

## **Fiscal 2024 Modern Slavery and Child Labor Statement**

This statement has been published in accordance with the U.K. Modern Slavery Act 2015 (the “U.K. Act”) and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Canadian Act” and together with the U.K. Act, the “Acts”). It sets out the steps that Cardinal Health, Inc. (“Cardinal Health”) and its subsidiaries have taken to prevent modern slavery, forced labor and human trafficking (collectively, “modern slavery”) and child labor in their business and supply chains during the fiscal year ended June 30, 2024 (“fiscal 2024”). We have prepared this statement for Cardinal Health and all its subsidiaries because we have common policies and compliance procedures relating to modern slavery and child labor across our business. However, not all our subsidiaries are subject to the Acts.

### **Our Business and Supply Chains**

Cardinal Health is a global healthcare services and products company headquartered in Dublin, Ohio, United States, providing customized solutions for hospitals, healthcare systems, pharmacies, ambulatory surgery centers, clinical laboratories, physician offices, and patients in the home.

Effective January 1, 2024, we began operating under an updated organizational structure and re-aligned our financial reporting structure under two reportable segments: the Pharmaceutical and Specialty Solutions segment and the Global Medical Products and Distribution segment. All remaining operating segments that are not significant enough to require separate reportable segment disclosures are included in “Other,” which is comprised of Nuclear and Precision Health Solutions, at-Home Solutions and OptiFreight® Logistics.

### ***Pharmaceutical and Specialty Solutions Segment***

Through our Pharmaceutical and Specialty Solutions segment, we distribute branded and generic pharmaceutical, specialty pharmaceutical and over-the-counter healthcare and consumer products in the United States. This segment also provides services to pharmaceutical manufacturers and healthcare providers for specialty pharmaceutical products; provides pharmacy management services to hospitals and operates a limited number of pharmacies, including pharmacies in community health centers; and repackages generic pharmaceuticals and over-the-counter healthcare products.

### ***Global Medical Products and Distribution Segment***

Through our Global Medical Products and Distribution segment, we manufacture, source, and distribute Cardinal Health branded medical, surgical and laboratory products, which are sold in the United States, Canada, Europe, Asia, and other markets. In addition to distributing Cardinal Health brand products, this segment also distributes a broad range of medical, surgical, and laboratory products known as national brand products to hospitals, ambulatory surgery centers, clinical laboratories and other healthcare providers in the United States and Canada.

### ***Other***

Our Nuclear and Precision Health Solutions operating segment operates nuclear pharmacies and radiopharmaceutical manufacturing facilities. Our at-Home Solutions operating segment distributes medical products to patients’ homes in the United States. Our OptiFreight® Logistics operating segment supports the shipping and logistics needs of healthcare providers by optimizing direct shipments through integrated technology solutions.

As of June 30, 2024, Cardinal Health had approximately 48,900 employees globally, of which approximately 30,400 were based in the United States and approximately 18,500 employees were based outside of the United States.

A more detailed description of our businesses and workforce can be found in our fiscal 2024 Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on August 14, 2024. The report can be found [here](#).

Our product supply chains are extensive and global, numbering thousands of suppliers. We purchase pharmaceuticals and medical products through our supply chains as well as various components, compounds, and raw materials, including oil-based resins, pulp, cotton, latex, and other commodities, for our manufacturing businesses.

### **Risks of Modern Slavery and Child Labor in Cardinal Health’s Operations and Supply Chain**

We consider the risk of modern slavery and child labor in our operations to be low due to our culture and the strength of our internal employment policies and procedures.

We believe the risk of modern slavery and child labor occurring at Cardinal Health suppliers in connection with providing goods and services to be relatively low due to the policies and procedures we have in place to mitigate those risks, as described in this Statement. We also strive to have long-term, collaborative relationships with our most significant vendors, which we believe further mitigates such risks. We believe that our most significant risk, as it is for most other companies, is that forced or child labor could occur without our knowledge in violation of our policies in upper tiers of the supply chain from which we may be several levels removed. The actions described below outline our efforts to assess and manage these risks, and where appropriate, engage suppliers in remediation and continuous improvement.

### **Policies and Contractual Controls**

Cardinal Health shares global concerns related to the fair and equitable treatment of all peoples.

***Global Human Rights and Labor Standards.*** Our Global Human Rights and Labor Standards policy establishes requirements for global conduct related to human rights and labor standards, including those relating to modern slavery and child labor. This policy is informed by internationally recognized instruments setting forth human rights and labor standards. In developing this policy, we have considered, among other things, the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the Ten Principles of the United Nations Global Compact, and the International Labour Organization (“ILO”) Declaration on Fundamental Principles and Rights at Work. The policy complements our Standards of Business Conduct, our Vendor Code of Conduct, and the contractual controls discussed below, which contain additional requirements addressing modern slavery and child labor.

Our Global Human Rights and Labor Standards policy states that Cardinal Health strives to conduct its business in a manner that demonstrates respect for internationally recognized human rights and the dignity of all people. Among other things, the policy indicates the following expectations for Cardinal Health personnel:

- a workplace that is free from harassment and discrimination;

- no coerced, bonded, indentured, or prison labor; all work is to be voluntary without fear of abuse and employees are not to be required to lodge deposits of their identity papers;
- no child labor;
- compliance with local and national minimum wage, overtime, and benefits laws and regulations;
- working hours consistent with local and national laws and regulations and not otherwise excessive;
- a healthy, clean, and safe work environment;
- compliance with applicable immigration laws and regulations;
- freedom of association; and
- compliance with applicable laws and regulations, including those related to employee records and employee privacy.

This policy is available externally on our corporate website in multiple languages [here](#). We expect our suppliers to comply with the standards set forth in the policy.

**Standards of Business Conduct.** We have adopted Standards of Business Conduct that apply to our employees globally. The Standards of Business Conduct describe our values and standards and are the basic reference tools available to every employee around the world. Among other things, our Standards of Business Conduct indicate that employees are expected to act with integrity and in compliance with law, which would include laws relating to modern slavery and child labor. The Standards of Business Conduct also indicate that employees are expected to treat one another with dignity and respect and are accountable to one another to maintain a safe, productive, diverse, and environmentally responsible workplace free of harassment, intimidation, or bullying.

The Standards of Business Conduct encourage employees to raise ethical questions and concerns, and they have multiple channels to do so, including by phone, Internet, and mail, as indicated therein. Others working in our supply chains also may raise ethical concerns through these same channels. Concerns may be reported anonymously. The Standards of Business Conduct are available externally on our corporate website in multiple languages [here](#).

As indicated in the Standards of Business Conduct, we also expect consultants, contractors, and other third-party partners who conduct business with us or on our behalf to follow our standards and values.

**Employment of Minors Policy.** In accordance with our Employment of Minors Policy, generally, Cardinal Health does not hire anyone under the age of eighteen. We are committed to complying with all applicable federal, state, and local child labor laws. This policy is available externally on our corporate website [here](#).

**Vendor Code of Conduct.** We have adopted a Vendor Code of Conduct which sets forth the basic standards that vendors, distributors, agents, third party intermediaries, suppliers, representatives, and other business partners and their employees, directors, officers, agents, representatives, and subcontractors are expected to comply with to do business with us.

The Vendor Code of Conduct sets forth clear expectations in the areas of forced labor, child labor, and human trafficking. We expect our vendors to respect and promote human rights, including operating in compliance with the ILO Declaration on Fundamental Principles and Rights at Work. The Vendor Code of Conduct requires vendors to comply, at a minimum, with the following labor, human rights, and employment practices:

- not use child labor;
- not use forced labor, whether in the form of indentured labor, bonded labor, or prison labor;
- not support any form of human trafficking of involuntary labor through threat, force, fraudulent claims, or other coercion;
- fairly compensate employees;
- comply with local regulations regarding working hours or where a country's laws and regulations do not address standard working hours, ensure that the work week does not exceed 60 hours, and provide rest days;
- not discriminate based on race, color, national origin, gender, sexual orientation, religion, disability, or any other characteristic prohibited by applicable law;
- follow all applicable employment laws, not engage in acts of verbal or physical harassment, and not utilize mental or physical disciplinary practices;
- provide an inclusive and supportive working environment for employees and respect and promote diversity and inclusion;
- allow workers to exercise freedom of association;
- only employ workers with a legal right to work and have in place procedures to ensure compliance with this requirement;
- not require employees to lodge "deposits" or identity papers (government-issued identification, passports, or work permits) with the vendor or another person or entity;
- permit employees to freely resign their employment in accordance with applicable laws or regulations without unlawful penalty;
- keep employee records in accordance with applicable laws or regulations and provide in a timely manner, via pay stub or similar documentation, the basis on which employees are paid; and
- maintain a healthy, clean, and safe work environment.

Under the Vendor Code of Conduct, vendors must ensure that their relevant personnel understand the expectations and requirements of the Vendor Code of Conduct. Vendors are expected to educate and train their employees to ensure that they understand and comply with the Vendor Code of Conduct. Vendors also must educate and train the employees of their subcontractors who are involved in Cardinal Health business activities on the standards of the Vendor Code of Conduct and require these employees and subcontractors to agree to and abide by the provisions in the Vendor Code of Conduct.

The Vendor Code of Conduct also requires vendors to (1) establish processes to enable their employees to report concerns or illegal activities, (2) investigate these matters and take appropriate corrective action, (3) promptly report to us any violation of the Vendor Code of Conduct, and (4) fully cooperate with us to take all reasonable measures to investigate and remediate any non-compliance with the Vendor Code of Conduct.

Vendors are expected to self-monitor their compliance with the Vendor Code of Conduct. To ensure compliance with the Vendor Code of Conduct, we or a third party designated by us may audit a vendor's facilities and the facilities of the vendor's business partners and subcontractors, and the audit may include review of the vendor's and its business partners' relevant policies, procedures, books, and records. If we determine or believe that at any time a vendor has failed to comply with the Vendor Code of Conduct, we have the right to cease the purchase of the vendor's products and services or the supply of sale of our products and services to the vendor, in each case without notice and without liability or obligation accruing to us. We may also prohibit any vendor employee from providing services to us or on our behalf if they behave in a manner that is unlawful or inconsistent with the Vendor Code of Conduct or any other Cardinal Health policies or requirements.

Vendors may be required, as a condition to maintaining an active vendor relationship with us, to acknowledge their obligation to comply with the Vendor Code of Conduct or have substantively similar policies and procedures that address the topics covered therein. Upon request, vendors are expected to make those policies and procedures available to us for review.

The Vendor Code of Conduct encourages suppliers and their employees to contact us with questions or concerns, through the contact information indicated therein, and indicates that we will not tolerate any retribution or retaliation against any individual who has, in good faith, sought out advice or has reported questionable behavior or a possible violation.

The Vendor Code of Conduct is available externally on our corporate website in multiple languages [here](#).

***Contractual Controls.*** We include provisions in our standard supplier contracts that require compliance with human trafficking prohibitions and other governmental contract requirements, as applicable. In addition, our standard sourcing contracts prohibit suppliers from using child labor or forced or prison labor. Compliance with our Vendor Code of Conduct is also required under the terms in our supplier contracts and purchase orders.

### **Responsible Sourcing Program**

We have a Responsible Sourcing program to help assess and address environmental, social, and governance ("ESG") risks, including risks relating to modern slavery and child labor. We focus on suppliers with the highest inherent risk associated with human rights, labor standards, health and safety, environmental standards, business ethics, and impact on the business. Depending on the level of risk, we have our suppliers complete self-assessment questionnaires, validate their responses, and require third-party on-site audits. For those suppliers who are audited, corrective action plans are put in place where necessary. The program's ongoing process is designed to assess ESG risks, engage suppliers in remediation and continuous improvement, and exit engagements where necessary. Our ESG Supply Chain team evaluates all the information gathered on the supplier to determine a risk assessment score that informs our future level of engagement with each supplier. The program is aligned with the Labour Standards

Assurance System (“LSAS”) and meets United Kingdom Government requirements as assessed by the Modern Slavery Assessment Tool (“MSAT”). The MSAT is a modern slavery risk identification and management tool that has been designed to help U.K. public sector organizations work in partnership with suppliers to improve protections and reduce the risk of exploitation of workers in their supply chains. The MSAT also addresses topics related to child labor.



As described above, rather than immediately terminating suppliers that do not meet all our supplier expectations, we generally will seek to help our suppliers remedy identified issues and continuously improve. We hope that by doing this, we prevent additional harm to the employees of such suppliers and the loss of income to the most vulnerable families.

### Employee Training

Employees who are directly involved in sourcing and supply chain contract management receive training on our Vendor Code of Conduct and are required to annually certify compliance with our Standards of Business Conduct.

### Raising Concerns

Cardinal Health encourages its employees and suppliers to work with Cardinal Health in resolving any business practice or compliance concerns. Employees, suppliers (and their employees), and other third parties can report any concerns or issues, including claims of modern slavery or child labor, to Cardinal Health’s Business Conduct Line. The Business Conduct Line is listed on Cardinal Health’s website and available 24 hours-a-day, seven days-a-week to employees and third parties to confidentially and, if desired, anonymously, raise issues about the business conduct of Cardinal Health and any issues regarding its supply chain. More information regarding our Business Conduct Line is available externally on our corporate website [here](#).

Cardinal Health does not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought out advice or has reported questionable behavior or a possible violation of the Standards of Business Conduct or Vendor Code of Conduct.

### Assessing Effectiveness

Cardinal Health evaluates the results of third-party supplier self-assessment questionnaires, third-party audits, and supplier corrective actions. We monitor supplier response rates, the number of times a supplier is assessed, changes in supplier performance, supplier training participation, and submissions through the Cardinal Health Business Conduct Line.

## **Approvals**

### **Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act**

Each of the entities named below (together, the “Reporting Entities”) are required to submit a statement pursuant to the Canadian Act.

- Cardinal Health Canada Inc. (“Cardinal Health Canada”)
- Ludlow Technical Products Canada, Ltd. (“Ludlow Technical Products”)

Solely for purposes of compliance with the Canadian Act, this statement was approved pursuant to subparagraph 11(4)(b)(i) of the Canadian Act by the Board of Directors of Cardinal Health Canada and Ludlow Technical Products. The Reporting Entities come within Cardinal Health’s global compliance program, which is discussed throughout this statement. Each Reporting Entity is a wholly owned subsidiary of Cardinal Health.

#### ***About Cardinal Health Canada***

Cardinal Health Canada has approximately 1,000 employees, the majority of which are hired on a permanent basis. Cardinal Health Canada employees perform roles from a variety of fields and functions including commercial sales and marketing, distribution operations and supply chain, and functional support.

Cardinal Health Canada operations include the supply and distribution of medical devices and products, marketing of medical devices, and warehousing, transportation and logistics services for the healthcare industry. Cardinal Health Canada’s supply chains generally are the same as those of Cardinal Health.

#### ***About Ludlow Technical Products***

Ludlow Technical Products has approximately 300 employees, the majority of which are hired on a permanent basis. Employees of Ludlow Technical Products perform roles from a variety of fields and functions including production, planning, engineering, quality assurance and manufacturing support.

Ludlow Technical Product’s operations include the manufacture and export of medical devices. Ludlow Technical Product’s supply chains generally are the same as those of Cardinal Health.

#### ***Risks of Forced and Child Labor; Addressing Risks***

The risks of forced and child labor of the Reporting Entities mirror those of Cardinal Health and are discussed earlier in this statement. The policies and steps described earlier in this statement that Cardinal Health has taken to assess, mitigate and manage the risks of forced and child labor are applicable to the Reporting Entities.

**Attestations**

In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I, in the capacity of Director, attest that I have reviewed the information contained in the report on behalf of the governing body of Cardinal Health Canada. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Canadian Act, for the reporting year listed within this report.

I have the authority to bind Cardinal Health Canada.

Jim Babbitt

Name

Director

Title

Jan 16, 2025

Date



Signature

In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I, the capacity of Director, attest that I have reviewed the information contained in the report on behalf of the governing body of Ludlow Technical Products. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Canadian Act, for the reporting year listed within this report.

I have the authority to bind Ludlow Technical Products.

Victor Salcedo

Name

Director

Title

Jan 14, 2025

Date

  
Victor Salcedogonzalez (Jan 14, 2025 05:40 CST)

Signature

**U.K. Modern Slavery Act 2015**

Cardinal Health UK 432 Limited (“Cardinal Health UK”) is the only Cardinal Health entity subject to the U.K. Act. Cardinal Health UK comes within Cardinal Health’s global compliance program, which is discussed throughout this statement. Cardinal Health UK is a wholly owned subsidiary of Cardinal Health.

**About Cardinal Health UK**

Cardinal Health UK has approximately 35 employees, all of which are hired on a permanent basis. Cardinal Health UK employees perform roles from a variety of fields and functions including commercial sales and marketing and functional support.

Cardinal Health UK operations include supply and distribution of medical devices and products and marketing of medical devices. Cardinal Health UK’s supply chains generally are the same as those of Cardinal Health related to medical products.

**Risks of Modern Slavery; Addressing Risks**

The risks of modern slavey of Cardinal Health UK mirror those of Cardinal Health and are discussed earlier in this statement. The policies and steps described earlier in this statement that Cardinal Health has taken to assess, mitigate and manage the risks of modern slavery are applicable to Cardinal Health UK.

**Signature**

Solely for purposes of compliance with the U.K. Act, this statement was approved by the Board of Directors of Cardinal Health UK on October 22, 2024 and signed by a director of that entity on October 22, 2024.

Francesco Diodato

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Name

VP Finance

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Title

October 22, 2024-----

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Date



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Signature