



Cardinal Health Inc.

41st Annual JP Morgan Conference

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Jason Hollar

Chief Executive Officer

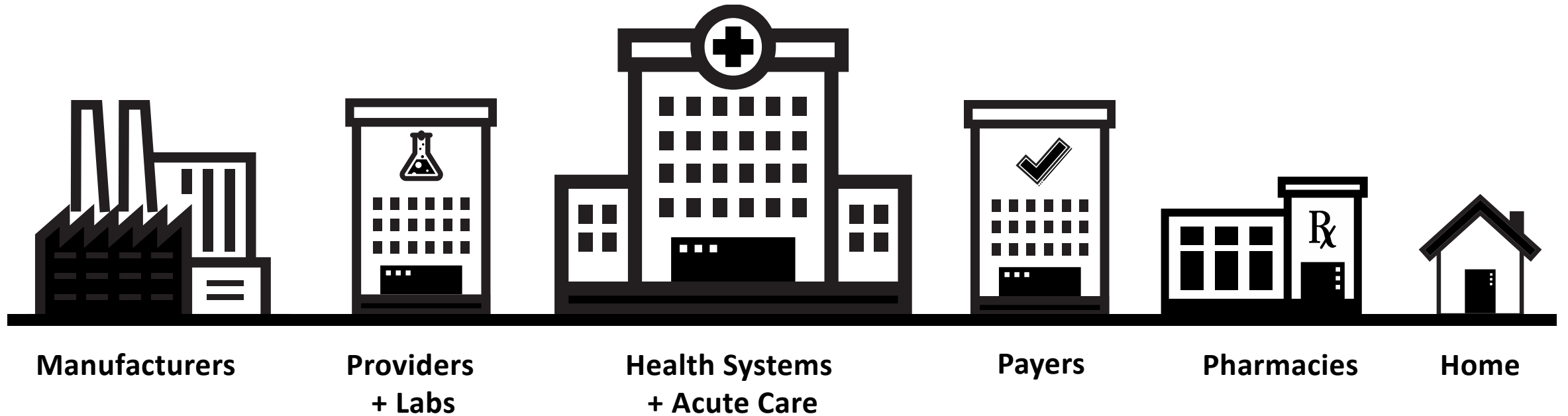
Forward-looking statements and GAAP reconciliation

Cautions Concerning Forward-Looking Statements

This presentation contains forward-looking statements addressing expectations, prospects, estimates and other matters that are dependent upon future events or developments. These statements may be identified by words such as "expect," "anticipate," "intend," "plan," "believe," "will," "should," "could," "would," "project," "continue," "likely," and similar expressions, and include statements reflecting future results or guidance, statements of outlook and various accruals and estimates. These matters are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. These risks and uncertainties include risks arising from ongoing inflationary pressures and supply chain constraints, including the risk that our plans to mitigate such effects may not be as successful as we anticipate and the possibility that costs to source certain personal protective or other equipment, increased costs for transportation, shipping, freight and commodities, reduced price or demand for certain products may result in additional inventory reserves or disruptions and may negatively impact our ability to meet our long-term guidance; the possibility that our Medical unit goodwill could be further impaired due to the increase in global interest rates or possible unfavorable changes in the U.S. statutory tax rate; competitive pressures in Cardinal Health's various lines of business; the performance of our generics program, including the amount or rate of generic deflation and our ability to offset generic deflation and maintain other financial and strategic benefits through our generic sourcing venture or other components of our generics programs; ongoing risks associated with the distribution of opioids, including the financial impact associated with the settlements with governmental authorities, the risk that challenges to our plans to take tax deductions for opioid-related losses could adversely impact our financial results; risks arising from the Department of Justice investigation which we believe concerns our anti-diversion program and risks associated with the injunctive relief requirements under the national settlement, including the risk that we may incur higher costs or operational challenges in the implementation and maintenance of the required changes; risks associated with the manufacture and sourcing of certain products, including risks related to our ability and the ability of third-party manufacturers to import or export certain products or component parts and to comply with applicable regulations; our ability to manage uncertainties associated with the pricing of branded pharmaceuticals; and risks associated with our cost savings initiatives or other business initiatives, such as the Medical Improvement Plan, including the possibility that they could fail to achieve the intended results. Cardinal Health is subject to additional risks and uncertainties described in Cardinal Health's Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports. This presentation reflects management's views as of January 9, 2023. 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, targets or projections will be met, and no assurance can be given that any commitment, expectation, initiative or plan in this report can or will be achieved or completed. Cardinal Health provides definitions and reconciliations of non-GAAP financial measures and their most directly comparable GAAP financial measures at ir.cardinalhealth.com.

Who we serve

We are a **crucial link** between the **clinical** and **operational aspects** of the healthcare ecosystem delivering end-to-end, **customer-centric** solutions that **advance healthcare** and **improve lives every day**



Positioned at forefront of key secular trends



Patient demographics



Specialty drug innovation



Site of care shifts



Technology advancements

Healthcare trend

Aging U.S. population and rising incidence of chronic diseases

Scientific advancement and drug development at unprecedented levels

Care shifting to the home and other non-acute settings

Increasing digitization of healthcare and tech-enabled supply chain

Cardinal Health positioning

Increasing and/or resilient demand for pharmaceutical, medical, and home-health products and services

Novel therapy types requiring stringent logistics (i.e., Specialty 3PL, Nuclear Theranostics)

Capabilities across care continuum (i.e. at-Home Solutions, ambulatory surgery centers, clinical laboratories)

Recent investments in technology enhancements and continued optimization of supply chain networks

Cardinal Health snapshot today



\$181B
FY22 Revenue



Operating in more than
30
countries



Approximately
46,500
employees worldwide



Pharmaceutical

FY22 Revenue: \$165.5B
FY22 Segment Profit: \$1.8B

Medical

FY22 Revenue: \$15.9B
FY22 Segment Profit: \$216M



Pharmaceutical segment



Segment overview

- Distribute branded, generic and specialty pharmaceuticals and over-the-counter healthcare and consumer products
- Provide services to pharmaceutical manufacturers and healthcare providers for specialty pharmaceutical products
- Operate nuclear pharmacies and radiopharmaceutical manufacturing facilities and support radiopharmaceutical innovation
- Provide pharmacy management, medication therapy management and patient outcomes services to connect hospitals, healthcare providers and payers

Key areas



Pharmaceutical and Specialty Distribution



Sourcing and Manufacturing Services



Nuclear & Precision Health Solutions



Outcomes

Medical segment



Segment overview

- Manufacture, source and distribute Cardinal Health Brand medical, surgical and laboratory products
- Distribute a broad range of national brand products across the care continuum
- Distribute medical products directly to patients' homes and provide solutions for customers to serve patients in the home
- Provide data-driven supply chain solutions to hospitals, ambulatory surgery centers, clinical laboratories and other healthcare providers

Key areas



Medical Products and Distribution



at-Home Solutions



Medical Services

Medical improvement plan

Targeting at least \$650M in Medical segment profit by FY25

Foundational: returning to a normalized environment

Area of focus	FY22–25 total	Measurable proof point
1. Mitigate inflation and global supply chain constraints	~\$300M	Fully offset with mitigation initiatives by FY25 <ul style="list-style-type: none"> Exit FY23 offsetting at least 50% of gross impact Exit FY24 offsetting 100% of gross impact

Growth initiatives: generating ~\$185M+ of segment profit growth by FY25

Area of focus	FY22–25 total	Measurable proof point
2. Optimize and grow Cardinal Health Brand Portfolio	\$75M+	Grow Cardinal Health™ Brand revenue¹ at 3%+ CAGR. Each percentage point = ~\$25M in incremental segment profit over 3 years <ul style="list-style-type: none"> New product innovation and investments in capacity In-channel and out-of-channel growth
3. Accelerate growth businesses, primarily at-Home Solutions	\$60M+	Total segment profit growth by FY25 <ul style="list-style-type: none"> Core growth New technology offerings
4. Drive simplification and continued cost optimization	\$50M+	Net cost savings² <ul style="list-style-type: none"> Value improvement projects Sourcing, transportation, and manufacturing strategies

¹Excludes PPE products and impacts from incremental inflation, global supply chain constraints, and certain portfolio optimization product category exits, on constant-currency basis

²Gross Medical segment cost savings, net of operational cost increases

FY23 strategic priorities

1

Execute Medical Improvement Plan initiatives

- **Mitigate inflation** and global supply chain constraints
- Optimize and grow **Cardinal Health Brand** portfolio
- Accelerate growth businesses, primarily **at-Home Solutions**
- Drive **simplification** and continued cost optimization

2

Build upon growth and resiliency of Pharmaceutical Segment

- Prioritize **customer experience**, reduce complexity, and drive productivity
- Continue to effectively manage our **Generics Program**
- Accelerate growth areas, primarily **Specialty**
- **Support pharmaceutical manufacturers** with end-to-end capabilities

3

Relentless focus on shareholder value

- Maximize sustainable, **profitable growth** and **cash flow generation**, as well as **return of capital to shareholders**
- New Business Review Committee reviews **strategy, portfolio, capital-allocation framework** and **operations** and company holds **Investor Day** in 1H FY23

■ Relentless focus on shareholder value

Enterprise-wide efforts aimed at maximizing and sustaining value at Cardinal Health

FY23 value creation initiatives to-date

- ✓ Deployed **\$1.25B for share repurchases** through Q2
- ✓ Appointed four **new independent Board members**
- ✓ Formed **new Business Review Committee** to assess opportunities to enhance business
- ✓ Executed **simplification actions**, including exit of non-healthcare disposable gloves portfolio

Active and ongoing value creation initiatives

- Business Review Committee actively reviewing **strategy, portfolio, capital-allocation framework** and **operations**
- **Mitigating** macro-economic inflationary **headwinds**
- **Investing** in highest-value projects to **drive organic growth**
- **Simplifying** organizational structure and operational footprint
- To hold **Investor Day** in first half of CY23

Relentlessly focused on maximizing value creation for Cardinal Health shareholders

Environmental, social and governance priorities: 2030 goals

Diversity, equity and inclusion (DE&I): Representation matters



By 2030, increase
**representation
of women** from

40% to **48%**

at the manager level
and above,



**representation of Black
and African American**
employees from

5% to **11%**

at the manager level
and above,



and **representation of
Asian, Latinx, Indigenous,
and all other ethnically
diverse groups** from

17% to **23%**

at the manager level
and above.

Working to build a more sustainable future



We're committed to reducing our impact on the environment and have set initial targets for **reducing our Scope 1 and 2 greenhouse gas (GHG) emissions by 50% by FY30**, against an FY19 baseline.

We continue to assess our Scope 3 emissions and continue **working toward validation of a comprehensive Scope 1, 2 and 3 science-based target** by the Science-Based Targets initiative (SBTi).

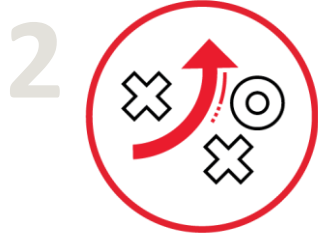


Cardinal Health investment thesis



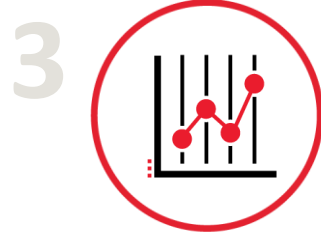
Continued stability in Pharma

Resilient pharmaceutical demand and consistent market dynamics in generics program



Plan in place to improve Medical performance

Specific and measurable proof points towards long-term target of at least \$650M in segment profit by FY25



Secular trends in healthcare provide long-term growth opportunities

Investing in growth areas, primarily Specialty and at-Home Solutions, and expect increasing contributions



Driving simplification

Prioritizing simplification and efficiency gains across organization, to exceed 5-year cost savings goal of \$750M by FY23



Robust operating cash flow generation

Supports capital allocation priorities and provides flexibility



Relentless focus on maximizing shareholder value

Expect \$1.5B to \$2.0B in share repurchases in FY23, in addition to dividend of more than \$500M

Business Review Committee supporting a comprehensive review of our company's strategy, portfolio, capital allocation framework, and operations