

Corporate



Citizenship

Report 2019



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Editor's note: This report was largely created before the COVID-19 pandemic. During the pandemic, we at Cardinal Health are working around the clock to meet the needs of healthcare providers so they can safely serve the patients who depend on them.

Learn about our response »



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A message to our stakeholders

This Corporate Citizenship Report was nearly complete when the COVID-19 pandemic changed the world in ways no one could ever have imagined. So I am beginning this letter differently than I originally planned.

First, I want to express my deepest gratitude to every frontline worker and healthcare professional around the globe. The courage and commitment you bring to work with you every day is awe-inspiring. **Your work is making a difference. Thank you.**

Since early March, the 48,000 Cardinal Health employees around the world have been more focused than ever before on delivering the products and solutions that improve the lives of people every day. We have been working around the clock to meet the needs of healthcare providers so they can safely serve the patients who depend on them.

Because we are part of a critical infrastructure industry, our employees are reporting to work daily in distribution centers, supply chain operations, manufacturing sites, pharmacies and other clinical sites. Their efforts are essential to the healthcare system, and protecting their health and safety — and that of their families — is vital.

To help prevent the spread of COVID-19, all our facilities are thoroughly and frequently cleaned, and we have implemented the worksite hygiene practices in accordance with the Centers for Disease Control and Prevention and World Health Organization guidelines. All employees who are able to work remotely are working from home;

we have significantly expanded our technology infrastructure to help employees around the globe continue to support customers, patients and our frontline workers.

As a company, we are actively collaborating with supply chain partners and the federal government to understand and manage the impact of the pandemic on product supply. We are closely monitoring developments and adapting our operations as the pandemic continues to evolve. **[Learn more about our work to effectively respond »](#)**

In a time like this — perhaps especially in a time like this — it's important to maintain our commitment to good corporate citizenship. Even before the pandemic, our industry and our company had experienced many changes. Over the past several years, we have acquired new businesses, our operating model has changed and we face new market and industry challenges.

These changes have given us the opportunity to identify the best parts of our culture. In 2019, we embarked on Our Path Forward, an initiative that helps us come together in new ways — from shared language and new values to alignment across the enterprise toward our goals. Our Path Forward defines why we exist: to deliver products and solutions to improve the lives of people every day. And it provides a road map for where we are going, how we will succeed and what we value. Across our organization, we are moving forward with a unified commitment and shared vision to be healthcare’s most trusted partner.

Throughout this report, you’ll read how we are following our path as we maintain our focus on corporate citizenship by empowering our people, continually creating value for our customers and partners, strengthening our communities and seeking more opportunities to operate sustainably. And you’ll read about how our employees live our values every day.

- **Empowering our people:** We aim to create a best-in-class work environment based on a commitment to living our values — an environment that inspires excellence, innovation and collaboration. We work hard to ensure a respectful, diverse and inclusive workforce where everyone is comfortable bringing 100% of themselves to work every day.
- **Creating value for our customers and our partners:** Cardinal Health is a globally integrated healthcare services and products company that serves patient care providers and healthcare manufacturers around the world. We are one of the few companies in healthcare providing both the pharmaceutical and medical solutions that help our customers give their patients the best possible care.
- **Strengthening our communities:** Our employees are tireless in their commitment to giving back to their communities with their time, talent and treasure. We encourage them to give back to the causes that mean the most to them — and they do: volunteering, fundraising and making donations to nonprofit organizations around the globe. In the U.S., employees’ donations receive matching gifts from the Cardinal Health Foundation.
- **Operating sustainably and responsibly:** As a global company, we know that the long-term health of our communities, our colleagues, our customers and our partners depends on a sustainable world. Across our footprint we look for ways to reduce greenhouse gas (GHG) emissions, reduce landfill burden, conserve water, and design products and services that reduce overall environmental impact.

Our values

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

One of the things I am most passionate about is diversity and inclusion — in our workplaces and in our communities. By respecting and appreciating diversity of thought, experience and background, we are becoming more innovative, increasing employee engagement and improving customer and shareholder value. Research shows that diverse and inclusive workplaces consistently outperform non-inclusive and non-diverse workplaces.

We have put into action world-class diversity and inclusion strategies, solutions, programs and processes that will allow us to create a robust culture that will benefit our employees, our customers and our communities. We are committed to building a diverse workforce with equitable access to hiring, development and advancement. Managers are required to seek out a slate of candidates that includes women and minorities for any job or promotion.

Of the eight leaders who report directly to me, four are women and one is an African American male. Around the world, nearly 40% of management-level employees and 51% of professionals are women. You can read more about our D&I work beginning on page 13.

In 2019, Cardinal Health joined the Gender Parity Collaborative through the Healthcare Businesswomen's Association. This is a consortium of healthcare and life-science companies committed to closing the gender gap, beginning in their individual companies. Key focus areas include advancing women of color, encouraging men to be allies and promoting women into senior leadership roles.

Within Cardinal Health, we have launched an unconscious bias training, required for every incentive eligible leader, designed to help each of us become aware of implicit bias. We've seen a real desire for this kind of training; more than 99% of our vice presidents and above completed the course within just a few months.



Mike Kaufmann invited D&I Steering Council members Melissa Laber, Travis Leonard and Stephanie Revish to discuss diversity and inclusion during the the company's first ever D&I Town Hall.

A couple of years ago, I put into place an internal D&I Steering Council and charged the members — all senior leaders of the company — with helping to change internal conversations about diversity and inclusion. I have asked the Council members to be “truth tellers” to me and other senior executives, identifying and discussing with us barriers to D&I across the company.

Last year, I hosted the company's first ever D&I Town Hall and, with a panel of senior leaders, spoke very transparently about what the value “Inclusive” means to us personally and at Cardinal Health.

Today, some of the conversations about diversity and inclusion that we're having at every level of the company are uncomfortable ... and they should be. Because if you're not uncomfortable, you're not talking about things that are going to make a real difference.

Finally, I want to address the deeply troubling issue of opioid misuse. It is a public health issue that has impacted nearly every community across the United States, including many, many families within the Cardinal Health community.

We have invested millions of dollars in fighting prescription opioid misuse. This work began with Generation Rx, an evidence-informed prevention education and awareness program designed for anyone to use to educate people of all ages about safe medication practices and the potential dangers of misusing prescription medications. Generation Rx was founded at The Ohio State University College of Pharmacy and has been powered through a partnership with the Cardinal Health Foundation since 2009. To date, its medication safety messages have reached more than 2 million people across the country.

More recently, we have awarded grants to build awareness, expand drug take-back initiatives and support healthcare systems as they work to reduce the number of opioids their providers prescribe.

In 2019, Cardinal Health launched an online training, required for all U.S. employees, to help our employees better understand the epidemic, our commitment to fighting it and how they can help support the work.

Cardinal Health also does significant work to help keep prescription opioids out of the wrong hands. We spot, stop and report to our regulators all orders of prescription opioids identified as suspicious under our strict, uncompromising systems. We continually adapt our system to prevent the diversion and misuse of medications.

We look forward to continuing these efforts to making a meaningful difference in all our communities.

I hope you will read on to learn more about what we are doing to create a best-in-class workplace, to strengthen our communities and to become healthcare's most trusted partner.

Stay safe and be well.



Generation Rx presentation at Glacier Ridge Elementary in central Ohio.

The medication safety messages of Generation Rx have reached more than 2 million people across the country.

Essential to care™

Providing the necessary partnership to help customers navigate the complex healthcare landscape, Cardinal Health is a global, integrated healthcare products and solutions company.

We provide vital products, world-class services and customized solutions for hospitals and health systems, pharmacies, clinical laboratories, ambulatory surgery centers and physician offices worldwide.

Headquartered in Dublin, Ohio, Cardinal Health plays an important role in the healthcare industry by acting as a crucial link between the clinical and operational worlds, focused on helping our customers improve the lives of people every day.

Approximately **48,000** employees worldwide

\$145.5 billion in revenue in fiscal year 2019

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

We serve:



Nearly **90%** of U.S. hospitals



More than **6,500** labs with nearly **51,000** laboratory products



More than **29,000** pharmacies



More than **3 million** patients with more than **46,000** home healthcare products



More than **10,000** specialty physician offices and clinics

Our Path Forward

In 2019, we embarked on Our Path Forward, a long-term initiative that defines why we exist as an organization, where we are going and how we will succeed. It has brought us together around shared values and goals, and is helping us to work better together as an enterprise.

As we strive to become healthcare’s most trusted partner, we are united around four areas of focus: empowering our people, creating value for our customers and partners, strengthening our communities and operating sustainably and responsibly. You’ll see how the ESG (Environmental, Social and Governance) priorities we identified in FY19 fit within each of these areas. (You can read more about our ESG priorities on the following pages.)



Empowering our people

Ensuring our employees thrive at work and at home

ESG priority areas

- Focusing on diversity and inclusion
- Fostering employee engagement
- Supporting health and well-being
- Providing opportunities for learning and growth



Creating value for our customers and partners

Delivering the products and solutions to improve the lives of people every day

ESG priority areas

- Ensuring product quality and safety
- Ensuring data privacy and security
- Responding to the opioid epidemic through our Opioid Action Program, supply chain integrity and anti-diversion programs
- Sourcing responsibly



Strengthening our communities

Supporting our employees’ community engagement and investing in healthcare

ESG priority area

- Responding to the opioid epidemic through prevention, building awareness and reducing prescribing



Operating sustainably and responsibly

Striving to minimize the impacts of our business on the environment

ESG priority areas

- Environmental impact
- Ethics and compliance

ESG management and governance

In FY19, the Cardinal Health board of directors delegated the oversight of environmental sustainability and other corporate citizenship activities to the Nominating and Governance Committee. This oversight is in addition to the Nominating and Governance Committee's responsibility to oversee traditional governance issues, political contributions and lobbying.

Other board committees oversee ESG-related issues: The Audit Committee oversees ethics and compliance (including anti-bribery and anti-corruption), cybersecurity and data privacy, and quality and regulatory issues. The Human Resources and Compensation Committee oversees human capital management strategies and policies, including diversity and inclusion, talent recruitment and development, employee compensation and benefits, and workplace safety and culture. The Ad Hoc Committee oversees the company's response to the opioid epidemic.

The ESG Steering Committee

Our ESG Steering Committee includes senior managers in corporate functions and business leadership roles across the company who help oversee our ESG strategies and lead our efforts to integrate corporate citizenship throughout our businesses. The ESG Steering Committee:

- Coordinates and prioritizes recommendations and requests about ESG issues
- Makes recommendations to management on ESG projects and investments, with a focus on business benefit, cost-effectiveness and sustainability
- Assesses recommendations and requests for ESG information or initiatives from stakeholders and interest groups
- Develops consistent internal and external communications about ESG matters

Determining ESG priorities

In FY19, we engaged an external partner to help us identify seven ESG priorities that are most relevant to our company and to our stakeholders, including employees, customers,

investors, suppliers, regulators, standard-setters and peer companies. In conducting this ESG priority assessment, we:

- Identified stakeholders by determining the groups that might be affected by or could influence or impact our activities
- Defined issues for consideration under five broad ESG categories (economic, governance, social, environmental and supply chain)
- Reviewed source materials and asked internal stakeholders to respond to a survey to assess the level of stakeholder concern about each of these issues
- Prioritized the issues based on the level of stakeholder concern and the potential impact on the company, and validated priorities through individual and group discussions with senior managers and subject matter experts

These priorities are listed on the following page. They inform our corporate citizenship strategy and goals and our reporting. These are our "material topics" as referred to in the Global Reporting Initiative (GRI) Standards. (These are not the same as "material issues" for the purposes of the company's financial and SEC reporting in the United States.)

Our ESG priorities

Response to the opioid crisis

- Programs to combat opioid epidemic
- Measures to prevent drug diversion
- Opioid litigation defense

Ethics and compliance

- Compliance with U.S. and international law, including anti-bribery and anti-corruption laws
- Whistleblower mechanisms

Product quality and safety

- Quality assurance systems
- Compliance with regulatory requirements
- Product recalls
- Integrity of distribution system

Human capital management

- Board, executive and employee diversity
- Employee engagement
- Compensation and benefits
- Health and wellness
- Talent attraction and development
- Succession planning

Data privacy and security

- Practices governing patient-identifiable health information (PHI)
- Customer, employee and business partner data protection and privacy
- Security of information systems

Environmental emissions and impact

- Climate change and energy use
- Efficient transport and logistics
- Operations facilities management

Supply chain management

- Vendor code of conduct
- Supplier diversity
- Supplier ESG issues

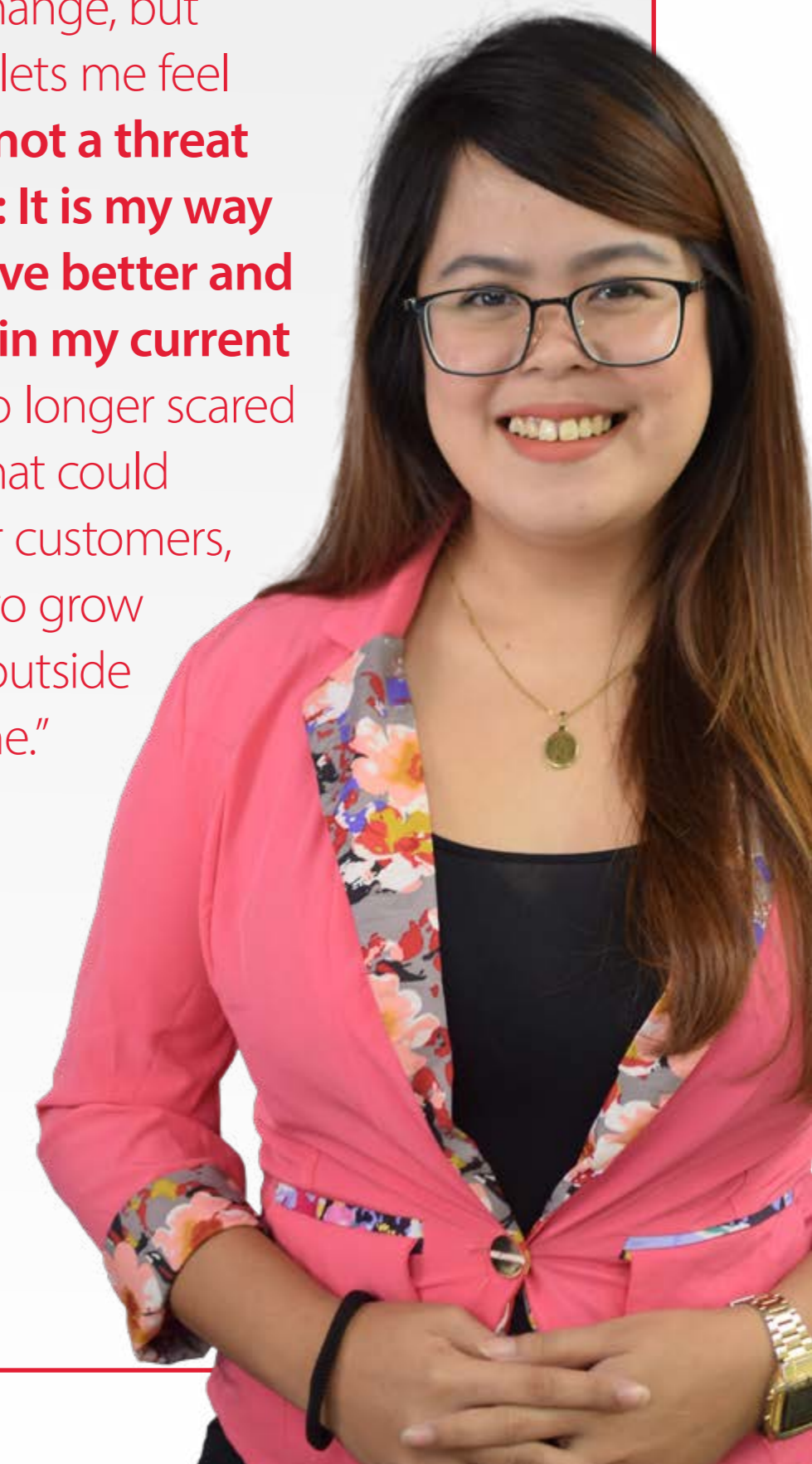
Living our values

Innovative

"I used to fear change, but Cardinal Health lets me feel that **change is not a threat to my comfort: It is my way to grow, to serve better and to be the best in my current position.** I'm no longer scared to share ideas that could better serve our customers, find new ways to grow our skills or go outside my comfort zone."

— **Mikki Meneses**

Senior Analyst,
Performance
Monitoring
Bonifacio Global
City, Taguig,
Philippines



Stakeholder engagement

We place great value on the perspectives of our internal and external stakeholders. Understanding their concerns helps us to identify and address key ESG issues.

Here are some of the ways we engage with our key stakeholders:

- We create a purposeful working environment by providing regular town halls, seminars and leadership panels that help us drive diversity and inclusion, talent development and retention, and culture strategies and goals.
- We gauge employee engagement and gather employee feedback through a biennial employee engagement survey and more frequent pulse surveys and by connecting with employees at all levels through internal social media sites.
- We communicate with investors to address their questions and feedback on the ESG topics that are significant to them.
- We assess customer satisfaction through periodic surveys, and respond to customer ESG surveys and inquiries.
- We engage partners to improve our sustainable sourcing practices, to increase employee well-being and to hold ourselves and our suppliers to high ethical standards.
- We review media and stock analysts' reports on a broad range of ESG issues.

Living our values

Accountable

“It pays to deliver on promises.

I fully trust my team, both professionally and personally, and this provides them with freedom to work and empowerment to make their own decisions. I try to engage them as much as I can in my decisions and value their input. You don't earn trust if you don't give trust.”

— **Florian Schwanert**

Senior Director,
Legal Europe
and Legal and
Compliance
Canada
Hamburg,
Germany





Empowering our people

Diversity and inclusion

We are committed to building a diverse workforce and an inclusive workplace that values the unique perspective and contributions of all of our employees. It's the right thing to do; it's also the smart thing to do. It helps us improve performance, understand our customers better and recruit and retain top talent. Inclusive teams outperform non-inclusive and non-diverse teams, and tend to create more innovative solutions.

At Cardinal Health we embrace differences to drive the best outcomes: We believe that leveraging the power of D&I gives us a competitive business advantage.



Executives	Management	Professionals	Company
29% Female	39% Female	51% Female	50% Female
25% Ethnically diverse	23% Ethnically diverse (U.S.)	27% Ethnically diverse (U.S.)	46% Ethnically diverse (U.S.)

Awards and recognition

20% by 2020 Women on Boards

Winning 'W' Companies

Best Places to Work for LGBTQ Community

Human Rights Campaign

We've received a perfect score from the Human Rights Campaign for 12 years in a row.

Corporate Citizenship Award

Columbus Business First

Excellence in Supplier Diversity Award:

Prime Supplier of the Year

Western Regional Minority Supplier Development Council (WRMSDC)

Top Companies for Executive Women

National Association for Female Executives

Living our values

Inclusive

Advocating for inclusivity

Disability Advocates Network helps employees bring their full selves to work

When Marino Colatruglio joined Cardinal Health in 1995, he kept his disability quiet.

Diagnosed with severe sleep apnea, the Vice President of Global Workplace and Corporate Real Estate didn't want anyone to think he might be held back.

Speaking with family members who also had the disease — and getting them on life-saving CPAP machines — convinced him to share his own challenges with a wider audience.

"You think a lot of these things will stifle your career," he said. "It certainly hasn't stifled mine."

Now, Marino has no problem using his voice and position to stand up for Cardinal Health employees with disabilities.

Alongside Robyn DesJardins, he co-chairs the Disability Advocates Network (DAN), whose 420 members are committed to making Cardinal Health a more inclusive place to work. They host conversations about living with

disabilities, provide support for family members of those living with disabilities and partner with HR to increase the number of employees who self-identify as living with a disability.

Marino said his position in building construction allows him to directly improve the working conditions of those who might need accommodations.

He recently oversaw the addition of a gender-neutral bathroom at the South campus in Dublin that is large enough to accommodate all wheelchair sizes, as well as service animals. Cardinal Health fully supported the addition, as well as a small pet relief area outside for an employee with a service dog.

Marino hopes more employees feel comfortable asking for assistance when needed. He has received nothing but positive support from Cardinal Health leadership for DAN and employees living with disabilities.

"I've seen a commitment to when there's an accommodation to be made, it's given without question," he said.

CEO Mike Kaufmann created the D&I Steering Council to help change internal conversations about diversity and inclusion. Council members, all senior leaders of the company, are charged with identifying and discussing barriers to D&I across the company, challenging the status quo and empowering change.

D&I Steering Council



Melissa Laber
Chair, SVP,
OptiFreight®
Logistics



Michelle Britt
VP, Territory
Sales



Stu Kim
VP, Associate
General
Counsel



Talvis Love
SVP,
Pharmaceutical
Segment IT



Preeti Sidhu
Vice Chair,
VP, Marketing
Management



Snehal Desai
VP, IT
Management



Bekki Kidd
SVP, Global
Logistics



**Mariela
Martinez**
VP, IT Business
Partner EMEA



**Shane
Abeyratne**
VP,
Multi-Function
Management



Emily Gallo
VP, Product
and Solutions
Marketing



Travis Leonard
SVP, Finance



Mike Pintek
SVP, Customer
Operations
and Business
Development



Ben Brinker
SVP, GM



Sean Halligan
SVP, Pharma
Supply Chain
Operations



Jessie Lian
VP, Country
Management



**Stephanie
Revish**
VP, Financial
Planning
and Analysis

With the goal of sharing the company's deep commitment to inclusion, CEO Mike Kaufmann, our Chief Human Resources Officer Ola Snow and the D&I Steering Council, left, hosted the first Cardinal Health D&I Town Hall to discuss what our value "Inclusive" means at Cardinal Health.

Leaders of the D&I Steering Council shared personal anecdotes about difficult situations: being the "only" in a room, which can be isolating in ways that others may not realize; often facing the presumption that being diverse is how one has attained his or her position; the choice a woman faces to come out every time someone assumes she has a husband; the pressure one feels to prove one's worth as the only person of color at the table.

Mike, Ola and the D&I Steering Council have asked every employee to come together to make Cardinal Health the place where top talent wants to be. They've challenged us to make these commitments:

- Consistently challenge unconscious bias from ourselves and others
- Embrace, encourage, share and respect human differences
- Attract, recruit, hire, develop, empower, mentor and engage the best talent

To provide leadership around all of these commitments, the D&I Steering Council works closely with senior executives and with our Chief Diversity Officer and Vice President of D&I, Devray Kirkland. Devray counsels teams across the enterprise on strategies to attract, retain and promote a diverse workforce. He also works closely with our Employee Resource Groups (ERGs), employee-driven groups organized around a shared interest or a common diversity dimension.

Our ERGs are aligned with the Cardinal Health mission and values to help foster an inclusive and engaging workforce. They help develop future leaders, expand marketplace reach and partner with nonprofits through volunteerism and fundraising.

We currently have seven ERGs, each sponsored and supported by one of our senior executives:

- African American Network
- Asian Pacific American Network
- Disability Advocates Network
- ¡HOLA!
- PROUD
- Veterans and Military Advocates
- Women’s Initiative Network

Many of our ERGs have chapters around the world. Several locations have established Multicultural Councils to keep employees engaged on multiple issues of diversity and inclusion.



Clockwise from top: African American Network (AAN) volunteers served more than 2,000 central Ohio families through the annual Christmas Cares/Unions Share event at St. Stephens Community House; Disability Advocates Network (DAN) members volunteering at Muscular Dystrophy Association summer camp in Ashley, Ohio; the El Paso chapter of ¡HOLA! hosting a Hispanic Heritage celebration; Employees across the U.S. packed and donated more than 4,000 sundry packs for homeless vets in support of the annual Operation Support Our Heroes, sponsored by the Veterans and Military Advocates (VMA).

PROUD Employee Resource Group

For 12 consecutive years, Cardinal Health has received a score of 100% on the Human Rights Campaign Foundation's Corporate Equality Index, the United States' premier benchmarking report on corporate policies and practices related to LGBTQ workplace equality.

The nearly 700 members of our PROUD ERG help us foster this kind of award-winning environment, where LGBTQ employees feel valued and able to bring 100% of themselves to work every day. PROUD has established strategies to achieve four goals:

- **Attract new employees:** Being visible in the local LGBTQ+ community and building the reputation of Cardinal Health as an employer of choice.
- **Develop employees:** Providing networking opportunities, learning and speaker sessions and access to executives.
- **Help retain employees:** Providing meaningful volunteer and charity opportunities and advocating for policies that promote an inclusive environment.

- **Help our business connect with our communities and customers:** Participating in events such as local Pride festivals.

PROUD and its goals are endorsed and supported by senior executives of the company, who are frequent speakers at PROUD events. Last year, CHRO Ola Snow, CEO of the Medical Segment Steve Mason and other leaders were invited to speak at the annual Out & Equal Workplace Summit. The Summit is a gathering of more than 3,000 business leaders, ERG groups and other employees designed to share and spread best practices. The Cardinal Health team led a workshop on ERG rebranding.

In June, CEO Mike Kaufmann, Ola and Steve hosted the annual Pride flag-raising ceremony at our Dublin headquarters; the Cardinal Health logo was redrawn in the colors of the Pride flag for the month. Ninety additional Cardinal Health sites across the country and outside the U.S. also hosted flag-raising ceremonies and flew the Pride flag throughout the month of June.



Clockwise from top: Flag raising at Cardinal Health International Philippines (CHIP); flag raising at Dublin headquarters; Columbus, Ohio, Pride parade

Employee well-being

We know that when our employees thrive, they bring their best to work, home and their communities. Here are some of the ways we support their physical, mental and financial well-being.

Our U.S. benefits program includes:

- Medical, dental and vision care coverage
- Paid time off plan
- Healthcare flexible spending account, a pre-tax benefit account to use for eligible medical, dental and vision care expenses that aren't covered by health insurance
- Short- and long-term disability coverage
- Basic life insurance
- Business travel insurance
- LiveandWorkWell, an Employee Assistance Program (EAP) that offers support tools, including resources to cope with anxiety, financial coaching and other well-being services
- Adoption assistance
- Tuition reimbursement

- Healthy lifestyles programs
- Paid parental leave
- Domestic partner benefits

Well-being benefits:

- Biometric screenings
- Health assessments
- Health coaching
- Health advisor services
- Tobacco cessation programs
- International fitness club membership discounts
- Free subscription to meditation app

Financial benefits:

- 401(k) savings plan with company match
- Online educational programs focused on such topics as budgeting, saving, credit and planning for college



Additional work-life benefits:

- Backup childcare/eldercare services
- College coaching
- Special needs programs

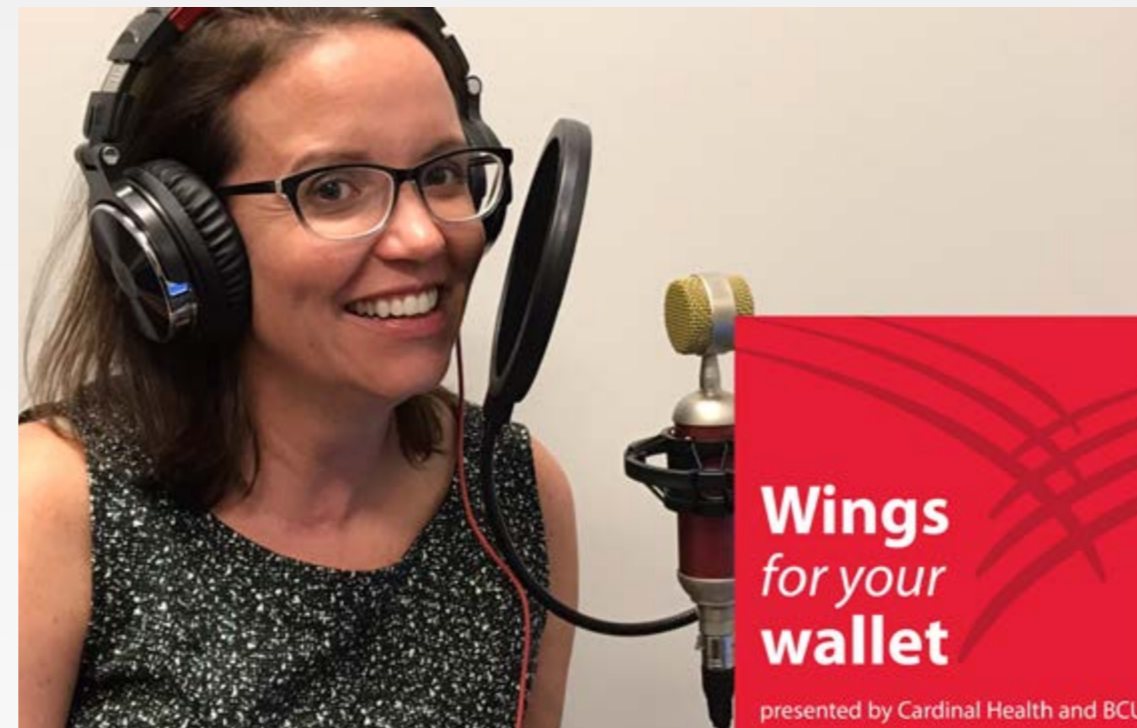
Wings for your wallet

This financial wellness podcast highlights benefits available to help Cardinal Health employees and their families achieve personal financial goals.

The podcast was the brainchild of employee Melissa Dippold, Benefits Consultant, who teamed up with a seasoned podcast producer and financial wellness expert from BCU, the credit union at our corporate headquarters, to create “Wings for your wallet.”

Each episode focuses on one finance-related topic, including health savings accounts, 401(k) plans, setting a budget, veterans’ benefits, defeating debt, buying a home, caring for aging parents, student loans and more.

The podcast series, now in its second year, is popular with employees. Last year, there were more than 24,000 listens, and the co-hosts are regularly invited to hold live recordings for employee audiences. Comments from listeners include “pretty cool stuff,” “excellent” and “very informative.”



“The podcast is always fun to record, and we laugh a lot. Every time, I learn something to improve my own personal financial situation. And helping our employees do the same is very fulfilling — both personally and professionally.”

— **Melissa Dippold**
Benefits Consultant

Through LiveandWorkWell, our EAP, employees and their households have free, 24/7 access to licensed mental health professionals for consultation, information, help and resources on a variety of mental health issues, including depression, anxiety, substance use disorder and stress. In the U.S., we offer a free subscription to an online platform that provides guided meditation. In FY19, we offered a two-day course on mindfulness, compassion and empathy.

Employees also have access to health coaches to achieve their goals in a number of areas, including healthy eating and fitness. They can choose to compete against other employees in virtual health and wellness challenges to earn discounts on their medical premiums.

Our compensation policies help attract top talent and provide equal opportunities. We recently increased our 401(k) match two years in a row — a benefit available to all U.S. employees. Furthering our long-standing commitment to pay equity, in FY19 we established a fair pay committee to analyze pay equity and compensation practices throughout our organization.

Our employees get other supports, too, including help with daycare, eldercare, accessing community resources and financial education on everything from buying a first home to saving for college to retirement planning.

Career development

From pharmaceutical distribution and medical supply manufacturing to supply chain management and warehouse operations, and from informational technology to nuclear pharmacy and much more, we offer a dynamic work environment where tens of thousands of people can grow to their fullest professional and personal potential.

Ongoing training and mentoring helps employees continue to learn and grow. Some of the opportunities we offer for continuous learning include:

- Mentoring across the organization
- Leadership development programs
- Internal courses on such topics as driving change and becoming a competent leader
- Tuition reimbursement
- Career planning
- Awards that recognize outstanding achievement

Our approach to talent management incorporates skill assessments, performance appraisals and career pathing. During FY19, 100% of eligible employees participated in our annual performance management process and worked with their managers to create talent profiles and development plans to support their career goals. Throughout the year, employees have quarterly check-ins with their managers to get feedback and continue to discuss career development.



Clockwise from top left: Participants in our EMERGE leadership development program celebrate the end of their three-year program; the 2018 Cohort of the LEAD, INNOVATE and INSPIRE leadership development programs celebrate their graduation; summer interns participate in an onsite work fair; Cardinal Health mentor and mentee participate in a coaching session.

Decoding new solutions

Puerto Rico team finds innovative, cost-effective update to workstations

When Cardinal Health employees in Puerto Rico needed to replace aging workstations, they found an innovative, security-conscious solution that was also extremely cost-effective.

A team composed of staff from Client Systems Engineering, Puerto Rico Regional Client Support (RCS), IT Service Center and Information Security worked together to find the answer: Raspberry Pi.

A low cost, credit-card sized computer that plugs into a computer monitor and uses a standard keyboard and mouse, the Raspberry Pi matches the capabilities of a desktop computer.

The lower price tag — it starts at \$35 — was a significant decrease from the \$700 needed to build a complete workstation.



“As a technology team, we have to be on the lookout for new avenues to do things that will allow us to be cost efficient and give us greater benefits. In the case of the Raspberry Pi project, that is the vision: being able to replace obsolete technology with new technology at a fraction of the cost.”

— **Liza Robles**, IT Service Center Supervisor

We provide both job-specific training and broader leadership training and development opportunities. Across all businesses and functions, employees averaged 12 hours of training during FY19.

Every two years we conduct an employee engagement survey to help identify internal strengths and opportunities throughout the enterprise. Managers at all levels use the survey results to create action plans to address areas of improvement within their teams.

We also benchmark results against other high-performance companies and across various industries, including distribution and warehousing, manufacturing and pharmaceutical. In FY19, 88% of our employees participated in the survey, in line with high-performance companies. Sustainable engagement measured at 83%, very close to that of high-performance companies and significantly higher than the distribution and warehousing, manufacturing and pharmaceuticals benchmarks.

Planning for future leadership

In FY19, we launched Leading the Cardinal Health Way training globally to provide a shared language for expectations of leaders and to enhance leaders' skills in coaching, providing feedback and developing trust. About 95% of our new managers have been through the training.

Leading the Cardinal Health Way is part of a broader initiative to grow and develop our leaders. We have married our internal program with Franklin Covey's full suite of leadership development programs, including six critical practices of leading a team. By the end of FY20, we expect to have developed close to 1,000 people leaders globally through this industry-leading program.

We identify those individuals with the greatest potential to become senior leaders as "enterprise-owned talent" and develop individualized plans for their experiential growth, taking full advantage of the breadth of our enterprise.

Our board of directors and its Human Resources and Compensation Committee are actively engaged in our talent management program. Our Human Resources leadership and the full board hold a formal succession planning and talent review session each year to identify internal candidates with desired leadership skills, key capabilities and experience based on our current and evolving business and strategic direction. The Human Resources and Compensation Committee oversees succession planning for the CEO and other senior executives, and management provides an organizational update at each quarterly committee meeting.



Top: Graduating class of INSPIRE, a leadership development program for high potential employees that focuses on driving a more agile culture. Left: The 2018 Cohort of the LEAD, INNOVATE and INSPIRE leadership development programs celebrate their graduation with Victor Crawford, CEO of our pharmaceutical segment and Executive Sponsor of LEAD.

Global human rights and labor standards

Our Global Human Rights and Labor Standards state that we strive to conduct our business in a manner that demonstrates respect for human rights and the dignity of all people, and have the following principles, among others:

- **Diversity and inclusion:** Our Standards of Business Conduct articulate our commitment to an inclusive and diverse workforce.
- **Fair treatment:** We have a harassment and bullying prevention policy that addresses the rules and guidelines in place to provide a workplace that is free from harassment and discrimination of any kind.
- **Freedom from forced labor:** We will not use or engage in any form of coerced, bonded, indentured or prison labor. All work is voluntary, and employees are free to leave or terminate their employment in accordance with laws and regulations and without fear of physical, psychological, sexual or verbal abuse. We will not require employees to lodge “deposits” of their identity papers nor permit employment agencies and labor brokers to charge recruitment fees to employees.
- **Hours of labor:** We require that working hours are consistent with laws and regulations and are not otherwise excessive.
- **Fair compensation:** We comply with minimum wage, overtime and maximum hour rules that are established by laws and regulations.
- **Free of child labor:** We do not allow child labor in our operations.
- **Workplace well-being and environment:** We support the well-being of our employees by offering programs and benefits that help employees to be safe, healthy, satisfied and engaged at work, and we maintain healthy, clean and safe work environments. We will not utilize mental or physical disciplinary practices.
- **Immigration law compliance:** We comply with immigration laws and regulations and only employ workers with a legal right to work.
- **Freedom of association:** We respect the freedom of association.

Learn more:

- [Global human rights and labor standards »](#)
- [Equal employment opportunity/nondiscrimination »](#)
- [Harassment and bullying prevention »](#)
- [Employment of minors »](#)
- [Modern slavery statement »](#)

Mission-driven music

Cardinal Health Orchestra performs for those without access to live music

Since 1997, the Cardinal Health Orchestra has trumpeted music education and general goodwill to Cardinal Health employees, retirement communities and schools around central Ohio.

The orchestra presents two performances at the Dublin headquarters each year.

Most other concerts are performed for those who might not have easy access to live musical performances.

In May 2019, the 55-member group played its film soundtrack show — featuring music from “Star Trek,” “Pirates of the Caribbean” and “Wonder Woman,” among others — for the students at Colerain Elementary School, many of whom are living with severe disabilities.

Micah Rubenstein, the orchestra’s current conductor and an instructional designer in the Learning and Development Center of Excellence, said the show affected the musicians as much as the children.

“These kids are so pure and immediate with their emotions,” he said. “I have my back to them most of the time, but I’m looking at the orchestra members and occasionally some of them are in tears.”



The orchestra played 14 shows in 2019 — all of them free. Rubenstein said the musicians, a mix of Cardinal Health employees and community members, do it all for the love of music.

“It fits in really well with the mission of Cardinal Health. Bringing music to people is bringing healthy things to them.”

— **Micah Rubenstein**

Instructional Design and Development Consultant



Ensuring a safe workplace

Ensuring the safety and security of our people is our priority every day. Our environment, health and safety (EHS) team works with our operations and real estate teams to keep workspaces safe around the globe. Our EHS management system is designed to mitigate risk and prevent work-related illnesses, injuries and environmental incidents:

- We provide comprehensive EHS courses to train operations employees, including supervisors and managers, on identifying, correcting, avoiding and preventing job-related hazards.
- We routinely perform industrial hygiene sampling to ensure workers using chemicals and those who work in noisy areas are properly protected.

Living our values

Mission driven

The best kind of care

Tiffanie Rowe is likely the first person you would see if you were to visit our distribution center in Charlotte, N.C. Tiffanie welcomes colleagues and visitors as they arrive on site, trains new hires as the new employee orientation coordinator, manages billing and some HR functions, and serves as the facility's Healthy Lifestyles champion.

She is also one of our most enthusiastic Kindness Champions, a group of volunteers who have been building and spreading our Global Kindness Campaign.

When we launched the campaign last year, Tiffanie said: "I think Cardinal Health is such a pioneer in culture and community engagement and in embracing diversity. Kindness is a part of all of these." She sees the Kindness Campaign as a way to build on the company's culture of kindness and spread it more broadly.

"The workplace needs more determined kindness," she said. "The campaign has inspired me to search for ways to be kind every day, to put myself out there to everyone I come across by engaging them in more than just a greeting. I don't want just to be kind — I want to be determined in my kindness."

As a Kindness Champion, Tiffanie actively participates in monthly Champions meetings focused on spreading the campaign, joins in brainstorming sessions and makes intentional acts of kindness part of her everyday work: taking freezer pops to people working outside on hot summer days, offering hot chocolate to colleagues on cold mornings and leaving kind notes on desks when no one is looking. Her "Kindness Containers," packed with snacks and sundries and labeled with the message, "Enjoy your snacks; pass the kindness along," have made their way to colleagues across the country.

"Kindness sets the tone of every interaction, even when things are difficult. How you act determines the way people feel when they walk away from you," said Tiffanie. "I have benefited so many times from others' acts of kindness to me. I feel truly blessed to have the opportunity to pass kindness along to others."



- We provide incident analysis training that offers a uniform approach to determine root causes and develop mitigation actions.
- We partner with a global leader in contractor safety programs to enhance contractor compliance and risk mitigation.

Ergonomics: Cardinal Health has a long-standing partnership with a globally recognized ergonomics firm that assesses and improves how work gets done, reducing the risk of injuries. We've also invested in motion capture, an advanced ergonomic module that simplifies ergonomic assessment by automating the collection of body posture data. Though still new, we expect that motion capture will result in more accurate risk assessments and more effective solutions.

We worked with The Ohio State University Spine Research Institute to develop an Ergonomics Best Practices Guide for our medical distribution centers (DC). Experts from the OSU Spine Research Institute visited multiple DCs to observe work processes and gather other information. The resulting guide includes solutions that individual DCs have implemented, as well as solutions that have been found to work across the industry. The guide will be used to continually improve work efficiency and reduce potential injuries.

We recently launched an internal train-the-trainer ergonomic program that prepares our employees to facilitate ergonomic workshops (previously conducted by consultants). This standardized training has increased five-fold the number of employees trained.

Machinery: We use software to develop machine-specific lockout and tagout procedures at our manufacturing plants, nuclear pharmacies and distribution centers. The software standardizes and simplifies the development of procedures and can track employees' use of the procedures.

Data management: We've recently invested in a new EHS and Sustainability data management system to collect, analyze and report key performance data about injuries and illness; environmental, security and property damage incidents; and external reporting of U.S. workers' compensation claims. The platform also helps us manage industrial hygiene survey data and perform internal inspections and audits.

We take all appropriate measures to prevent incidents and accidents from happening in our workplaces. These investments in EHS are a step toward building a healthier future.

Global occupational injury/illness data	FY18	FY19
Rates		
Total recordable incident rate (TRIR)	1.36	1.47
Lost time incident rate (LTIR)	0.51	0.55
Days away from work, days of restricted work, and/or days of jobs transfer (DART)	1.02	1.16
First aid case rate	3.09	3.02
Fatalities		
Fatalities — employee	0	0
Fatalities — contractor	0	0
Other		
Total reported near misses	1,703	1,881

These are standard Occupational Safety and Health Administration (OSHA) calculations used to evaluate and quantify a company's safety performance.

Cardinal Health operates many warehouses, distribution centers and other industrial work environments. According to U.S. Bureau of Labor Statistics (2018), Warehouse & Storage (NAICS 4931) has an average TRIR of 5.1 injuries per 100 full-time employees. Since FY09, we have reduced our TRIR 59%.



Creating value for our customers and our partners



Cardinal Health is a globally integrated healthcare services and products company; we are one of the few companies in healthcare providing both the pharmaceutical and medical solutions that help our customers give their patients the care they need.

We provide innovative products and customized solutions for hospitals, healthcare systems, pharmacies, ambulatory surgery centers, clinical laboratories and physician offices. We offer medical products, pharmaceuticals and cost-effective solutions that make the supply chain safer, more secure and more efficient. We connect patients, providers, payors, pharmacists and manufacturers for integrated care

coordination and better patient management. We help hospitals, health networks and alternate sites of care identify and successfully pursue opportunities to improve patient outcomes, drive efficiencies and reduce costs.

Our Pharmaceutical segment

Through our pharmaceutical business, we deliver high-quality, cost-efficient pharmaceuticals to more than 100,000 providers in the U.S. every day.

We distribute branded and generic pharmaceutical and over-the-counter healthcare and consumer products to retailers, including chain and independent drug stores and pharmacy departments of supermarkets and mass merchandisers, hospitals and other healthcare providers.

We operate nuclear pharmacies and cyclotron facilities that manufacture molecular imaging biomarkers that aid in the early diagnosis, monitoring and treatment of cancer, neurological disorders and heart disease.

We provide pharmacy management services to hospitals along with medication therapy management, telepharmacy and health messaging services and operate pharmacies in

community health centers. By improving the coordination of manufacturers, payors, pharmacies and patients, we help improve patient care.

We offer an extensive portfolio of limited distribution drugs, plasma derivatives and other specialty pharmaceuticals for hospitals, specialty physician practices, specialty pharmacies and alternate sites of care. As one of the largest specialty healthcare supply chains in the U.S. with long-standing relationships with leading group purchasing organizations and decades of experience delivering specialty drugs, we simplify the delivery of these specialty products.

We also provide services to pharmaceutical manufacturers, including distribution, inventory management, data reporting, new product launch support and chargeback administration.

Living our values

Innovative

“Innovation is not always about coming up with a new idea. You can be innovative on a day-to-day basis. For me, changing the game means whatever game I am playing, and the rules I am playing by, tomorrow it can be better. **If you experiment, break things and even fail, you can come away with a deeper understanding of things.**”

— **Snehal Desai**

VP, IT Management
Dublin, Ohio, U.S.



Anti-diversion: Addressing the opioid epidemic

We care deeply about the opioid epidemic and take seriously our commitment, in cooperation with other participants in the prescription drug supply chain, to find and support solutions to this national challenge.

As a distributor and an intermediary in the supply chain, we provide a secure channel to deliver all kinds of medications from the hundreds of manufacturers that make them to our thousands of hospital and pharmacy customers licensed to dispense them to their patients, and we work diligently to identify, stop and report to regulators any suspicious orders of controlled substances.

We carefully evaluate pharmacies before they become customers, including taking steps to understand their business and historical prescription drug ordering patterns. Controlled substance orders pass through our order monitoring system, which tracks orders against statistical benchmarks for signs of potential diversion. If an order exceeds our benchmarks, we cancel the order and report it to the U.S. Drug Enforcement Administration (DEA) and any applicable state regulators. We also have a team of experienced investigators who regularly conduct customer site visits, both announced and unannounced.

Our board of directors' Ad Hoc Committee of independent directors assists the board in overseeing our response to the opioid epidemic. The committee meets twice per quarter and engages with the full board on opioid-related issues at every board meeting.

In October 2019, we agreed in principle with four state attorneys general from a multi-state task force to a global settlement framework, designed to resolve all pending and future opioid lawsuits and claims by states and political subdivisions.

With the commitment of both funds and distribution of treatment medication, this settlement framework would help get needed resources to the communities that need them most. We remain committed to being part of the solution to this epidemic, and we are committed to the settlement framework. We continue to be actively involved in its progression.

The settlement framework calls for cash payments by Cardinal Health to the states and political subdivisions of up to \$5.56 billion over 18 years, free or rebated distribution of opioid abuse treatment medications for 10 years and industry-wide changes to be specified to controlled substance anti-diversion programs. The framework is subject to contingencies and uncertainties as to final terms but is the basis for our negotiation of definitive terms and documentation.

Learn more:

- [Board engagement »](#)
- [Combating opioid misuse »](#)

Our Medical segment

Through our medical business, we manufacture, source and develop our own medical, surgical and laboratory products under the Cardinal Health brand — a comprehensive offering of cost-efficient products that help providers improve the bottom line while delivering high-quality care.

The Cardinal Health brand includes cardiovascular products, wound care products, fluid suction and collection systems, electrode products, single-use surgical drapes, gowns and apparel — and much more. These products are sold directly or through third-party distributors in the U.S., Canada, Europe, Asia and other markets.

The Medical segment also distributes a broad range of medical, surgical and laboratory products known as national brand products, and provides supply chain services and solutions to hospitals, ambulatory surgery centers, clinical laboratories and other healthcare providers in the U.S. and Canada.

Through Cardinal Health at-Home Solutions, our medical segment also distributes medical products to patients' homes throughout the U.S.

Living our values

Mission driven

“If you believe in healthcare, in taking care of customers the right way and helping them with their supply journey, **the cultural fit and values here are spot-on.**”

— **Lindsay Konopka**

2019 Founder's Award honoree

Manager, Product and Solutions Marketing
Twinsburg, Ohio, U.S.



Patient safety and product quality

Patient safety and product quality are foundational to our business. Our safety and quality policies and procedures guide us through the process of manufacturing, distribution and marketing.

Our quality policy affirms our commitment to patient safety and to providing products and services that meet or exceed the expectations of our customers. We maintain and continually improve a sustainable quality management system that meets regulatory requirements and establishes a culture of engagement and participation — our employees are driven by the highest quality objectives.

Quality management system: Our quality management system is built on the requirements and guiding principles of patient and user safety, regulatory compliance and continuous improvement. We implement quality procedures that take into account the regulatory requirements for the markets worldwide where we manufacture or distribute products. We track quality performance in our businesses and within our sites with metrics that are regularly reviewed at sites, in management review meetings and as part of our goal-setting process.

Product quality training: Cardinal Health employees responsible for product quality are trained in current good manufacturing practices. Non-manufacturing teams receive product training, including regulatory and quality standards, as appropriate.

Measuring and monitoring effectiveness: We conduct internal audits to verify that our global quality system conforms to internal and external requirements and is effectively implemented and maintained. Worldwide health authorities also review our performance to ensure quality and compliance. During FY19, we had more than 300 external regulatory inspections across all our businesses.

Quality certifications and standards: We maintain certification to global industry standards and have achieved independent quality certifications across our operations. More than 100 of our manufacturing, distribution and other operating facilities are certified to ISO 13485:2016 (Medical Devices — Quality Management Systems) standards.

Mission driven

“Our focus is always on the patient: We make sure we produce quality products that meet their needs.

Everything we do at Cardinal Health needs to serve the greater goal of healthcare.”

— **Thomas Gonchar**

Senior Principal Engineer,
Research and Development
Santa Clara, Calif., U.S.



Corrective actions: We maintain corrective and preventive action (CAPA) systems that assist us in investigating actual or potential product quality or safety issues to find root causes and prevent occurrences or recurrences. We initiate corrective actions (such as product advisories, field actions or recalls) as necessary to help ensure quality and safety issues are quickly and effectively addressed. We had no Class I recalls and no FDA Warning Letters during FY19.

Product materials restrictions: Our global strategies and programs help to ensure that we meet product materials restrictions, including the EU RoHS2 Directive, EU REACH Regulation and others. As part of our product quality reviews, we consult several lists, including California Proposition 65, EU Medical Devices Regulation, EU REACH Substances of Very High Concern, EU RoHS and Montreal Protocol on Substances that Deplete the Ozone Layer.

Supplier quality assurance: We have supplier quality programs for the materials and components used in the products that we self-manufacture and the selection, qualification and oversight of suppliers that manufacture products on our behalf. These programs focus on patient safety and regulatory compliance.

Controls such as quality system audits and CAPAs are designed to provide assurance that the facilities manufacturing the materials or components that we procure have quality systems in place, so that final product complies with our specifications and adheres to regulatory requirements. We conduct routine quality audits of suppliers as required by law.

Community effort grows new life

An innovative Cardinal Health product helped sustain a premature baby during months of intensive care

Little Nene Kinjo’s survival was uncertain. Born at just 22 weeks, she weighed only half a pound (261 grams).

“The situation did not look good, but we would of course do our utmost and provide any treatment to save her,” said Haruka Arakaki, one of the baby’s primary doctors in the Perinatal Medical Center at Okinawa Chubu Hospital in Okinawa, Japan.

The baby required seven months of intensive care during which the hospital staff sent the infant’s parents constant updates on her progress and monthly “birthday” cards.

Key to Nene’s survival was the use of the Argyle™ PI Catheter Kit, a Japan-specific product designed and produced by the Cardinal Health team in our Fukuroi plant.

“I was really worried at first, but the advancements in medicine were impressive. Be it the devices, the physicians, the nurses — everyone was amazing.”

— **Katsutoshi Kinjo**
Nene’s father

Nene’s mother Mayumi Kinjo went into every hospital visit with a giant grin, belying her worry for the tiny baby.

“The baby might be able to sense that something was wrong if the mother was crying every day while the child was doing her best,” she explained. “Therefore, I decided to always smile when I was with her.”

Now nearly 3, Nene is a lively toddler who keeps her parents’ hands full.

“I hope she grows up and becomes a gentle child, though she’s nowhere near that right now,” Mayumi Kinjo said with a laugh. “I would like to raise her to become a friendly and kind girl.”



Supply security

The safety and security of our nation's pharmaceutical supply is among our highest priorities. A safe and reliable supply is critical to the health and well-being of patients and central to our customers' businesses.

Our pharmaceutical distribution procedures are designed to comply with the U.S. Drug Supply Chain Security Act (DSCSA). Before we receive pharmaceuticals, we conduct a licensing check to make sure the product comes from an entity authorized to distribute prescription pharmaceuticals.

We visually inspect products for signs of tampering or any indications that the products are suspect. If we discover illegitimate product, we notify our trading partners, the U.S. Food and Drug Administration and other regulatory bodies as required.

In 2018, as a requirement of the DSCSA, manufacturers began placing a unique product identifier on every pharmaceutical package and case. Beginning in 2023, we will electronically track product at the individual package level with this product identifier. Transaction data will be exchanged through a secure, interoperable and electronic system to further minimize the threat of counterfeit product entering the supply chain.

Beyond our compliance procedures for counterfeit product, security measures designed to ensure the safety of our deliveries and of the people involved in the deliveries include:

- Strategically implementing GPS units on routes to customer delivery locations in the U.S.
- Hiring regional couriers to make deliveries in unmarked vehicles with tinted windows
- Auditing courier depots and deliveries to customers
- Regularly reviewing crime data to determine our highest risk areas
- Varying delivery times, per customer requests, to avoid a predictable daily delivery

Living our values

Accountable

"As a Customer Service Representative — one of the company's 'front-liners' — I make it a point that before I end the call with our customers, they get the quality service they deserve.

For me, **taking ownership and accountability for each customer is living our employee promise:**

I am Essential to care.™"

— **Emmanuel Maniquis II**

Rep II, Customer Service Operations
Bonifacio Global City,
Taguig, Philippines



A flood of compassion

Cardinal Health employee delivers emergency supplies during massive storm

When Tropical Depression Imelda dropped historic rainfall on southeast Texas last fall, flash flooding closed many roads and highways. Customers were unable to receive product shipments, and patients were unable to access lifesaving medications.

That's when Diego Armendariz, a 20-year Cardinal Health employee at the Houston Enclave Facility, leapt into action.

After hearing that two hospitals needed emergency orders within 24 hours, he volunteered to deliver the products in his personal high-water vehicle, one of the few that could navigate roads after the storm dumped 43 inches of rain within 24 hours.

Diego, along with co-pilot and Warehouse Supervisor Farheen Momin, were able to successfully transport the medication in time. Their travels even included a quick stop to pick up Cardinal Health Sales Representative Kyle Benson, who was stranded at a hotel.

Diego knows he is part of a team focused on customer service and patient care.



"In the 20 years I've been at Cardinal Health, I've seen countless teammates step forward to make sure we take care of the customer so that they can care for the patient. I was just the last link in a long chain of Cardinal Health employees who stepped forward to stock shelves, answer customer calls, pick-pack and ship, and countless other contributions all to ensure that the right patient got the right meds at the right time."

— **Diego Armendariz**

Director, Strategic Sourcing, National Brands

We operate a centralized, around-the-clock security operations and intelligence center so that suspicious events can be reported, tracked and responded to quickly.

In accordance with applicable agreements, we follow manufacturers' specific instructions to ensure the safe distribution of their products (including products that may be used for lethal injections).

Privacy and data protection

We have a critical obligation to protect the privacy of the patients who use our products, and to protect our information and systems and those of our business partners.

Our policies and processes are designed to comply with the laws that govern the collection, use and management of patient-identifiable health information and other sensitive personal and financial information in the countries where we do business. These laws include the U.S. Health Insurance Portability and Accountability Act of 1996 (HIPAA) and, since 2018, the European Union's General Data Protection Regulation (GDPR).

We regularly conduct information security and privacy audits domestically and internationally, including HIPAA audits and third-party information technology vendor risk assessments. We also conduct practice cyber tabletop and wargame exercises to prepare for potential incidents. We conduct phishing awareness campaigns and tests and penetration testing at regular intervals throughout the year. We employ multi-factor authentication for more sensitive areas.

We build employee awareness of information security and privacy issues through regular training and engagement, including annual HIPAA training for all U.S. employees with computer access and annual cybersecurity training for all employees with computer access. We have begun GDPR training for all employees with access to personal information in the European Union.

We report incidents involving loss or inappropriate access of data as required by law.

Living our values

Accountable

"When I'm out and I have my Cardinal Health shirt or jacket on, I wear it like a badge of honor. **I know I'm being depended on.** It's not just about a paycheck. We're actually doing something to save people's lives."

— **Doug White**

Outbound Coordinator
Groveport, Ohio, U.S.



Sourcing responsibly

Cardinal Health does business with more than 20,000 direct and indirect suppliers in the U.S. and many others around the world. In FY19, we spent approximately \$144 billion with our suppliers.

All suppliers are required to comply with our vendor code of conduct, which addresses compliance with the law, labor practices and human rights, EHS standards, data protection, promotion and sale of our products and interactions with healthcare professionals and customers.

For products that we sell to the U.K. National Health Service, we are Labour Standards Assurance System (LSAS) Level 3 compliant. LSAS includes policies and procedures, a labor standard supply chain risk assessment, employee awareness training and continuous improvement. We have a cross-functional team that maintains our LSAS program and integrates it with other sustainable sourcing and manufacturing work.

We are enhancing ESG compliance policies and procedures for suppliers of our self-manufactured and sourced medical products.



We have completed supplier sustainability risk assessments and prioritized supplier engagement based on inherent country and category risks, material priorities and business impact.

We are developing processes for risk assessments and plan to begin soliciting self-assessment questionnaires first and, later, conduct on-site audits. We will initially focus on suppliers with the highest inherent risk for human rights and labor standards, EHS and business ethics issues and expect to expand the program to cover additional suppliers in the future.

Learn more:

- [Vendor code of conduct »](#)
- [Conflict minerals policy »](#)
- [Diverse supplier inclusion policy »](#)
- [Global human rights policy »](#)
- [Modern slavery statement »](#)

Supplier diversity

Our customers expect us to be inclusive; our government and many of our private-sector businesses require it. Maintaining a diverse supplier base spurs competition, generates innovative thinking and facilitates the exchange of ideas that have the potential to produce value-added solutions.

We develop and foster strategic business relationships with large and small businesses owned, operated and controlled by ethnic minorities, women, LGBTQ people and veterans, as well as with HUBZone-certified businesses.

Cardinal Health maintains membership and collaborates with advocacy groups who certify and develop small and diverse businesses. We also participate in and sponsor various networking and outreach events which provide Cardinal Health the opportunity to share key program objectives, best practices and sourcing opportunities with diverse suppliers.

We develop and mentor diverse businesses under the National Minority Supplier Development Council Centers of Excellence (COE) program and Federal Government Mentor-Protégé program.

\$3.3 billion
spend with small and diverse suppliers

770 suppliers
owned by women or minorities

3,175 diverse supplier partner relationships
including small, HUBZone-based businesses and businesses owned by minorities, women, the disadvantaged, veterans, service-disabled veterans and LGBTQ people

Living our values

Inclusive

“At Cardinal Health, we want you to bring all of who you are. **Diversity of thought breeds innovation, creation and creativity** — and that’s what we really want as an organization. If we want to grow and evolve, we’re all going to learn from one another.”

— **Devray Kirkland**

VP, Diversity & Inclusion
Chief Diversity Officer
Dublin, Ohio, U.S.



Design with a purpose

Can fashion improve patient outcomes? Cardinal Health partnered with graduate students at Columbus College of Art & Design to find out.

The relationship with Cardinal Health resulted in CCAD dedicating a course in its Master of Design program to improving the design and functionality of high-barrier surgical gowns used by healthcare providers. Students were tasked with developing strategies and working through challenges specific to operating room staff, such as overheating, fluid protection, universal sizing and cost considerations for the disposable gowns.

The students explored trends in comfort, such as stretchy necklines inspired by athletic wear, and applied smart technologies like material designed to keep surgeons cool during long procedures.

Throughout the course, students tested their gown prototypes with medical professionals, who provided critical feedback on fit, comfort and functionality. “Thoroughly understanding the customers’ experience and challenges with a surgical product allows us to adapt and modernize,” said Director of Product Management and Development Joel Colyer. “It’s really pushed us in some directions we wouldn’t have thought of otherwise.”

He noted that when it comes to innovation, building cross-functional relationships like this one is key. “It’s not what we’re trying to do, but what we’re trying to solve,” Joel said. “Asking ‘why not?’ instead of ‘why?’”



“To continue providing the high-quality surgical products our customers expect, we’re always seeking opportunities for improvement. And when we can think outside the box and utilize partners like CCAD, we often find the most innovative ideas.”

— **Joel Colyer**, Director of Product Management and Development

Strengthening our communities



Our Dublin, Ohio-based compliance team did fall cleanup at a community garden as part of the Franklin Park Conservatory's Growing to Green program.

Our company, our Foundation and our employees are passionate about giving back to strengthen the communities where we live and work. Through the Cardinal Health Foundation, our philanthropic efforts focus primarily on three key initiatives: investing in healthcare and community health, supporting our employees' commitment to their communities and fighting prescription drug misuse.



Clockwise from top: the Nashville chapter of our Women's Initiative Network Employee Resource Group (ERG) volunteer with Junior Achievement; our Pelotonia cycling team; our Asian Pacific American Network ERG hosts annual dragon boat races in Columbus; a few of the walkers on our AHA Heart Walk team.

Investing in healthcare and community health

We strive to help build healthier communities, where all people have the opportunity to live healthy lives and share their perspectives and experiences — communities where diversity and inclusion thrive.

Addressing social determinants of health: We know that health is not just about healthcare. In fact, social factors are greater predictors of health and well-being than clinical health. According to a 2016 issue of the *American Journal of Preventive Medicine*, medical care accounts for only 10% to 20% of the contributors to health outcomes. The other 80% to 90% are social determinants of health, including socioeconomic factors and environmental factors.

By the end of FY20, the Cardinal Health Foundation will have awarded \$2.5 million in grants to nonprofit organizations that address food insecurity and/or housing instability, complex social issues that greatly influence population health. By supporting organizations that help to increase access to healthy foods and prevent homelessness, we can improve health outcomes and the overall health of our communities.

Living our values

Mission driven

Feeding an education

Food market provides free groceries to college students

More than half of the students who attend Columbus State Community College are at risk of going hungry.

At the two-year college located in downtown Columbus, Ohio — a 20-minute drive from Cardinal Health headquarters in Dublin — 66% of scholars are 200% or more below the federal poverty level. Once textbooks, housing and tuition are paid, finding money for food can seem impossible.

To help combat students' food insecurity, the Cardinal Health Foundation donated \$700,000 to create the Mid-Ohio Market, an extension of the Mid-Ohio Foodbank that provides a wide variety of free fresh and imperishable foods for qualifying students and the 60% of local residents who also need help putting food on the table.

"For those attending Columbus State, being a student is just part of the story," said Kathyne Reeves, Vice Chair of the Cardinal Health Foundation Board.



"It's hard to focus when you're hungry. It's hard to stay in school when you don't have enough money to feed your children."

Kathyne noted that for many in central Ohio, academic success can be a game changer.

"Education helps build a pathway out of poverty for students and their families for generations to come. We believe the Mid-Ohio Market at Columbus State will remove the significant barrier of food insecurity for a large number of students and their neighbors. It will help thousands of central Ohioans improve their lives, and the Cardinal Health Foundation is proud to support it."

Supporting employees' commitment to community

Our employees support thousands of nonprofits that work to better our communities. Each year, employees' gifts, combined with a Foundation match, amount to nearly \$2 million in donations to charitable causes.


Giving in our communities: We empower employees to invest their time, talents and finances where they're most passionate. Employees are actively engaged in education initiatives, fighting hunger and homelessness, ending poverty, fighting substance misuse and supporting medical research, animal rights organizations and numerous arts organizations.

Employee involvement is multi-faceted: Our employees run, bike and walk to support causes important to them and raise literally millions of dollars to support those efforts. They share professional skills in human resources, operational excellence, management, strategy, marketing and other areas, and they participate on the boards of nonprofit organizations, often in leadership positions.

Product donations: Every year, we donate millions of dollars in non-prescription products to four international relief organizations that support charitable missions and disaster relief throughout the United States and around the world. These organizations are Americares Foundation, Heart to Heart International, MAP International and World Vision.

[Learn more about product donations »](#)

Pelotonia
Nearly \$3 million*
raised for cancer research
Hundreds of employees
join the team each year



American Heart Association Heart Walk
Nearly \$2 million*
raised for heart research
Hundreds of employees across
the country walk each year

Fisher House Foundation
Nearly \$1.5 million*
raised for military families



*Pelotonia and AHA Heart Walk funds raised since 2009; Fisher House Foundation dollars raised since 2016.

Fighting prescription drug misuse



Generation Rx presentation at Glacier Ridge Elementary in central Ohio.

Cardinal Health has been deeply committed to finding and supporting solutions to the public health crisis of prescription drug misuse since 2009, when we began supporting Generation Rx.

Generation Rx is an evidence-informed prevention education and awareness program designed for anyone to use to educate people of all ages about safe medication practices and the potential dangers of misusing prescription medications. Generation Rx was founded at The Ohio State University College of Pharmacy and has been powered through a partnership with the Cardinal Health Foundation since 2009.

Generation Rx includes four simple but critically important medication safety messages:

- Take medications exactly as prescribed
- Store prescription drugs in secure locations
- Properly dispose of medications that you no longer need
- Promote safe medication practices and teach others to do the same

[Learn more about Generation Rx »](#)

The Cardinal Health Associates Fund

The Associates Fund is a financial resource designed to support Cardinal Health employees dealing with financial hardship due to an unexpected crisis, like a natural disaster. It is a non-profit, tax-exempt, charitable fund operated by a team of Cardinal Health employees. The Associates Fund has helped hundreds of employees around the world since it was established more than 20 years ago.

Combating opioid misuse: Community initiatives

We support a variety of near-term and long-term solutions designed to prevent prescription drug misuse and fight the opioid epidemic, from reducing opioids prescribed to raising awareness of the risks of prescription drug misuse to catalyzing community solutions.

Initiatives to reduce prescribing

Optimal Prescribing in Pain Management grants: The Cardinal Health Foundation awarded nearly \$1 million in grants to state pharmacy associations and colleges of pharmacy to impact the opioid epidemic across five states. The grants are designed to engage pharmacists in working with other healthcare providers and patients to support best prescribing strategies.

The Alliance for Integrated Medication Management (AIMM), whose expertise is convening and coaching healthcare organizations to improve outcomes and reduce costs, is leading a learning collaborative for the grantees, designed to accelerate strategy adoption and measurement.

Best Practices in Opioid Prescribing Symposium: We hosted past grant recipients, pain management experts and other healthcare providers at a two-day symposium so they could discuss best practices, successes and challenges in managing pain with fewer opioids prescribed.



Ohio Hospital Association partnership: Thanks to funding from the Cardinal Health Foundation, the OHA has engaged providers and patients in more than 75 hospitals in a project to optimize the prescribing and use of opioids in order to promote optimal patient outcomes for pain management.

Initiatives to raise awareness

Drug take-back events: According to the 2017 National Survey on Drug Use and Health, more than 53% of those who misused prescription pain medications obtained them from a friend or relative. Disposing of unused or expired medications is one of the easiest things anyone can do to help prevent misuse.

That is why Cardinal Health partners with Kroger to host biannual drug take-back events at more than 200 pharmacy locations across the country. These events result in the secure collection and disposal of thousands of pounds of medications each spring and fall.

Don't live in Denial, Ohio: With \$1 million in funding over two years, we have partnered with the Ohio Opioid Education Alliance to increase the impact of its community education campaign, "Denial, Ohio." The campaign has two key messages: talk to kids about the risks of prescription drug misuse and safely dispose of unused medications. With our engagement, the Alliance now offers Generation Rx resources to parents, teachers and other community members so they can take action and teach others about medication safety.

Educating our employees: All U.S. employees are required to complete a training about the opioid epidemic and the role that Cardinal Health plays in finding solutions to fight the epidemic. The training arms employees with facts about the epidemic and provides tips on how to talk about the issue with friends and family.

Initiatives to catalyze community solutions

Community-level response to the opioid crisis: In 2018, we awarded eight grants to community collaborative organizations across the state of Ohio to further their work on fighting the epidemic locally with multiple initiatives, with the goal of reducing addiction, overdoses and deaths related to opioid misuse.

Our grants, in combination with other initiatives in the communities, helped these organizations achieve a 42% decrease in opioid-related hospital admissions and a 32% decrease in opioid overdose deaths.

Prevention education/awareness grants: Over the last decade, we have awarded millions of dollars in grants to spread the messages and impact of Generation Rx.

Learn more about our commitment to being part of the solution »

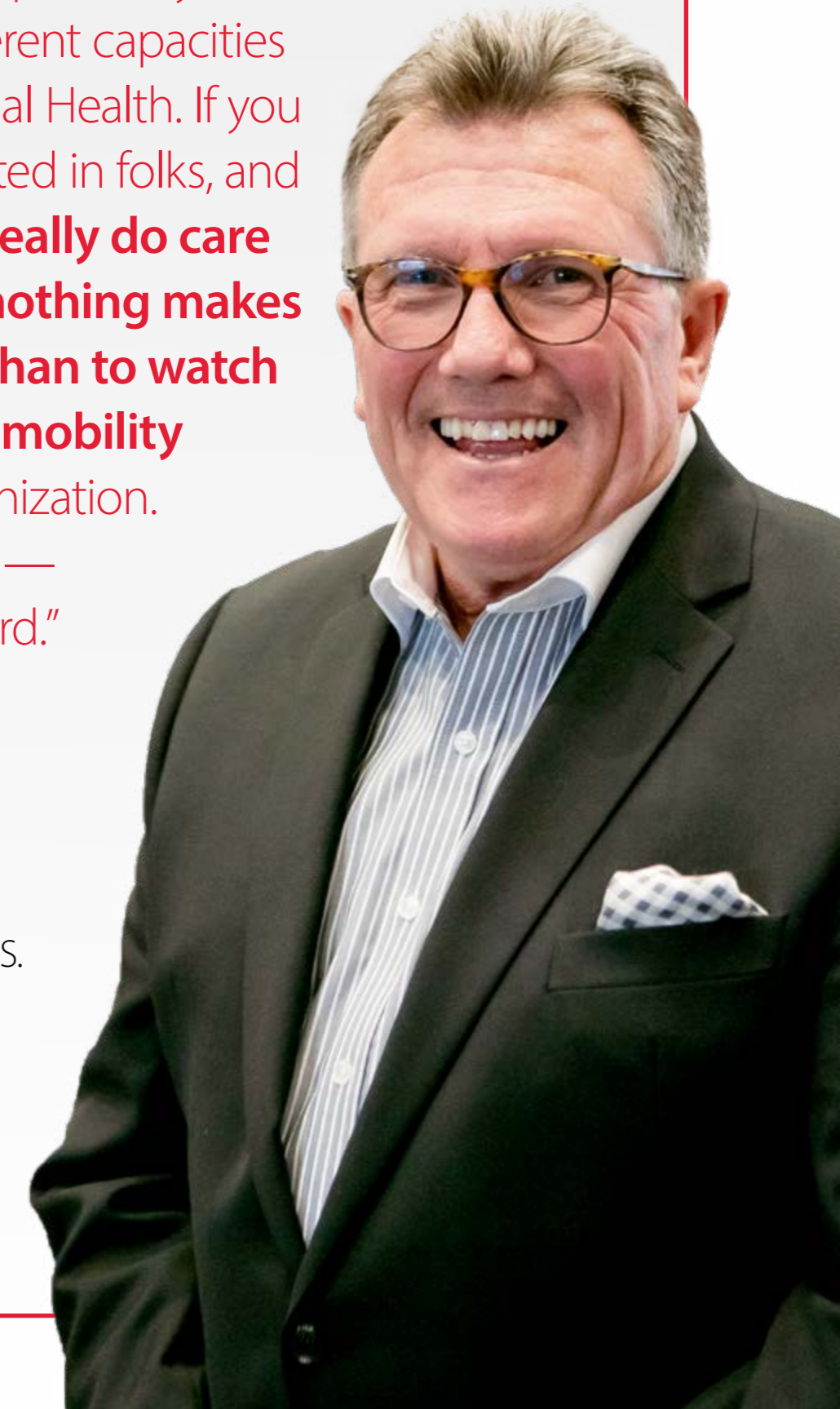
Living our values

Integrity

"I've had the opportunity to be a mentor in different capacities while at Cardinal Health. If you really are invested in folks, and if you really, really do care about folks, nothing makes you happier than to watch their upward mobility within an organization. That's the best — that's the reward."

— John Kilgour

2019 Founder's Award honoree
VP, Direct Sales Management
Massachusetts, U.S.



Operating sustainably and responsibly



Employees participating in the SMART Columbus Electric Vehicle Ride and Drive program.

Global Environment, Health, Safety and Sustainability programs

As a global company, we know that the long-term health of our communities, our colleagues and our customers and partners depends on a sustainable world. Across our footprint we look for ways to reduce greenhouse gas (GHG) emissions, reduce landfill burden, conserve water and design products and services that reduce overall environmental impact.

We conduct business in ways that show our respect for the environment and demonstrate our commitment to the health and safety of our employees, contractors and the community. We comply with Environment, Health and Safety (EHS) regulatory requirements as well as our own internal expectations. We integrate EHS into company-wide business processes and expect continuous improvement in EHS performance.

Our operations are supported by a globally diverse department of degreed and certified EHS and sustainability professionals collectively fluent in more than 10 languages.

We use a global EHS system that is built on the Plan-Do-Check-Adjust continual improvement model. The system provides the framework for operations to predictably and sustainably manage through goal setting, defining roles and responsibilities, developing proactive performance measures and holding individuals accountable for their responsibilities. A key element of our system is hazard recognition, evaluation and control, which establishes and documents a process to continuously identify and assess hazards and associated risks and establishes methods to eliminate or reduce risk.

International Organization for Standardization (ISO) certification: In FY19, we began preparing 23 manufacturing sites that make products for markets in Europe, the Middle East and Africa (EMEA) for ISO environmental and safety certification.

We are pursuing both ISO 14001 and ISO 45001 certification simultaneously. ISO 14001 is the international standard for implementing an Environmental Management System (EMS); it maps out a framework that organizations can follow to set up an effective EMS. ISO 45001 is similar to ISO 14001

but focuses on managing occupational health and safety concerns, including job hazards, regulatory requirements and potential emergencies.

We expect to achieve globally recognized ISO 14001 and ISO 45001 certification in 2021 or sooner across multiple manufacturing operations.

Regulatory compliance: Cardinal Health has recently engaged a global EHS compliance assurance company to provide global checklists and assessment tools to ensure we maintain excellence in EHS regulatory compliance.

Learn more:

- [Global EHS policy »](#)
- [Global EHS management system »](#)
- [Global Environmental Sustainability guiding principles »](#)

Cardinal Health Costa Rica: Reducing environmental impact

Although Costa Rica is a small country, it has about 5% of the world’s land-based biodiversity and is one of the most sustainable countries in the world.

So it’s not a surprise that the Cardinal Health medical device manufacturing plant in Costa Rica is at the forefront of industrial sustainability efforts.

“As a country, we are passionate about sustainability and taking care of the environment,” said Andres Alexis Alpizar, Manager, EHS in Costa Rica. “We bring that passion to work at Cardinal Health every day.”

Indeed, Cardinal Health Costa Rica has a distinguished history of resource conservation, energy efficiency and environmental sustainability.

Over the years, the site’s leaders have undertaken numerous capital projects designed to improve efficiency and limit environmental impact: upgrading to smart HVAC control systems, optimizing chiller performance and installing energy efficient LED lighting. The site also reduced its annual expense for drinkable water by 39%



Arturo Esquivel, Site Director, left, and Andres Alexis Alpizar, Manager, EHS, lead efforts to reduce the carbon footprint of our Costa Rica facility.

by improving an aging wastewater treatment plant and installing a rainwater collection system.

The installation of a photovoltaic solar system on the building’s roof produces, on average, 50 kilowatts of clean energy per hour and saves the facility more than \$90,000 in energy costs each year.

Plant leaders are currently working on several new projects, including replacement of outside lighting with highly efficient LEDs and a power storage system, which will store energy when power prices are lower and release power to the facility in peak times, reducing energy expense.



“I am very proud to be a part of an organization that can touch the life of a patient multiple times throughout the continuum of care. It really hits home when I see someone close to me who needs care being treated by a dedicated nurse or physician: **That trusting relationship is something I strive to emulate in my engagements with our customers.**”

— Marc-Sébastien Verrault
 Director, Strategic Accounts-East
 Montreal, Québec, Canada

— **Marc-Sébastien Verrault**
 Director, Strategic Accounts-East
 Montreal, Québec, Canada

Emissions control: We continually assess our industrial emissions control systems and invest in energy optimization technologies that reduce our greenhouse gas emissions. We identify the sites that have the largest emissions profile and prioritize them for emission reduction measures. Energy optimization projects across our facilities are reducing carbon dioxide equivalency (CO₂e) emissions and increasing energy cost savings.

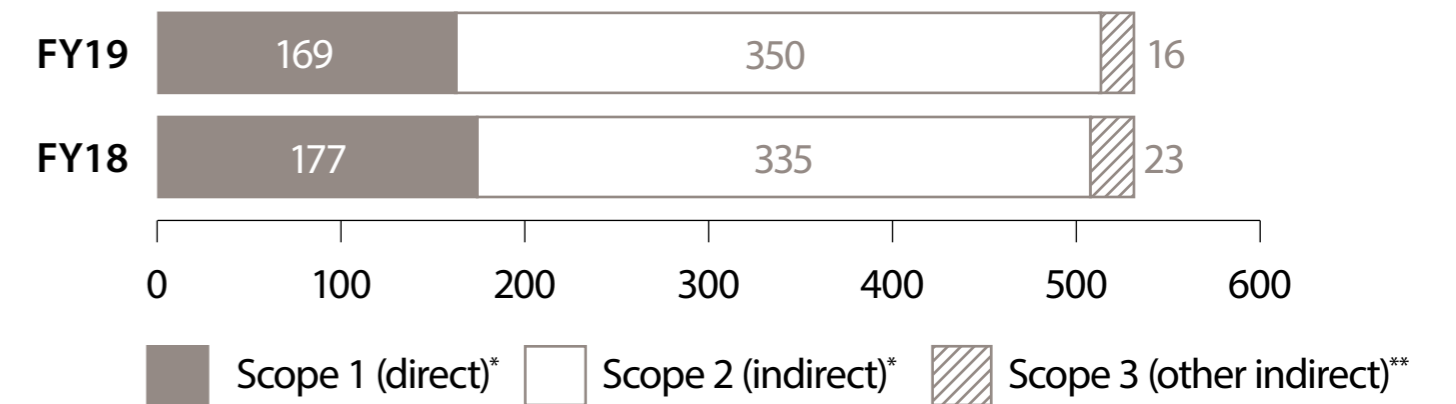
In FY19, energy efficiency projects saved approximately 3,900 metric tons of CO₂e and 5.7 million kWh in energy.

By the end of 2021, we plan to set a public greenhouse gas emissions reduction goal for our pharmaceutical distribution business.

Water usage: We take actions toward reducing water consumption levels at select locations. One of our key practices is recycling water.

Fig. 1

Greenhouse gas emissions (thousand metric tons CO₂e)



* Calculated according to The Climate Register General Reporting Protocol.

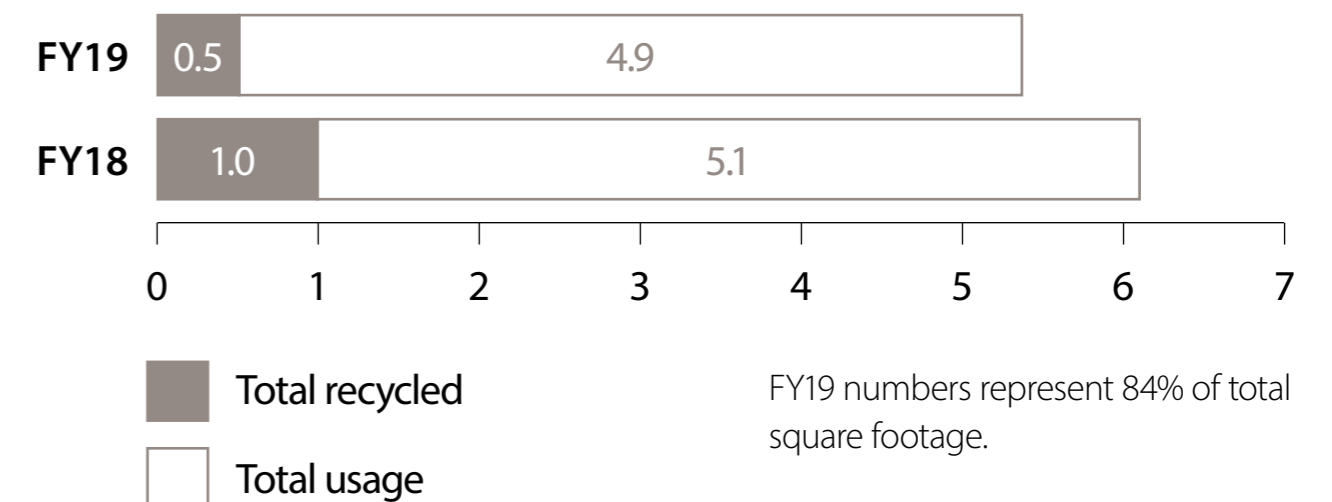
** Calculated according to the U.S. EPA Emission Factors for Greenhouse Gas Inventories. Our calculations include only North American-based air travel.

FY19 represents approximately 91% of total square footage.

Cardinal Health engaged APEX in an independent verification of our reported greenhouse gas (GHG) emissions. Our FY19 GHG emissions have been verified at a Limited Level of Assurance: Scope 1, Scope 2 (location based) and Scope 3 (air travel departing from North America only).

Fig. 2

Water usage (million cubic meters)



FY19 numbers represent 84% of total square footage.

Recycling: Fundamental to our sustainability initiatives, our recycling programs include wood, cardboard, plastics, paper, metal, electronics, ink cartridges and other materials.

Waste management: With an outside partner, we are launching a Total Waste Management (TWM) program that will include standardized waste management tools and processes at our facilities, with the goal of identifying opportunities to increase the responsible management of waste, decrease cost, improve operational efficiency and ensure compliance. The TWM program will begin in the U.S.; our goal is to launch it globally in the future.

Sustainable Technologies™: This Cardinal Health business is a leading provider of single-use device (SUD) reprocessing services. We are dedicated to delivering market-proven solutions to fully complement customers' needs across surgical, electrophysiology lab and patient care programs. More than 2,000 hospitals depend on Sustainable Technologies to provide quality reprocessed devices, environmental sustainability and financial value.

Our reprocessing manufacturing facility in Riverview, Fla., operates on a zero landfill model to manage the end lifecycle of SUDs that cannot be reprocessed.

In FY19, Sustainable Technologies extended the life of 16 million devices, diverted more than 324,000 pounds of SUDs from landfills and saved our customers \$40 million. We have recently expanded the Sustainable Technologies portfolio to include more than 2,000 commonly reprocessed products.

[Learn more about Sustainable Technologies »](#)

Fig. 3 Recycling data (million pounds)

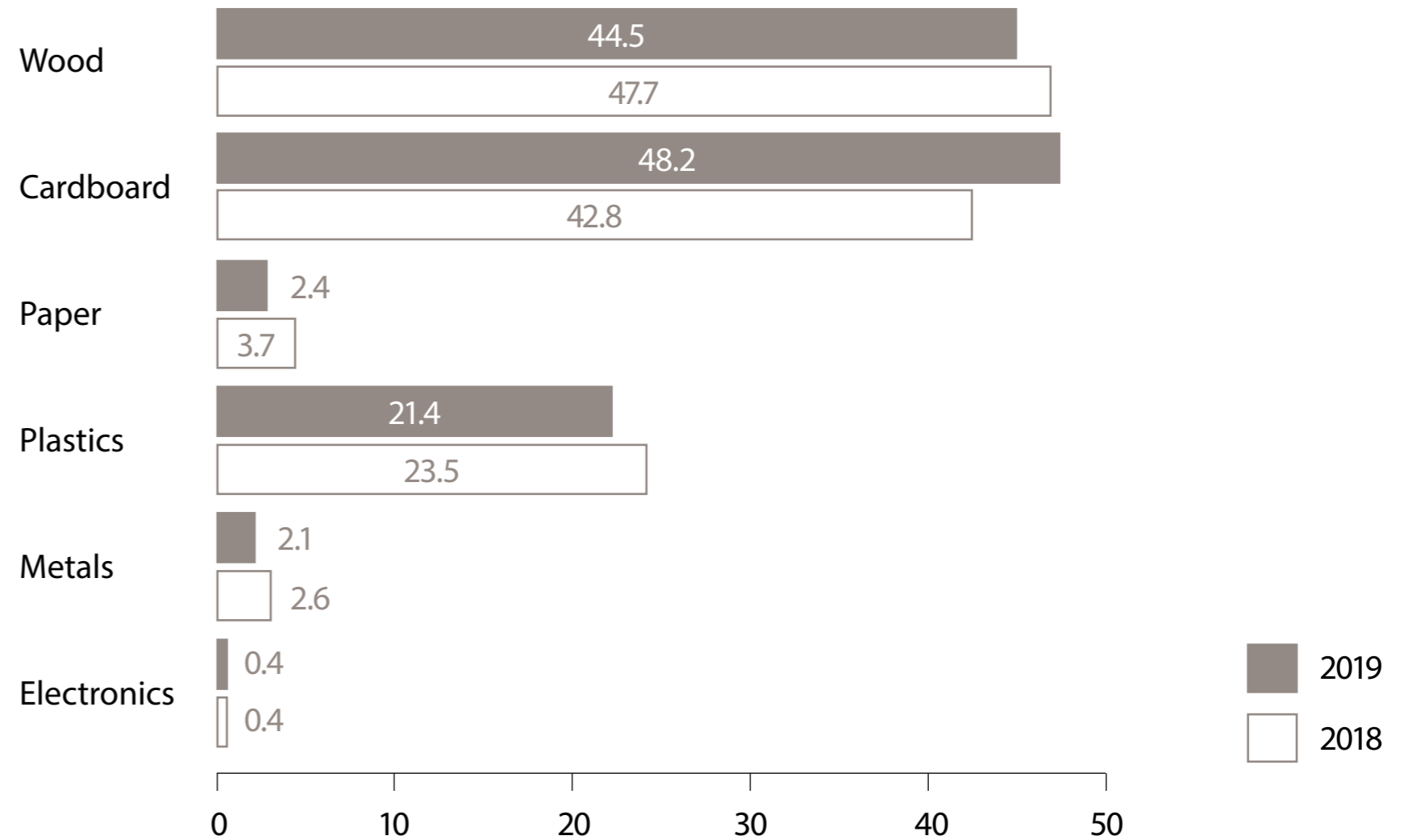
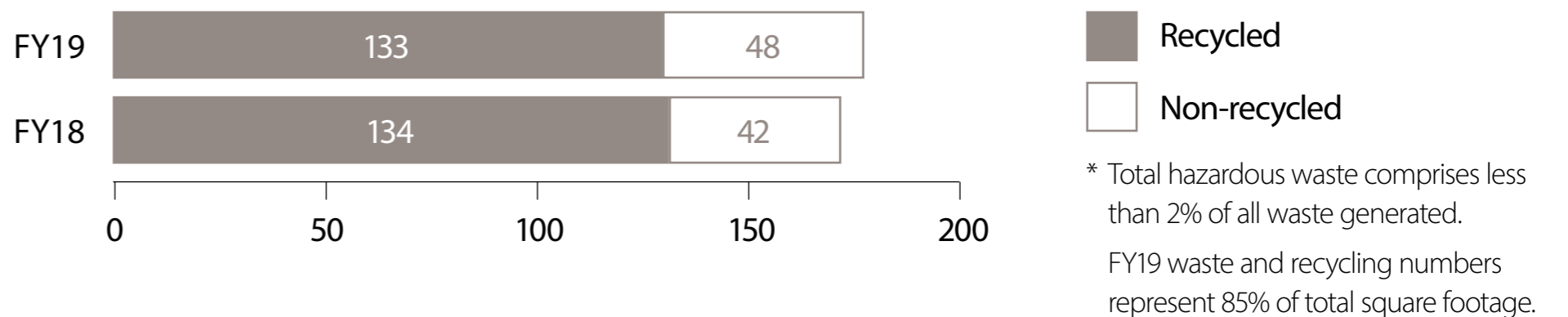


Fig. 4 Total recycling and waste (million pounds)



Transportation: As a leader in healthcare logistics, we have one of the largest healthcare-dedicated fleets in the industry. In FY19, our private fleet alone covered more than 34 million miles. With annual fleet upgrades, we are standardizing safety and efficiency features. Accident avoidance and other safety programs are making our fleet drivers, customers and those we share the road with safer. Aerodynamic cabs, automatic transmissions, idle time restrictors, speed limiters and low rolling resistance tires have helped reduce our fuel consumption and emissions across the fleet.

Since 2010, we have been a partner in good standing, both as a shipper and a carrier, in the Environmental Protection Agency's SmartWay program, which helps us advance supply chain sustainability. Cardinal Health Canada has been a partner in the program since 2015.

Columbus, Ohio, received \$50 million in funding and designation as America's Smart City from the U.S. Department of Transportation. Smart Columbus is managed through a public/private partnership of the City of Columbus and the Columbus Partnership.

As a Smart Columbus Acceleration Partner, we are working to transform mobility in central Ohio — home to our headquarters — to improve quality of life for our residents, foster sustainability, improve safety and drive economic growth.

The SMART Columbus Electric Vehicle (EV) Ride and Drive program hosted more than 11,500 EV test drives throughout the area. More than 650 Cardinal Health employees participated in the test drives, giving our company second place on the leader board for greatest number of EV drives among participating Acceleration Partners. At two of our corporate headquarters buildings, we offer multiple electric vehicle charging stations. In FY19, we piloted a company-sponsored \$2,000 rebate program for Columbus employees who purchased or leased an electric vehicle.

Energy savings in our headquarters buildings: At one of our corporate headquarters sites, we recently converted a 400,000-plus square foot building and surrounding campus to LED lighting, saving more than 1,250 MWh and resulting in an annual reduction of more than 880 metric tons of CO₂e. At two other headquarters buildings, we put multiple energy reduction measures in place that helped save more than 798 MWh, reducing CO₂e by more than 560 metric tons.

[Learn more about our sustainability work »](#)

Living our values

Inclusive

“Differences in our education, background and job experiences provide us with **great tools and different solutions to a common challenge.** By trusting each other and being the change agent, we move towards the common goal of making healthcare better for our customers.”

— **Yuv Bhardwaj**

Director of Transportation,
National Supply Centre
Mississauga, Ontario, Canada





“Being a receptionist, I consider myself the first face and first voice on behalf of Cardinal Health. I have a strong passion for representing the company, doing what I love to do: **caring about the well-being and needs of others.** You do that with family. I consider

Cardinal Health my family.”

— **Alonda Hicks**
Lead Receptionist
Dublin, Ohio, U.S.

Sustainability guiding principles

With a strong environmental compliance record and award-winning facilities, we have key principles that guide our sustainability efforts.



Pollution prevention

Minimize waste generated in our operations and maintain high rates of reuse and recycling.



Energy optimization

Optimize energy selection and use to reduce impacts to the environment, minimize greenhouse gas emissions and give preference to renewable energy sources when financially responsible.



Design for environment

Design products and services to reduce consumption of natural resources and energy requirements, to reduce waste and emissions, and to maximize overall product functionality.



Employee and public outreach

Promote environmental awareness and engagement among employees, the public and our customers that lead to sustainable development.

Sustaining environmental health

Dublin campus turns food waste into compost

Every day, the Cardinal Health Dublin campus cafeteria prepares breakfast and lunch for thousands of employees, generating 80-100 pounds of organic waste in the process.

All those limp vegetables, meat scraps and eggshells once ended up in the landfill, but thanks to the efforts of the kitchen staff and Environmental Sustainability and Energy Procurement Advisor Alex Burke, waste now diverts to an outside compost facility.

“We have lots of opportunity at the headquarters to decrease waste,” Alex said. “This was an easy win, since we have a centralized location that’s producing a fairly substantial amount of waste. It was something that was easy to target to improve our landfill diversion rate.”

Moving waste to a compost facility reduces decomposition time, thereby reducing carbon emissions. The soil created after treatment is used to fertilize home gardens, corporate offices and public spaces alike, contributing positively to the environment.

“Composting is just one example of being a steward to the environment. We need to be cognizant of the impact we have on the natural world. We wouldn’t be able to operate a business without the natural resources we take from it, and it’s important to give back whenever possible.”

— Alex Burke

Environmental Sustainability and Energy Procurement Advisor

Executive Chef Davin Hill gathers food scraps for composting.





Governance and ethics

Board of Directors

Our Board of Directors serves as the representative for and acts on behalf of all shareholders of Cardinal Health.

Directors are responsible for exercising their business judgment in good faith and for acting in what they believe to be the best interests of the company. Among the Board's responsibilities are:

- Oversight of management in the conduct of our businesses and of management's efforts to establish and maintain high standards of legal and ethical conduct
- Review of and (where appropriate) approval of the company's major business strategies, capital deployment and long-term plans
- Review of company performance
- Selection and evaluation of the CEO and other senior officers
- Setting compensation for the CEO and other senior officers
- Planning for management succession
- Oversight of management's accounting, financial reporting and financial and other controls
- Oversight of risk management policies and practices
- Recommending appropriate candidates for the Board

Our Corporate Governance Guidelines require that the Board be diverse, engaged and independent. Our Board reflects a diversity of skills; of professional, gender, ethnic and personal backgrounds; and of experience, and includes a balance of longer-serving directors with newer ones.

Gender and ethnic diversity

4

Women

2

Ethnically diverse

Years of service on the board

6

0 to 5 years

3

6 to 10 years

3

11 to 14 years

6 years

Average tenure

Board of Directors



Gregory B. Kenny
Chairman of the Board
Retired President and CEO,
General Cable Corp.
Committees: N, AH, SG



Calvin Darden
Retired SVP of
U.S. Operations, UPS
Committees: H, AH



Akhil Johri
Retired EVP and CFO,
United Technologies
Committees: A, SG



J. Michael Losh
Retired EVP and CFO,
General Motors
Committee: A



Colleen F. Arnold
Retired SVP, Sales and
Distribution, IBM
Committee: A



Bruce L. Downey
Retired Chairman and CEO,
Barr Pharmaceuticals and
Partner, NewSpring Health
Capital II, LP
Committees: N, AH



Michael C. Kaufmann
CEO, Cardinal Health



Dean A. Scarborough
Retired Chairman and
CEO, Avery Dennison
Committee: A



Carrie S. Cox
Retired Chairman and CEO,
Humacyte, Inc.
Committees: H, AH



Patricia A. Hemingway Hall
Retired President
and CEO, Health Care
Service Corporation
Committees: H, N



Nancy Killefer
Retired Senior Partner
Public Sector Practice,
McKinsey & Company
Committees: H, SG



John H. Weiland
Retired President and
COO, C. R. Bard
Committees: A, SG

Committee codes: A: Audit; AH: Ad Hoc; H: Human Resources and Compensation; N: Nominating and Governance; and SG: Surgical Gown Recall Oversight. The Ad Hoc Committee of independent directors was formed in 2018 to assist the Board in overseeing the company's response to the opioid crisis. The Surgical Gown Recall Oversight Committee of independent directors was formed in January 2020 to assist the Board in overseeing the company's response to a surgical gown recall. All Board members, with the exception of CEO Mike Kaufmann, are independent.

Governance and ethics

Our customers, shareholders and suppliers count on us to comply with all applicable legal requirements and to conduct business responsibly and with integrity. We take great pride in our business integrity. Our company's continued success depends on it.

Standards of Business Conduct: These standards communicate our company's core values to employees and provide specific guidance for how we interact with each other and with customers, vendors and all other third parties.

Our employees are trained on our Standards of Business Conduct when they join the company, and they certify compliance annually thereafter.

We build on these standards when we implement company-wide policies that provide guidelines for doing our jobs in compliance with the laws and regulations applicable to each business unit's operations. From our manufacturing facilities 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.



- Act with integrity and in compliance with the law
- Ask questions, seek guidance and raise concerns
- Treat one another fairly and foster a safe, productive, diverse and environmentally responsible workplace
- Avoid conflicts of interest
- Compete with integrity in the marketplace
- Protect the integrity of the global supply chain
- Interact appropriately with government entities, officials and employees
- Maintain accurate books and records
- Protect information and assets
- Encourage individual volunteerism and corporate social responsibility

“It’s pretty amazing to work for a company that has ‘Inclusive’ as one of its values — and that’s an expectation that, not just as leaders but as people, **we accept people for who they are and allow them to bring 100% of themselves to work every day.**”

— **Corey Huckabey**

2019 Founder’s Award honoree
Director, Network and
Payor Relations
Dublin, Ohio, U.S.



Ethical sales and marketing: The promotion and sale of healthcare products and services that are reimbursed by government programs are subject to heightened regulatory and ethical standards. In order to ensure compliance with these standards, we have company-wide policies that address these activities and interactions with customers and healthcare professionals. Our policies address many risk areas, including prohibiting off-label promotion, restricting gifts and entertainment to customers and healthcare professionals, and requiring that all meals with customers and healthcare professionals be modest and in connection with a legitimate business meeting.

Cardinal Health is a member of the Advanced Medical Technology Association (AdvaMed) and has adopted the AdvaMed Code of Ethics in the U.S., as well as other similar codes of ethics throughout the world, such as MedTech Europe, APACMed in Asia and Mecomed in the Middle East and Africa. Employees receive information and training about these codes of ethics, industry standards, our policies and applicable laws and regulations through online and live training, inter-company news articles and updates, compliance awareness events and campaigns and company-wide meetings.

Preventing bribery and corruption: Our anti-bribery and anti-corruption policy identifies requirements for employee conduct. For third-party sellers, we publish a guide that explains our standards 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 continuous improvements to our anti-bribery and anti-corruption program. We train employees on the anti-bribery and anti-corruption laws in the countries where we do business and on our company-wide policies. We subject third-party intermediaries who market or sell products on our behalf to compliance due diligence, training and monitoring.

Risk assessments and monitoring: Our ethics and compliance team conducts risk assessments and uses data from various compliance systems to monitor activity levels in key compliance risk areas.

Ethics awareness: During FY19, legal and compliance professionals conducted almost 200 live training events, educating thousands of employees on legal and compliance topics. Employees completed more than 100,000 courses on nearly 40 ethics and compliance topics through our electronic training system. As a company, we recognize National Compliance Week in the U.S. and in other countries with an internal Compliance Week program that engages employees through various communications, interactive activities and presentations from outside experts.

Reporting concerns: Our Business Conduct Line is available for employees and third parties to ask questions about our Standards of Business Conduct and other ethics and compliance topics, or report concerns or potential policy violations to their compliance business partner or anonymously. The Business Conduct Line, a global telephone and email information and reporting service, is available toll-free, 24/7, in multiple languages. The Business Conduct Line is routinely advertised and promoted via posters, the intranet and digital monitors, and through live and online compliance trainings. We prohibit retaliation against any employee who makes a good faith complaint through any channel.

Cardinal Health takes all reports seriously, and promptly and thoroughly investigates them. Depending on the findings, discipline up to and including termination of employment may occur for employees who violate our Standards of Business Conduct, our policies or the law.

Living our values

Integrity

“I was born and raised in China, and my family is at the core of helping shape who I am. My dad taught me that integrity is all about what he believes in and what he does: There is no gap between his intent and his behavior. **It’s about developing the intent, the capabilities and the results that make you believable, both to yourself and to others.** If you say you’re going to deliver something, you go do it.”

— **Bonnie Hou**
Manager,
Strategic
Planning/
Execution
Dublin, Ohio, U.S.



“For me, it starts with personal accountability: **taking initiative and doing things that were not a part of the job description.**

Cardinal Health takes pride in customer satisfaction. If the customer needs them to go one mile, they’ll go the extra mile.”

— **Jonathan McCrea**
Senior Associate,
Material Handling
Fort Mill, S.C., U.S.

Participating in the political process: We use our unique knowledge and healthcare experience to inform and advise policy makers on matters that impact the quality, effectiveness and affordability of healthcare, as well as on matters that impact our company, employees, customers and shareholders.

We make very limited political contributions with corporate funds. Most of our political contributions to state candidates, and all contributions to federal candidates, are made by the Cardinal Health Companies Political Action Committee (PAC) and not with corporate funds. The PAC is funded entirely by voluntary contributions from employees and is administratively supported by Cardinal Health.

We disclose contributions from corporate funds to state candidates and ballot initiatives and identify trade associations to which we paid more than \$50,000 in annual corporate member payments in our annual political activities and contributions report. We prohibit trade associations from using our contributions for political purposes.

We comply with U.S. federal and state laws, including the Lobbying Disclosure Act and Honest Leadership and Open Government Act, which require reporting on lobbying activities and certification of compliance with Congressional gift rules.

Learn more

- [Standards of business conduct »](#)
- [Cardinal Health anti-bribery and anti-corruption policy »](#)
- [Anti-bribery and anti-corruption guide for third-party sellers working for or on behalf of Cardinal Health »](#)
- [2019 political activities and contributions report »](#)
- [Federal lobbying reports »](#)

About this report

Unless otherwise indicated, data in this report are reflective of fiscal year 2019 (July 1, 2018-June 30, 2019). The statistics and metrics included in this report may be based on estimates, assumptions or developing standards. Except for the greenhouse gas emissions data, the report has not been externally assured or verified by an independent third party.

Cardinal Health is headquartered in Dublin, Ohio. More than 97% of our FY19 revenue was generated in the United States. Though the scope of this report primarily reflects the United States, our business description and governance and ethics sections in this report reflect company-wide practice. In addition, data about the environment and health and safety are based on our global operations.

Global Reporting Initiative (GRI) framework

This report has been prepared in accordance with the GRI Standards: Core option. It includes topic-specific standards that we identified through our ESG priority assessment. For more details, please refer to the GRI content index at the end of this report.

Forward-looking statements

This report contains forward-looking statements addressing expectations, prospects, estimates and other matters that are dependent on 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,” “commit to” or other words or expressions of similar meaning, although not all forward-looking statements contain such terms. Actual results may differ materially from those projected, anticipated or implied in forward-looking statements due to a variety of factors, including the risks and uncertainties described in our Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports. Forward-looking statements speak only as of the date this document is first published. Except to the extent required by applicable law, Cardinal Health undertakes no obligation to update or revise any forward-looking statement. Forward-looking statements are aspirational and not guarantees or promises that goals or targets will be met. Investors are cautioned not to place undue reliance on any forward-looking statements.

For more information about the operations of Cardinal Health, please see the FY19 Cardinal Health Annual Report »

GRI index

The GRI content index includes references to this 2019 Corporate Citizenship Report (CCR), our 2019 Form 10-K, our 2019 Proxy Statement and other information available on cardinalhealth.com.

GRI 102: General Disclosures 2016*

GRI Standard/ Disclosure	Description	Page/Comment
Organizational profile		
102-1	Name of the Organization	Cardinal Health, Inc.
102-2	Activities, brands, products and services	2019 CCR (pg. 7, 28-29 and 31), Form 10-K (pg. 26-27)
102-3	Location of headquarters	7000 Cardinal Place, Dublin, Ohio 43017
102-4	Location of operations	Form 10-K (pg. 37)
102-5	Ownership and legal form	Cardinal Health, Inc. is a publicly held Ohio corporation that is listed on the New York Stock Exchange under ticker symbol CAH.
102-6	Markets served	2019 CCR (pg. 7, 28-29 and 31), Form 10-K (pg. 26-28)
102-7	Scale of the organization	2019 CCR (pg. 7), Form 10-K (pg. 28, 37, 46-49, 70-71)
102-8	Information on employees and other workers	2019 CCR (pg. 7 and 13), Form 10-K (pg. 28)
102-9	Supply chain	2019 CCR (pg. 35-36 and 38-39)
102-10	Significant changes to the organization or its supply chain	Form 10-K (pg. 27)
102-11	Precautionary principle or approach	Cardinal Health does not have an official policy as it pertains to the precautionary principle.
102-12	External initiatives	2019 CCR (pg. 5 and 60)
102-13	Membership of associations	2019 CCR (pg. 62)

GRI Standard/ Disclosure	Description	Page/Comment
Strategy		
102-14	Statement from senior decision-maker	2019 CCR (pg. 3-6)
Ethics and integrity		
102-16	Values, principles, standards and norms of behavior	2019 CCR (pg. 3-4, 8 and 59)
102-17	Mechanisms for advice and concerns about ethics	2019 CCR (pg. 61)
Governance		
102-18	Governance structure	2019 CCR (pg. 9 and 57-58), Proxy Statement (pg. 15-18)
102-25	Conflicts of interest	2019 CCR (pg. 59), Proxy Statement (pg. 26)
Stakeholder engagement		
102-40	List of stakeholder groups	Our stakeholders include the following groups that may be affected by or could influence or impact our activities: shareholders, peers, partners, suppliers, industry associations, customers, employees and prospective talent, non-governmental or non-profit organizations, media, product standard-setters, governments, regulators, international policy organizations and disclosure standard-setters.
102-41	Collective bargaining agreements	Approximately 1% of our U.S. workforce is covered by collective bargaining agreements. We have a portion of employees outside the U.S. covered under work councils or collective bargaining agreements. These vary in scope by country or region based on local regulatory or compliance requirements or customary practice.
102-42	Identifying and selecting stakeholders	2019 CCR (pg. 9 and 11)
102-43	Approach to stakeholder engagement	2019 CCR (pg. 11), Proxy Statement (pg. 24)
102-44	Key topics and concerns raised	2019 CCR (pg. 9-10), Proxy Statement (pg. 24)

GRI Standard/ Disclosure	Description	Page/Comment
Reporting practice		
102-45	Entities included in the consolidated financial statements	Form 10-K (Exhibit 21.1)
102-46	Defining report content and topic Boundaries	2019 CCR (pg. 9-10 and 63)
102-47	List of material topics	2019 CCR (pg. 10)
102-48	Restatements of information	Cardinal Health has no restatements of information to report for FY19.
102-49	Changes in reporting	We have completed an ESG priority assessment and have included our list of priority topics in our 2019 Corporate Citizenship Report.
102-50	Reporting period	2019 CCR (pg. 63)
102-51	Date of most recent report	Our 2018 CCR was published in May 2019.
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	ESGinquiries@cardinalhealth.com or Investor Relations at 614.757.1607 or investor.relations@cardinalhealth.com
102-54	Claims of reporting in accordance with the GRI Standards	2019 CCR (pg. 63)
102-55	GRI content index	2019 CCR (pg. 64)
102-56	External assurance	Some of our environmental data is assured; see 2019 CCR (pg. 51). We did not seek external assurance for the remainder of the 2019 CCR. See 2019 Verification Statement and 2018 Verification Statement .

GRI 200-400 Topic-Specific Disclosures 2016*

GRI Standard/ Disclosure	Description	Page/Comment
Indirect Economic Impacts		
GRI 203: Indirect Economic Impacts 2016		
103-1 103-2 103-3	Management approach	Our supplier diversity program reports to our President, U.S. Sales, Medical Solutions, who reports to our CEO, Medical Segment. See also 2019 CCR (p. 39). Our VP, Community Relations reports to our Chief Human Resources Officer (CHRO). With respect to the management approach regarding the company's response to the opioid epidemic, see 2019 CCR (pg. 30 and 45-47) and GRI 416. Boundary: Communities, Customers, Investors, Policymakers, Suppliers
203-2	Significant indirect economic impacts	2019 CCR (pg. 30, 39 and 42-47)
Anti-Corruption		
GRI 205: Anti-Corruption 2016		
103-1 103-2 103-3	Management approach	Our Chief Legal and Compliance Officer (CLCO) has responsibility to implement and maintain an effective ethics and compliance program. She is assisted in that role by our SVP of Ethics & Compliance, who administers the program. Our Board's Audit Committee oversees our ethics and compliance program. Segment compliance committees comprised of the top segment executives meet regularly to support the program. In addition, we have a robust ethics and compliance organization with compliance professionals who work alongside business leaders throughout the world. 2019 CCR (pg. 59-60) Boundary: Communities, Customers, Investors, Policymakers, Suppliers
205-1	Operations assessed for risks related to corruption	2019 CCR (pg. 60)
205-2	Communication and training about anti-corruption policies and procedures	2019 CCR (pg. 60)

GRI Standard/ Disclosure	Description	Page/Comment
Energy GRI 302: Energy 2016		
103-1 103-2 103-3	Management approach	Our environmental governance and management systems are part of an integrated environmental, health and safety (EHS) management approach. The Vice President, EHS leads our EHS management efforts and elevates matters when required to the SVP, Corporate Security and the CHRO. Our Board's Nominating and Governance Committee oversees environmental sustainability and other corporate citizenship activities. 2019 CCR (pg. 49 and 51-54) Boundary: Communities, Customers, Investors, Policymakers
302-1	Energy consumption within the organization	We consumed 5,281,000 gigajoules (GJ) of energy during FY19, including 5,278,000 GJ from non-renewable sources (diesel fuel, motor gasoline, jet kerosene, liquified propane gas and natural gas) and 2,050 GJ from renewable fuel sources (solar PV production). We purchased 2,391,000 GJ of electricity. Our total energy consumption was aggregated using standard reporting methodology published by the Greenhouse Gas Protocol and The Climate Registry General Reporting Protocol. All conversion factors were aligned with The Climate Registry 2019 Table 1.1 where possible; otherwise, conversions used were from the U.S. Energy Information Association.
Emissions GRI 305: Emissions 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 302 for a description of our management approach to EHS matters. Boundary: Communities, Customers, Investors, Policymakers
305-1	Direct (Scope 1) GHG emissions	2019 CCR (pg. 51)
305-2	Energy indirect (Scope 2) GHG emissions	2019 CCR (pg. 51)
305-3	Other indirect (Scope 3) GHG emissions	2019 CCR (pg. 51)

GRI Standard/ Disclosure	Description	Page/Comment
Environmental Compliance		
GRI 307: Environmental Compliance 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 302 for a description of our management approach to EHS matters. Boundary: Communities, Investors, Policymakers
307-1	Non-compliance with environmental laws and regulations	We did not receive any significant regulatory environmental non-compliance notices or fines during FY19.
Supplier Environmental Assessment		
GRI 308: Supplier Environmental Assessment 2016		
103-1 103-2 103-3	Management approach	Our Vendor Code of Conduct states that Cardinal Health is committed to the highest standard of business ethics and integrity around the world and our continued success depends on our employees, vendors and business partners acting with honesty and integrity while conducting business with or on behalf of Cardinal Health. The Vendor Code of Conduct sets forth the basic requirements that all suppliers must comply with to do business with Cardinal Health and requires, among other things, that suppliers must comply with the labor and employment practices specified in the Code of Conduct and must develop and implement policies and procedures that are protective of human safety, health and the environment. Lead responsibility for Cardinal Health's supply chain sits jointly with our EVP, Global Sourcing who reports to the CEO, Pharmaceutical segment and our President, Global Manufacturing and Supply Chain who reports to the CEO, Medical segment. These executives are supported by dedicated procurement leaders who specialize in various supplier categories. 2019 CCR (pg. 38) Boundary: Customers, Investors, Suppliers
308-1	New suppliers that were screened using environmental criteria	2019 CCR (pg. 38)

GRI Standard/ Disclosure	Description	Page/Comment
Employment GRI 401: Employment 2016		
103-1 103-2 103-3	Management approach	Responsibility for our human resources function sits with our CHRO who reports to our CEO. Our Human Resources and Compensation Committee provides Board-level oversight of this function, including overseeing and advising the Board about our human capital management strategies and policies, including with respect to attracting, developing, retaining and motivating management and employees, workplace diversity and inclusion initiatives and progress, employee relations and workplace safety and culture. Senior leaders specializing in various human resource specialties report to the CHRO. 2019 CCR (pg. 13-22) Boundary: Prospective employees
401-1	New employee hires and employee turnover	We hired more than 12,700 employees in FY19 globally, including more than 7,100 in the U.S.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	We operate in several countries and benefit offerings vary accordingly. We offer competitive benefits based on local customs and practices which can include health and wellness benefits, savings programs to prepare for financial security and retirement, commuter subsidies to encourage the use of public transportation, time away from work benefits and flexible work arrangements when possible. 2019 CCR (pg. 18)
Occupational Health and Safety GRI 403: Occupational Health and Safety 2018		
103-1 103-2 103-3	Management approach	Please refer to GRI 302 for a description of our management approach to EHS matters. In addition, our Human Resources and Compensation Committee provides Board-level oversight of workplace safety. 2019 CCR (pg. 25-26) Boundary: Prospective employees
403-9	Work-related injuries	2019 CCR (pg. 26)

GRI Standard/ Disclosure	Description	Page/Comment
Training and Education		
GRI 404: Training and Education 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 401 for a description of our management approach to human resources matters. 2019 CCR (pg. 20-22) Boundary: Prospective employees
404-1	Average hours of training per year per employee	2019 CCR (pg. 21)
404-2	Programs for upgrading employee skills and transition assistance programs	2019 CCR (pg. 20-22)
404-3	Percentage of employees receiving regular performance and career development reviews	2019 CCR (pg. 20)
Diversity and Equal Opportunity		
GRI 405: Diversity and Equal Opportunity 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 401 for a description of our management approach to human resources matters. 2019 CCR (pg. 13-17) Boundary: Prospective employees
405-1	Diversity of governance bodies and employees	2019 CCR (pg. 13 and 57-58)
Local Communities		
GRI 413: Local Communities 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 203 for a description of our management approach to community relations and community initiatives to combat opioid misuse. 2019 CCR (pg. 42-47) Boundary: Communities, Customers, Investors, Policymakers
413-1	Operations with local community engagement, impact assessments and development programs	2019 CCR (pg. 42-47)

GRI Standard/ Disclosure	Description	Page/Comment
Supplier Social Assessment		
GRI 414: Supplier Social Assessment 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 308 for a description of our management approach to supply chain management, including our Vendor Code of Conduct. 2019 CCR (pg. 38) Boundary: Customers, Investors, Suppliers
414-1	New suppliers that were screened using social criteria	2019 CCR (pg. 38)
Customer Health and Safety		
GRI 416: Customer Health and Safety 2016		
103-1 103-2 103-3	Management approach	Responsibility for quality and regulatory matters across Cardinal Health sits with our EVP, Quality and Regulatory who reports to our CLCO. The EVP regularly conducts quality and regulatory reviews with the CEO of each segment. The Audit Committee of our Board of Directors oversees our quality and regulatory program. The Board formed a separate Surgical Gown Recall Oversight Committee of independent directors in January 2020 to assist the Board in overseeing the company's response to a surgical gown recall that occurred during FY20. See our gown recall microsite for more information. 2019 CCR (pg. 32-33 and 35-36) Our CLCO has responsibility for oversight of our controlled substances anti-diversion compliance program and our defense of opioid litigation. Our SVP of Supply Chain Integrity, who reports to the CLCO, administers the anti-diversion compliance program. The Board's Ad Hoc Committee comprised of independent directors assists the Board in its oversight of opioid-related issues. 2019 CCR (pg. 30) Boundary: Customers, Investors, Suppliers
416-1	Assessment of the health and safety impacts of product and service categories	2019 CCR (pg. 32-33 and 35-36)

GRI Standard/ Disclosure	Description	Page/Comment
Customer Privacy GRI 418: Customer Privacy 2016		
103-1 103-2 103-3	Management approach	Our Chief Information Security Officer (CISO) and our Chief Information Officer (CIO), who reports to the CEO, oversee our programs to prevent, detect, contain and respond to information security incidents. The Board's Audit Committee oversees our major information technology risk exposures and the steps management has taken to monitor and control such exposures. The Board and Audit Committee have received regular updates on our cybersecurity programs. Assisting in program oversight are an Information Technology Risk Governance Committee, in which the CIO and CLCO participate, and a Privacy Committee. Both committees are cross-functional and comprised of senior managers and meet on a regular basis. 2019 CCR (pg. 37) Boundary: Customers, Investors
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2019 CCR (pg. 37)
Socioeconomic Compliance GRI 419: Socioeconomic Compliance 2016		
103-1 103-2 103-3	Management approach	Please refer to GRI 205 and GRI 416 for a description of our management approach to ethics and compliance, quality and regulatory matters and anti-diversion compliance program. Boundary: Customers, Investors, Suppliers
419-1	Non-compliance with laws and regulations in the social and economic area	We report on significant incidents of noncompliance, and any allegations of significant incidents of noncompliance, in our Forms 10-K and 10-Q filed with the U.S. Securities and Exchange Commission.

*Cardinal Health's 2019 Corporate Citizenship Report applies the 2016 version of the GRI Standards. "2016" refers to the Standards issue date, not the date of information presented in this report.

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