Cardinal Health Annual Meeting of Shareholders

DUBLIN, OHIO

November 4, 2020



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Agenda

I. Call to order

II. Matters to be acted upon

- *Proposal 1 – Election of Directors*
- *Proposal 2 – Ratification of Ernst & Young LLP as independent auditor*
- *Proposal 3 – Advisory vote to approve the compensation of our named executive officers*
- *Proposal 4 – Approve an amendment to our Restated Code of Regulations to reduce the share ownership threshold for calling a special meeting of shareholders*
- *Proposal 5 – Shareholder proposal to reduce the share ownership threshold for calling a special meeting of shareholders*
- *Proposal 6 – Shareholder Proposal to adopt a policy that the Chairman of the Board be an independent Director*

III. Voting results

IV. Conclusion of formal meeting

V. Management presentation

VI. Shareholder question and answer session

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Management presentation from CEO Mike Kaufmann

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Forward-looking statements and GAAP reconciliation

Cautions Concerning Forward-Looking Statements

This release contains forward-looking statements addressing expectations, prospects, estimates and other matters that are dependent upon future events or developments. These statements may be identified by words such as "expect," "anticipate," "intend," "plan," "believe," “will," "should," "could," "would," "project," "continue," "likely," and similar expressions, and include statements reflecting future results or guidance, statements of outlook and various accruals and estimates. These matters are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. These risks and uncertainties include risks arising from the ongoing COVID-19 pandemic and our critical role in the global healthcare supply chain including the possibility that deferrals and cancellations of elective medical procedures will result in a sustained reduction in demand for our products, the possibility that we will not able to recoup or offset cost increases to source certain personal protective or other equipment and the possibility that we will experience supply disruptions of distribution or manufacturing facilities; competitive pressures in Cardinal Health's various lines of business; the amount or rate of generic deflation and our ability to offset generic deflation and maintain other financial and strategic benefits through our generic sourcing venture with CVS Health and other components of our generics pharmaceutical program; risks associated with the distribution of opioids, including the financial impact associated with the outcome of the ongoing lawsuits and investigations by certain governmental and regulatory authorities and risks and uncertainties associated with the ongoing settlement framework discussions, including the risk that we may fail to reach a settlement agreement or that a final settlement could require us to pay more than we currently anticipate; risks associated with the manufacture and sourcing of certain products, including risks related to our ability and the ability of third-party manufacturers to comply with applicable regulations; our ability to manage uncertainties associated with the pricing of branded pharmaceuticals; and risks associated with our cost savings initiatives, including the possibility that they could result in greater charges or expenses than we anticipate, could fail to achieve the desired efficiencies or strategic outcomes and could have unintended consequences, such as business disruption or internal controls deficiencies. Cardinal Health is subject to additional risks and uncertainties described in Cardinal Health's Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports. This release reflects management's views as of November 4, 2020. Except to the extent required by applicable law, Cardinal Health undertakes no obligation to update or revise any forward-looking statement.

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Our path forward

Why we exist

We deliver products and solutions to **improve the lives of people every day.**

Where we are going

We aspire to be **healthcare's most trusted partner** by building upon our scale and heritage in distribution, products, and solutions, while driving growth in evolving areas of healthcare through customer insights, data and analytics, and focusing our resources on what matters most.

How we will succeed



Grow and develop our people



Prioritize our work



Optimize our core



Invest for growth

What we value

Integrity
we hold ourselves to the highest ethical standards

Inclusive
we embrace differences to drive the best outcomes

Innovative
we develop new ways of thinking, operating and serving customers

Accountable
we bring passion, determination and grit to deliver on our commitments

Mission driven
we serve the greater goal of healthcare

Essential to care™

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FY20 highlights

Financial Performance

- Grew non-GAAP operating earnings and exceeded non-GAAP EPS guidance range
- Received positive contributions from generics program
- Surpassed enterprise cost savings target, with excellent savings contributions from Medical global manufacturing and supply chain

Capital Deployment

- Returned over $900M to shareholders through dividends and share repurchases
- Strengthened balance sheet by paying down $1.4B of long-term debt

Portfolio & Strategic Positioning

- Divested minority equity interest in naviHealth
- Prioritized growth through strategic investments and partnerships in Specialty, at Home, and Services

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COVID-19 response

Employees

- Implemented worksite hygiene practices and enhanced cleaning procedures
- Quickly transitioned office-based employees to a remote work model and implemented new technologies and practices to ensure ongoing connectivity
- Provided incremental educational, mental health and financial benefits for our employees

Operations

- Maintained operations in all distribution facilities, nuclear pharmacies, and global manufacturing plants
- Acquired additional equipment to expand production of PPE, and continue to evaluate additional suppliers to expand and diversify critical product options
- Leveraged Red Oak Sourcing capabilities to ensure minimal disruptions to pharmaceutical supply chain

Performance

- FY20: Estimated net negative impact of ~$100M to operating earnings
- Experiencing adverse impact from the deferral and cancellation of elective procedures and physician office visits
- Anticipate higher costs related to procuring PPE products for customers

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FY21 strategic priorities

Optimize core businesses

- Enhance our global supply chain and drive commercial excellence
- Maximize all aspects of our generics program
- Continue cost savings initiatives

Invest for growth

- Specialty Solutions
- Cardinal Health at-Home Solutions
- Services businesses

Deploy capital efficiently

- Prioritize investment in the business
- Maintain a strong balance sheet
- Return cash to shareholders

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Our commitment to diversity and inclusion

We're working to improve outcomes – for our customers, our communities, and our teams. The diversity of our Board and Executive Committee creates a broad, inclusive lens through which we can confront today's difficult realities and determine how to move forward – this approach, along with our commitment to driving real change, results in better outcomes for all.

Actions taken in FY20

- Executive Committee and other senior management traveled to National Memorial for Peace and Justice and Legacy Museum in Montgomery, Ala. for day of discussion, reflection and ideation
- Established African American and Black Racial Equity Cabinet to share barriers, opportunities, recommendations and successes monthly with Executive Committee
- Implemented mandatory unconscious bias training for all managers and above
- Hosted multiple VP+ meetings and an all-employee town hall focused on honest conversations around D&I
- Embedded D&I and culture metrics in annual incentive plan goals

Actions for FY21

- Set incremental D&I and culture incentive plan goals for all leaders across the company
- Established corporate holiday honoring Martin Luther King Jr. for U.S.-based employees
- Continuing enterprise-wide deployment of unconscious bias training and other D&I trainings
- Creating forums for strategy development and ongoing listening sessions for African American and Black leaders and employees
- Facilitating ongoing conversations through D&I council, employee resource groups, engagement with Chief Diversity Officer and senior leaders, and all-employee meetings
- Progressing workforce strategies and talent processes to further enhance organizational performance, team collaboration, commitment to external customers and competitive advantage in the marketplace

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Thank you & questions

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