"> • Location-based method emission factors <ul style="list-style-type: none"> - 2024 International Energy Agency (IEA) Emissions Factors (2022 data) - eGRID2023 (2025 release) [AR6] 	<ul style="list-style-type: none"> • Market-based method emission factors <ul style="list-style-type: none"> - Green-e 2024 (2022 Data) - 2024 International Energy Agency (IEA) Emissions Factors (2022 data) 	<ul style="list-style-type: none"> - eGRID2023 (2025 release) [AR6] - AIB Residual Mix 2023 Data (2024 Release) 	<ul style="list-style-type: none"> - Electric Edison Institute (EEI) Electric Company Carbon Emissions and Electricity Mix Reporting Database for Customers
--	--	---	--

Scope 3 GHG emissions

Prior to measuring and disclosing Scope 3 GHG emissions, the Cardinal Health team assessed each of the 15 categories for relevancy. Category 1 – Purchased Goods & Services, Category 4 – Upstream Transportation & Distribution, and Category 11 – Use of Sold Products generate 98% of our enterprise Scope 3 emissions and are our most material categories. Based on Cardinal Health's understanding of each category's definition and our business operations, we elected to exclude the following categories from our boundary based on the conclusions listed below:

- Category 9 – Downstream Transportation and Distribution
 - As Cardinal Health pays for the transportation and distribution of goods to the retailer, we include emissions related to this business activity within Category 4 – Upstream Transportation and Distribution, which aligns with the guidance provided by the WRI WBCSD GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Category 10 – Processing of Sold Product
 - Cardinal Health does not manufacture intermediate goods that require additional processing following sale to customers.
- Category 14 – Franchises
 - Cardinal Health does not operate as a franchisor or franchisee.

We calculate the remaining categories to allocate emissions to our downstream customers or meet other stakeholder needs. The following table contains details regarding boundaries, activity data, and emissions factors used for each Scope 3 category:

Scope 3 Category	Methodology	Emissions Factors
Purchased goods and services	<p>Emissions are calculated using a hybrid-method and includes both spend-based and supplier-specific calculations:</p> <ul style="list-style-type: none"> • Across each of Cardinal Health's business units, annual procurement figures by supplier were provided by either the accounts payable or procurement team leads. Additionally, both the US and International indirect procurement leads provided annual spend by supplier for inclusion in the calculation. Across each population of transactions included in the calculation of emissions, the suppliers comprising the top 90% of spend were aggregated and assessed for emissions calculations. • For suppliers representing 56% of total category emissions, Cardinal Health performed calculations using supplier-specific emissions data by using the supplier's publicly disclosed Scope 1, 2 (location based) and relevant upstream Scope 3 emissions, and multiplying it by Cardinal Health's spend for the period with the supplier divided by supplier total revenue reported in their Form 10-K. • The remaining spend from suppliers was converted into emissions using the industry-based EEIO emission factors published by the EPA then extrapolated to represent emissions generated from 100% of upstream purchasing activity. • An inflationary factor based on the Consumer Price Index (CPI) was applied to spend for those suppliers where a supplier-specific emissions factor was used, and directly to EEIO factors due to the latest available tables being from 2022. • Cardinal Health's recent MSO (managed service organization) acquisitions, which include The Specialty Alliance (Urology America and GI Alliance), Advanced Diabetes Supply Group (ADGS), and Navista (Integrated Oncology Network), were included in the calculation, and consisted of 1% of overall enterprise spend. • Due to limited supplier emissions data availability, FY24 supplier emissions were used to generate supplier specific emissions factors, which is one year behind the reporting period • The value reported represents spend from 99% of the annual amount. Excluded spend was largely due to data availability and is from the following business units, which represent less than 1% of our global business: <ul style="list-style-type: none"> - Cardinal Health GMPD International Indirect - Cardinal Health Wavemark - Cardinal Health GPSC Ireland - Cardinal Health Canada - Cardinal Health Puerto Rico 	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6

Greenhouse Gas (GHG) Emissions - Basis of Reporting (continued)

Scope 3
GHG emissions
(continued)

Scope 3 Category	Methodology	Emissions Factors
Capital goods	Emissions from capital goods are calculated using a spend-based method. Within each business segment, teams at Cardinal Health submit Capital Allocation Requests for capitalized projects that have been approved by leadership and are included in the calculation. It excludes internal labor cost and external labor already captured in Category 1. The capitalized spend from the recent MSO acquisitions was de-minimus and not included. Spend figures are converted into emissions using the commodity-based EEIO emission factors published by the EPA (adjusted for inflation).	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6
Fuel- and energy-related activities	Emissions from fuel- and energy- related activities were calculated by fuel and energy type, by country, following the guidance set forth by the Greenhouse Gas Protocol Technical Guidance for Calculating Scope 3 Emissions Chapter 3 utilizing the average-data method requiring the quantities and types of fuel consumed and estimating emissions by using secondary (e.g., industry average) emissions factors (IEA, DEFRA WTT).	2023 IEA Life Cycle Upstream Emissions Factors (Pilot Edition) DEFRA UK Government GHG Conversion Factors for Company Reporting – WTT Fuels
Upstream transportation and distribution	Emissions are calculated using the spend-based method. One transportation supplier falls within the top 90% of enterprise total spend, and all transportation spend is converted into emissions using the industry-based EEIO emission factors (adjusted with the same inflationary factor as other categories) published by the EPA. Cardinal Health uses a weighted average factor for transportation based on actual mode share splits across all business segments.	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6
Waste generated in operations	Emissions from waste generated in Cardinal Health’s operations are calculated using the weight of waste recorded by Environmental, Health, and Safety professionals in our environmental management system of record. Appropriate EPA emissions factors are applied to estimate end-of-life emissions associated with waste treatment. In accordance with GHG Protocol guidance on organizational boundaries and data completeness, acquisitions that occurred during the reporting year were excluded from the calculation due to data availability constraints. These exclusions will be reassessed in future reporting cycles as data becomes accessible to ensure improved completeness over time.	2023 U.S. Environmental Protection Agency (EPA) Emission Factors for Greenhouse Gas Inventories
Business travel	Emissions from business travel include air, rail, hotel, and rental car usage by all Cardinal Health employees when traveling away from their home office as noted in Cardinal Health’s HR travel system of record. Data for each mode of transportation comes from our travel booking partner’s system of record and emissions are calculated based on passenger miles traveled. Cardinal Health’s boundary for the calculation is inclusive of all business-related travel activity that is booked using our partners, which aligns with the Cardinal Health Employee Travel Policy that requires employees to use our system of record. Headcount from our MSO acquisitions accounted for an additional 1.2% of total enterprise headcount, and a scaling factor was applied to ensure emissions from these employees were captured until data is integrated into our system of record. Any business travel booked by employees individually are considered outside the reporting boundary and are considered de minimis.	DEFRA/DECC Conversion factors for Company Reporting (2023)
Employee commuting	Emissions from employee commuting are calculated for U.S. employees only, using data from our HR system of record. This data includes the zip code of each employee’s home address, the zip code of their work location, and the number of days the employee has agreed to commute. Using this information, Cardinal Health calculates the commuting distance over the reporting period and conservatively assumes that each employee drives individually in a passenger vehicle. For employees identified as full-time remote workers, emissions are estimated based on the expected number of home working hours per year, derived from the proportion of the workforce working remotely. These estimates are multiplied by published homeworking emissions factors from UK DEFRA. This approach provides a reasonable estimate of homeworking-related emissions in the absence of more granular data. Headcount from our MSO acquisitions accounted for an additional 1.2% of total enterprise headcount, and a scaling factor was applied to ensure emissions from these employees were captured until data is integrated into our system of record.	2021 U.S. Environmental Protection Agency (EPA) Emission Factors for Greenhouse Gas Inventories DEFRA UK Government GHG Conversion Factors for Company Reporting – Homeworking
Upstream leased assets	Emissions for upstream leased assets are determined by Cardinal Health’s operational boundary definition for which stationary assets and activities fall within the boundary by leasing language. Leasing structures are assets that place Cardinal Health as the lessee that operates a leased asset but has little to no insight or control over utilities. Energy and emissions associated with these real estate assets are placed in this category. Calculations are performed by using site-level data and CBECs energy intensity factors mapped to Cardinal Health building types (e.g. office building) in our system of record.	See Emissions Factors outlined in above sections for Scope 1 and Scope 2
Use of sold product	Emissions are calculated for every Cardinal Health™ brand product that has a plug load and is sold during the reporting period. Using the technical specifications, country of sale, the estimated useful life of the product, and the rated plug load, emissions are calculated for the estimated electricity consumption useful life of the products sold during the fiscal year.	US EPA eGRID Year 2021 (released 01/30/2023) 2022 International Energy Agency (IEA) Emission Factors

Greenhouse Gas (GHG) Emissions - Basis of Reporting (continued)

Scope 3
GHG emissions
(continued)

Scope 3 Category	Methodology	Emissions Factors
End of life treatment of sold product	<p>Emissions are calculated using the weight of every Cardinal Health™ brand or manufactured product using items ordered by a customer and fulfilled by Cardinal Health as recorded in our sales system of record within the GMPD and Pharmaceutical and Specialty Solutions segments for the reporting period. Emissions factors used account for the end-of-life treatment of the waste.</p> <p>The value reported excludes the following GMPD business units:</p> <ul style="list-style-type: none"> • Medical Distribution – International • Cardinal Health Puerto Rico • Cardinal Health Canada • Cardinal Health at-Home Solutions • Cardinal Health Singapore <p>Additionally, due to the nature of business activities from our MSO acquisitions and the de-minimus nature of products sold, they were excluded until data can be integrated into our system of record.</p>	2023 U.S. Environmental Protection Agency (EPA) Emission Factors for Greenhouse Gas Inventories
Downstream leased assets	Emissions for downstream leased assets are determined by Cardinal Health's operational boundary definition for which stationary assets and activities fall within the boundary by leasing language. Leasing structures are assets that place Cardinal Health as the lessor or acting lessor (in the event of a sublease) where the activities within the space are not controlled by Cardinal Health. Energy and emissions associated with these assets are placed in this category. Calculations are performed by using site-level data and CBECS energy intensity factors mapped to Cardinal Health building types (e.g. office building) in our system of record.	See Emissions Factors outlined in above sections for Scope 1 and Scope 2
Investments	Emissions are calculated for all direct investments held by Cardinal Health as of the end of the reporting period utilizing a spend-based method. The fully diluted equity percentage of the investment is multiplied by the most recent annual revenue period available and multiplied by the appropriate EPA emissions factor (adjusted for inflation). Indirect investments are de-minimus and excluded.	EPA Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6



About this report and cautionary statement

This report provides qualitative and quantitative information regarding performance on our sustainable business initiatives and priorities and other related information in fiscal 2025 (July 1, 2024 through June 30, 2025) or for other periods where noted.

When we use the terms such as “Cardinal Health,” “company,” “enterprise,” “we,” “us,” or “our,” in this report, we mean Cardinal Health, Inc., and its majority-owned and consolidated subsidiaries, unless noted otherwise. In this report, the use of the term “material” and other similar terms is intended to reflect our sustainable business topics previously identified as priority topics. We are not using such terms as they are used under securities or other laws of the United States or any other jurisdiction or as these terms are used in the context of financial statements and financial reporting. Therefore, the inclusion of information or the absence of information in this report should not be construed to represent Cardinal Health’s belief regarding the financial impact of that information or its importance to shareholders and other stakeholder groups. Topics previously identified as material or priority topics may not be identified or characterized as such in future periods based on the results of further assessments.

This report includes estimates, projections and statements relating to our business plans, objectives and expected results regarding sustainable business-related priorities and goals that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements

generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “potential,” “strategy,” “future,” “opportunity,” “commit,” “plan,” “goal,” “may,” “should,” “could,” “will,” “would,” “will be,” “will continue,” “will likely result” and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties that may cause actual results to differ materially.

The most significant of these risks and uncertainties, to the extent they may be financially material to Cardinal Health, are described in “Risk Factors” in Cardinal Health’s most recent [Form 10-K](#) and other related information filed with the United States Securities and Exchange Commission (SEC). Forward-looking statements in this report speak only as of the date of this document (published February 25, 2026) and we undertake no obligation to update or revise any forward-looking statement.

In addition, climate-related data and methodologies continue to evolve; those underlying our climate related analysis and strategy remain subject to evolution over time. For example, we believe the methodology of carbon accounting will continue to improve over time, especially as it relates to Scope 3 greenhouse gas (GHG) emissions. As a result of improvements to the quality and completeness of our data and updates to our methodology over time, we may include information in future disclosures that differ from those contained in this report or restate information contained in this report.

We report in accordance with the Global Reporting Initiative (GRI): Universal Standards and Sustainability Accounting Standards Board (SASB) reporting guidelines with respect to certain ESG topics and risks. Given the scope of our core business activities, we report under both the SASB Health Care Distributor and Medical Equipment and Supplies standards.

We also report information aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. Our GRI Content Index, SASB disclosures and TCFD disclosures are available in our Reporting Indices. Additionally, we engaged ERM CVS to provide limited assurance over select environmental and human capital metrics disclosed within this report. Please see our [fiscal 2025 assurance statement](#).

California Voluntary Carbon Market Disclosures Act

Some statements made in this report regarding reductions in Cardinal Health’s greenhouse gas emissions may be claims contemplated by Section 44475.2 of the California Health and Safety Code. Fiscal 2025 emissions data has been subject to third-party assurance by ERM CVS, as described in this report and in their [fiscal 2025 assurance statement](#). Also see this report for additional information on how we calculate greenhouse gas emissions. Cardinal Health does not market or sell voluntary carbon offsets or use voluntary carbon offsets in making any covered claims. The information contained in this disclosure is current as of February 25, 2026.



CardinalHealth™

Corporate Offices
Cardinal Health
7000 Cardinal Place
Dublin, Ohio 43017

614.757.5000
[cardinalhealth.com](https://www.cardinalhealth.com)

Learn more about this report at
[cardinalhealth.com/SBReport](https://www.cardinalhealth.com/SBReport)

© 2026 Cardinal Health. All Rights Reserved. CARDINAL HEALTH, the Cardinal Health LOGO, KANGAROO OMNI, PRESOURCE, WAVEMARK, INTELLIWAVE, MAJOR, RUGBY, LEADER, MONOJECT, SHARPSTAR and SONEXUS are trademarks of Cardinal Health and may be registered in the U.S. and/or in other countries. All other trademarks are the property of their respective owners. Patent [cardinalhealth.com/patents](https://www.cardinalhealth.com/patents). Lit. No. 5PR25-3536059 (02/2026)