UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended March 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from_____ to_____
Commission File Number: 1-13252

McKESSON CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**94-3207296**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

6555 State Hwy 161,
Irving, TX 75039
(Address of principal executive offices, including zip code)
(972) 446-4800
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

(Title of each class)	*(Trading Symbol)*	*(Name of each exchange on which registered)*
Common stock, $0.01 par value	MCK	New York Stock Exchange
1.500% Notes due 2025	MCK25	New York Stock Exchange
1.625% Notes due 2026	MCK26	New York Stock Exchange
3.125% Notes due 2029	MCK29	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant, computed by reference to the closing price as of the last business day of the registrant's most recently completed second fiscal quarter, September 30, 2024, was approximately $62.7 billion.

Number of shares of common stock outstanding on April 30, 2025: 125,112,236

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for its calendar year 2025 Annual Meeting of Shareholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

McKESSON CORPORATION

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PART I

Item 1. Business.

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General

McKesson Corporation together with its subsidiaries (collectively, the "Company," "McKesson," "we," "our," or "us" and other similar pronouns), which traces its business roots to 1833, is a diversified healthcare services leader dedicated to advancing health outcomes for patients everywhere. Our teams partner with biopharma companies, care providers, pharmacies, manufacturers, governments, and others to deliver insights, products, and services to help make quality care more accessible and affordable.

The Company's fiscal year begins on April 1 and ends on March 31. Unless otherwise noted, all references in this document to a particular year refers to the Company's fiscal year. The Company was incorporated on July 7, 1994 in the State of Delaware.

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"), are available free of charge on the Company's website (www.mckesson.com under the "Investors — Financials — SEC Filings" caption) as soon as reasonably practicable after such material is electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). The content on any website referred to in this Annual Report on Form 10-K ("Annual Report") is not incorporated by reference into this report, unless expressly noted otherwise. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including the Company, that file electronically with the SEC. The address of the website is www.sec.gov.

Business Segments

The Company operates its business in four reportable segments: U.S. Pharmaceutical, Prescription Technology Solutions ("RxTS"), Medical-Surgical Solutions, and International.

Our U.S. Pharmaceutical segment distributes branded, generic, specialty, biosimilar and over-the-counter ("OTC") pharmaceutical drugs, and other healthcare-related products in the United States ("U.S."). This segment also provides practice management, technology, clinical support, and business solutions to community-based oncology and other specialty practices. In addition, the segment sells financial, operational, and clinical solutions to pharmacies (retail, hospital, alternate sites) and provides consulting, outsourcing, technological, and other services.

Our RxTS segment helps solve medication access, affordability and adherence challenges for patients by working across healthcare to connect patients, pharmacies, providers, pharmacy benefit managers, health plans, and biopharma companies. RxTS serves our biopharma and life sciences partners, delivering innovative solutions that help people get the medicine they need to live healthier lives. RxTS offers technology services, which includes electronic prior authorization, prescription price transparency, benefit insight, and dispensing support services, in addition to third-party logistics and wholesale distribution support designed to benefit stakeholders.

Our Medical-Surgical Solutions segment provides medical-surgical supply distribution, logistics, and other services to healthcare providers, including physician offices, surgery centers, nursing homes, hospital reference labs, and home health care agencies. We offer more than 245,000 national brand medical-surgical products as well as McKesson's own line of high-quality products through a network of distribution centers in the U.S.

Our International segment provides distribution and services to wholesale, institutional, and retail customers in Canada and Norway where we own, partner, or franchise with retail pharmacies, and support better, safer patient care by delivering vital medicines, supplies, and information technology solutions. During fiscal 2025, we completed the sale of Rexall and Well.ca businesses in Canada. Refer to Financial Note 2, "Business Acquisitions and Divestitures,", to the consolidated financial statements included in this Annual Report for more information.

U.S. Pharmaceutical Segment:

Our U.S. Pharmaceutical segment provides distribution and logistics services for branded, generic, specialty, biosimilar, and OTC pharmaceutical drugs along with other healthcare-related products to customers. This business provides solutions and services to pharmacies, hospitals, oncology and other specialty practices, pharmaceutical manufacturers, biopharma partners, physicians, payors, and patients throughout the U.S. We also source generic pharmaceutical drugs through our ClarusONE Sourcing Services LLP joint venture with Walmart Inc. ("ClarusONE").

Our U.S. Pharmaceutical segment operates and serves customers through a network of 27 distribution centers in the U.S., including two strategic redistribution centers. We invest in technology and other systems at all of our distribution centers to enhance safety, reliability, and product availability. For example, we offer McKesson Connect℠, an internet-based ordering system that provides item look-up and real-time inventory availability as well as ordering, purchasing, third-party reconciliation, and account management functionality. We make extensive use of technology as an enabler to ensure customers have the right products at the right time in the right place.

To maximize distribution efficiency and effectiveness, we follow the Six Sigma methodology, which is an analytical approach that emphasizes setting high-quality objectives, collecting data, and analyzing results to a fine degree in order to improve processes, reduce costs, and enhance service accuracy and safety. We provide solutions to our customers including supply management technology, world-class marketing programs, managed care, repackaging products, and services to help them meet their business and quality goals. We continue to implement information systems to help achieve greater consistency and accuracy both internally and for our customers, as well as make investments to increase capacity and automation.

We have four primary customer pharmaceutical distribution channels: (i) retail national accounts, which include national and regional retail chains, food and drug combinations, mail order pharmacies, and mass merchandisers, (ii) community pharmacies and health (formerly described as independent, small, and medium chain retail pharmacies), (iii) institutional healthcare providers such as hospitals, health systems, integrated delivery networks, and long-term care providers, and (iv) oncology, biopharma, and other specialty partners.

Retail National Accounts: We provide business solutions that help our retail national account customers increase revenues and profitability. Solutions include:

- Central Fill℠ – Prescription refill service that enables pharmacies to more quickly refill prescriptions remotely, more accurately, and at a lower cost, while reducing inventory levels and improving customer service.
- Strategic Redistribution Centers – Two facilities totaling over 740,000 square feet that offer access to inventory for single source warehouse purchasing, including pharmaceuticals and biologics. These distribution centers also provide the foundation for a two-tiered distribution network that supports best-in-class direct store delivery.
- McKesson SynerGx® – Generic pharmaceutical purchasing program and inventory management that helps pharmacies maximize their cost savings with a broad selection of generic drugs, competitive pricing, and one-stop shopping.
- Inventory Management – An integrated solution comprised of forecasting software and automated replenishment technologies that reduce inventory-carrying costs.
- ExpressRx Track™ – Pharmacy automation solution featuring state-of-the-art robotics, upgraded imaging, and expanded vial capabilities, and industry-leading speed and accuracy in a small footprint.

Community Pharmacy and Health: We strengthen the overall health of community pharmacies and elevate the role they play in people's lives. We accomplish this by providing supply chain excellence, pharmacy and patient solutions, as well as supporting independent pharmacies through industry and legislative advocacy. Our pharmacy and patient solutions include:

- Health Mart® – A national network of approximately 4,400 independently-owned pharmacies and one of the industry's most comprehensive pharmacy franchise programs. Health Mart provides solutions for franchisees to promote excellence in business operations, team development, patient health, marketing and merchandising, and protects financial health through proactive audit support.
- Health Mart Atlas® and Atlas Specialty – Comprehensive managed care services that connect the continuum of care to help community pharmacies, health systems and physician practices save time, access competitive reimbursement rates, and improve cash flow.
- McKesson Reimbursement Advantage℠ ("MRA") – MRA is one of the industry's most comprehensive reimbursement optimization packages, comprising financial services (automated claim resubmission), analytic services, and customer care.
- McKesson Provider Pay® – Provider Pay is an automated reconciliation and payment management solution designed to maximize third-party cash flow and pursue unpaid claims.
- McKesson Amplify – Provides resources for state pharmacy associations in all 50 states, including dedicated support funding, resources, and opportunities to participate in best practice sharing consortia. The funding helps to support advocacy initiatives that address the unique challenges faced by independent pharmacies and promote their sustainability and growth.
- McKesson OneStop Generics® – Generic pharmaceutical purchasing program that helps pharmacies maximize their cost savings with a broad selection of generic drugs, competitive pricing, and one-stop shopping.
- Pinpoint Community Solutions – McKesson's perpetual inventory management system targeted to independent pharmacy owners with five or fewer stores. The solution provides customers the opportunity to improve cash flow and increase efficiency with inventory visibility to help maximize operational performance.
- FrontEdge™ – Strategic planning, merchandising, and price maintenance program that helps community pharmacies maximize store profitability.
- McKesson RxOwnership Program – A confidential, no-fee resource for pharmacists and pharmacy owners interested in buying, starting, or selling an independent pharmacy, regardless of their pharmacy affiliation.

Institutional Healthcare Providers: At McKesson, we are relentless in our pursuit of opportunities to achieve operational efficiency, reduce waste, and improve the financial performance of our customers so they can achieve more of their goals today and into the future. Solutions include:

- Professional and Advisory Services – Comprehensive suite of advisory and consulting services designed to support health system business of pharmacy initiatives, including patient care, business operations, ambulatory services, inpatient operations, data and digitization, pharmacy workforce management, leadership, and compliance with safety, quality, and regulatory standards. Specialized consulting areas include 340B optimization, orphan drug support and retail pharmacy payer solutions.
- McKesson Plasma and Biologics – Specialty and plasma drug distributor that leads in market exclusive drug access; partner to health systems customers in navigating the complexities of limited distribution drug; and optimization of McKesson Distribution benefits.
- Outpatient, Retail, and Specialty Pharmacy – A portfolio of services and solutions customized to each customer's business and clinical strategy.
- Contracting and Contract/Purchasing Optimization – Solutions across generics, specialty, branded products, biosimilars, and 340B products, for inpatient and outpatient settings.
- Supply Assurance – Solutions and strategies to enhance product availability and proactively manage inventory of critical items.

The U.S. Pharmaceutical segment also offers solutions which enable its customers to drive greater efficiencies in their day-to-day operations, effectively managing their inventories and complying with complex government regulations. Solutions include McKesson Pharmacy Systems, MacroHelix, and Supply Logix, all of which provide innovative software technology and services that support retail pharmacies and hospitals.

Oncology, Biopharma, and Other Specialty Partners:

The U.S. Pharmaceutical segment provides a range of solutions to oncology and other specialty practices and offers community specialists (oncologists, rheumatologists, ophthalmologists, urologists, neurologists, and other specialists) an extensive set of customizable solutions and services designed to strengthen core practice operations, enhance value-based care delivery, and expand their service offering to patients. Community-based physicians in this business have broad flexibility and discretion to select the products and commitment levels that best meet their practice needs. Services in provider solutions include specialty drug distribution, group purchasing organizations ("GPO") like Onmark®, technology solutions, practice consulting services, and vaccine distribution, including our exclusive distributor relationship with the Centers for Disease Control and Prevention's ("CDC") Vaccines for Children program.

This business provides a variety of solutions, including practice operations, healthcare information technology, revenue cycle management and managed care contracting solutions, evidence-based guidelines, and quality measurements to support The U.S. Oncology Network ("USON"), one of the nation's largest networks of physician-led, integrated, community-based oncology practices dedicated to advancing high-quality, evidence-based cancer care. SCRI Oncology, LLC, an oncology research business in which we own a 51% controlling interest, is one of the nation's largest research networks and specializes in enhancing clinical trial access and availability across the country.

This segment includes Ontada®, McKesson's oncology technology and insights business providing software to support the clinical, financial, and operational needs of our oncology practice customers. Ontada also partners with oncology providers and biopharma partners to perform real-world evidence studies, retrospective research, and to provide clinical data insights, advisory solutions and education opportunities.

When we discuss specialty products or services, we consider the following factors: diseases requiring complex treatment regimens such as cancer and rheumatoid arthritis; plasma and biologics products; ongoing clinical monitoring requirements, high-cost, special handling, storage, and delivery requirements and, in some cases, exclusive distribution arrangements. Our use of the term "specialty" may not be comparable to that used by other industry participants, including our competitors.

Prescription Technology Solutions Segment:

Our Prescription Technology Solutions segment works across healthcare to connect patients, pharmacies, providers, pharmacy benefit managers, health plans, and biopharma to deliver medication access solutions that support patients from first prescription fill to ongoing therapy, regardless of their insurance coverage. RxTS has connections with most electronic health record systems, over 50,000 pharmacies, approximately 950,000 providers, most pharmacy benefit managers and health plans, and has supported over 650 biopharma brands representing most therapeutic areas. Through its industry connections and ability to navigate the healthcare ecosystem, RxTS offers innovative solutions created to benefit healthcare stakeholders. Its comprehensive solution suites and technology services span across the entire patient journey, including medication access and affordability, prescription decision support, prescription price transparency, benefit insight and dispensing support services, as well as third-party logistics and wholesale distribution support, to help increase speed to therapy, reduce prescription abandonment, and support improved health outcomes for the patient. In the past year, RxTS helped patients save more than $10 billion on brand and specialty medications, helped to prevent an estimated 12 million prescriptions from being abandoned due to affordability challenges, and helped patients access their medicine more than 100 million times.

Medical-Surgical Solutions Segment:

Our Medical-Surgical Solutions segment delivers medical-supply distribution, logistics, biomedical maintenance, and other services to healthcare providers across the alternate-site spectrum. Our more than 340,000 customers include physician offices, surgery centers, post-acute care facilities, hospital reference labs, and home health agencies. We partner with manufacturers and channel partners to support our key target end-markets, including primary care, extended care, government, and other markets. We distribute medical-surgical supplies (such as gloves, needles, syringes, and wound care products), infusion pumps, laboratory equipment, and pharmaceuticals. Through a network of distribution centers in the U.S., we offer more than 245,000 products from national brand manufacturers and McKesson's own brand of high-quality products. Through the right mix of products and services, we help improve efficiencies, profitability, and compliance. We also never lose focus on helping customers improve patient and business outcomes. We develop customized plans to address the product, operational, and clinical support needs of our customers, including inventory management, reducing administrative burdens, and training and educating clinical staff. We deliver for our customers, so they can deliver and care for their patients. In May 2025, the Company announced its intention to separate this segment into an independent company.

International Segment:

Our International segment includes operations in Canada and Norway. McKesson Canada is one of the largest pharmaceutical wholesale and retail distributors in Canada. The wholesale business delivers products to retail pharmacies, hospitals, long-term care centers, clinics and institutions in Canada through a national network of distribution centers and provides logistics and distribution services for manufacturers.

Beyond wholesale pharmaceutical logistics and distribution, McKesson Canada provides automation and technology solutions to its retail and hospital customers. Additionally, McKesson Canada provides comprehensive specialty health services to Canadians and provides biopharma services to manufacturers, including a national network of specialty pharmacies, personalized patient care and support programs, and INVIVA, Canada's first and largest accredited network of private infusion clinics. McKesson Canada also owns and operates PDCI, Canada's leading market access consultancy, supporting manufacturers as they introduce new products into the Canadian market.

The Canada retail business includes approximately 2,700 banner pharmacies under the IDA®, Guardian®, The Medicine Shoppe®, Remedy'sRx®, Proxim®, and Uniprix® banners. During fiscal 2025, we completed the previously announced transaction to sell our Rexall and Well.ca businesses. This divestiture is further described in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report.

In July 2021, we announced our intention to exit our businesses in Europe. We divested the majority of our European businesses during fiscal 2022 and fiscal 2023. Our remaining operations in Europe provide distribution and services to wholesale and retail customers in Norway where we own, partner, or franchise with retail pharmacies. We continue to evaluate suitable exit alternatives for our retail and distribution businesses in Norway. Refer to Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report for additional information on our European divestitures.

Investments, Restructuring, Business Combinations, and Divestitures

We invest in new and existing distribution centers to increase scale and capacity, improve efficiency through automation and technology, and enhance regulatory compliance capabilities. Additionally, we invest in data and analytics to support our growth priorities, including artificial intelligence ("AI"). We are in the early stages of exploring potential AI capabilities and related data and analytics across our enterprise to improve productivity and efficiency, as well as enhance our products and services to better support patients, employees, and customers.

We have undertaken additional strategic initiatives in recent years designed to increase operational efficiencies, focus on our core healthcare businesses, execute our business strategy, and enhance our competitive position. These initiatives are detailed in Financial Note 2, "Business Acquisitions and Divestitures," and Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report.

Competition

We operate in highly competitive environments in North America and Norway. In recent years, the healthcare industry has been subject to increasing consolidation. In the pharmaceutical distribution environment in which our U.S. Pharmaceutical and International segments operate, we face strong competition from international, national, regional, and local full-line, short-line, and specialty distributors, service merchandisers, self-warehousing chain drug stores, manufacturers engaged in direct distribution, third-party logistics companies, and large payer organizations. We consider our largest competitors in distribution, wholesaling, and logistics to be Cencora, Inc. and Cardinal Health, Inc.

Our RxTS business experiences substantial competition from many companies, including other biopharma services companies, software services firms, consulting firms, shared service vendors, and internet-based companies with technology applicable to the healthcare industry. Competition in this business varies in size from large to small companies, in geographical coverage, and in scope and breadth of products and services offered.

Our Medical-Surgical Solutions segment experiences competition from a wide range of national and regional medical supply and equipment distributors throughout the U.S.

In addition, we compete with other service providers and healthcare manufacturers, as well as other potential customers of our businesses, which may from time to time decide to develop, for their own internal needs, supply management capabilities that might otherwise be provided by our businesses. We believe that our scale and diversity of product and service offerings are our primary competitive advantages. In all areas, key competitive factors include price, quality of service, breadth of product lines, innovation, adoption of new and evolving technologies, and, in some cases, convenience to the customer.

Patents, Trademarks, Copyrights, and Licenses

McKesson and its subsidiaries hold patents, copyrights, trademarks, and trade secrets related to McKesson products and services. We pursue patent protection for our innovations and obtain copyright protection for our original works of authorship when such protection is advantageous. Through these efforts, we have developed a portfolio of patents and copyrights in the U.S. and worldwide. In addition, we have registered or applied to register certain trademarks and service marks in the U.S. and in foreign countries.

We believe that, in the aggregate, McKesson's confidential information, patents, copyrights, trademarks, and intellectual property licenses are important to its operations and market position, but we do not consider any of our businesses to be dependent upon any one patent, copyright, trademark, or trade secret, or any family or families of the same. We cannot guarantee that our intellectual property portfolio will be sufficient to deter misappropriation, theft, or misuse of our technology, nor that we can successfully enjoin infringers. We periodically receive notices alleging that our products or services infringe on third-party patents and other intellectual property rights. These claims may result in McKesson entering settlement agreements, paying damages, discontinuing use or sale of accused products, or ceasing other activities. While the outcome of any litigation or dispute is inherently uncertain, we do not believe that the resolution of any of these infringement notices would have a material adverse impact on our results of operations.

We hold inbound licenses for certain intellectual property that is used internally, and in some cases, utilized in McKesson's products or services. While in the future it may be necessary to seek or renew licenses relating to various aspects of our products and services, we believe, based upon past experience and industry practice, such licenses generally can be obtained on commercially reasonable terms. We believe our operations as well as our products and services are not materially dependent on any single license or other agreement with any third party.

Human Capital

Everything we do at McKesson begins with our employees, who bring our mission and purpose to life every day. As of March 31, 2025, we had approximately 45,000 employees worldwide, which includes 2,000 part-time employees. We had approximately 36,000 employees in the U.S., 5,000 employees in Canada, and 4,000 employees in the rest of the world. We also supplement our work-force with contractors and/or consultants for certain business projects, processes, and/or operations as demand requires.

Culture and Leadership: One of McKesson's defining characteristics is our strong culture. We take pride in fostering a sense of belonging, finding meaning in our work, and caring for each other, our customers, and all those who depend on us. Our I^2CARE values (Integrity, Inclusion, Customer-First, Accountability, Respect, Excellence) and ILEAD leadership behaviors (Inspire, Leverage, Execute, Advance, Develop) are at the core of our daily actions – from how we interact with each other and our customers, to how we make decisions, both big and small. We also offer all employees the opportunity to join employee resource groups ("ERGs"), which are voluntary, employee-led, company-sponsored networks that aim to make a positive impact on our employees' lives. Each ERG is non-exclusive and open to every employee. Our ERGs focus on helping employees make authentic connections, celebrate and learn from each other, showcase leadership skills and find ways to nurture and support belonging and empowerment.

Investment in Employees: We are committed to investing in our employees, so that they, in turn, can focus on furthering our purpose of Advancing Health Outcomes for All®. We offer employees health and wellness benefits focused on physical, mental, and social well-being, savings programs to help prepare them for retirement and flexible work arrangements, and other offerings. We also offer employees regular training, coaching, and 360-degree assessments, and financial assistance programs for higher education opportunities.

We seek to attract and retain the best talent through competitive compensation and pay for performance, while prioritizing recognition of merit and compliance with laws. Our compensation philosophy is rooted in a fair and transparent program that regularly conducts benchmarking to assess market rates for talent, based on geography and other factors.

We solicit employee feedback through annual and mid-year employee opinion surveys, which assesses our employees' levels of engagement, commitment and overall satisfaction using industry benchmarks, and then design action plans to improve those metrics. We also seek feedback on our people leaders through our annual manager quality survey, which is an opportunity for employees to help their managers grow professionally and build valuable leadership skills that help to promote a positive and productive workplace.

Health and Safety: Our security and safety teams employ systems designed to continually monitor our facilities and work environment to help identify and prevent or mitigate risks. This includes having procedures and investing in equipment for both physical and electronic security. Our employees receive specialized training related to their role, work setting, and equipment used in their work environment.

Government Regulation

We operate in many highly regulated environments and are subject to oversight by various federal, state, and local governmental entities in the U.S. and elsewhere. We incur significant expense and make large capital expenditures and investments to enable us to comply with laws and guidance promulgated by governmental entities.

The regulatory framework affecting our business and industry is continuously evolving and influenced by conditions such as public policy developments; shifts in governmental priorities, initiatives, and focus areas, including due to changes in federal, state, and local representation; and varied interpretations of laws and agency rulemaking conventions. These conditions create uncertainties for our business, and we are unable to predict the impact of future changes to the regulatory framework, or any prolonged uncertainty, on our operations and compliance costs.

See “Risk Factors” in Item 1A of Part I below for information regarding material risks associated with our compliance with governmental regulations.

Operational Licenses and Permits; Controlled Substances: We are subject to the operating and security standards of the U.S. Drug Enforcement Administration (“DEA”), the U.S. Food and Drug Administration (“FDA”), the U.S. Department of Health and Human Services (“HHS”), the Centers for Medicare & Medicaid Services (“CMS”), various state boards of pharmacy, state health departments, and comparable agencies in the U.S. and other countries. Certain of our businesses may be required to register for permits and/or licenses with governmental agencies, depending upon the type of operations and location of product development, manufacture, distribution, and sale. For example, we are required to hold valid DEA and state-level registrations and licenses, meet various security and operating standards, and comply with the Controlled Substances Act and its accompanying regulations governing the sale, marketing, packaging, holding, distribution, and disposal of controlled substances. We maintain extensive controlled substance monitoring and reporting programs at considerable expense in order to help us meet those standards.

Government Contracts: Our contracts with governmental entities typically are subject to procurement laws that include socio-economic, employment practices, environmental protection, recordkeeping and accounting, and other requirements. These statutory and regulatory requirements complicate our business and increase our compliance burden. We are subject to audits, investigations, and oversight proceedings about our compliance with contractual and legal requirements.

Healthcare Program Regulation: Federal, state, and local governmental entities in the U.S. and elsewhere continue to strengthen their position on, and scrutiny of, practices that may indicate fraud, waste, and abuse affecting government healthcare programs such as Medicare and Medicaid. Our relationships with pharmaceutical and medical-surgical product manufacturers, healthcare providers, and other companies and individuals, as well as our provision of products and services to governmental entities, subject our business to statutes, regulations, and government guidance that are intended to prevent fraud and abuse. Among other things, those laws: (1) prohibit persons from soliciting, offering, receiving, or paying any remuneration in order to induce the referral of an individual for, or to induce the ordering or purchasing of, items or services that are in any way paid for by Medicare, Medicaid, or other government healthcare programs; (2) prohibit physicians from referring certain “designated health services” to an entity with which they have a financial relationship, unless an exception applies; and (3) prohibit knowingly submitting, or causing to be submitted, a false or fraudulent claim for payment to the government; and (4) require certain entities to report and return an overpayment by Medicare or Medicaid within 60 days of identifying the overpayment.

Many of these healthcare fraud and abuse laws are vague or indefinite and are often subject to varied and evolving interpretations by courts, regulators, and enforcing agencies and, as such, may be interpreted or applied by a prosecutorial, regulatory, or judicial authority in a manner that could require us to make changes in our operations at added expense.

In the U.S., the Patient Protection and Affordable Care Act (“ACA”) significantly expanded health insurance coverage to uninsured Americans and changed the way healthcare is financed by both governmental and private payors. The implementation of the Inflation Reduction Act of 2022 (“IRA”) has begun to change benefit design and how Medicare pays for drugs, which are all intended to reduce the price of drugs. Three central features of the IRA have authorized the government to negotiate drug prices for certain Parts B and D drugs over time, establish an inflation rebate program, and cap patient cost sharing under Medicare Part D.

Provincial governments in Canada that provide partial funding for the purchase of pharmaceuticals and independently regulate the sale and reimbursement of drugs have sought to reduce the costs of publicly funded health programs. For example, provincial governments have taken steps to reduce consumer prices for generic pharmaceuticals and, in some provinces, change professional allowances paid to pharmacists by generic drug manufacturers.

McKesson continues to advocate for policies that would improve drug cost transparency under a patient's drug plan to better inform prescribing decisions, and also address access to care, affordability, and treatment regimen adherence, all designed to improve clinical outcomes and reduce the health spending burden.

FDA Regulation and Supply Chain Integrity: In the U.S., the FDA is the principal federal authority that regulates the safety, efficacy, quality, testing, premarket approval, manufacture, labeling, storage, distribution, and post-market surveillance of healthcare products, such as drugs and medical devices, foods, and cosmetics.

Federal and state laws regulate the pharmaceutical drug supply chain in order to prevent the distribution of counterfeit, stolen, contaminated, or otherwise harmful prescription drugs in interstate commerce. At the federal level, the Drug Supply Chain Security Act ("DSCSA"), among other things, requires standardized, unit-level traceability of pharmaceutical products along the entire drug supply chain and requires all trading partners to cooperate in an electronic, interoperable prescription drug traceability system. In October 2024, the FDA extended the compliance deadlines for the DSCSA interoperable unit-level traceability requirements to May 27, 2025, for manufacturers, August 27, 2025 for distributors, and November 27, 2025 for dispensers. The FDA stated that these extensions apply to trading partners who meet certain conditions. The Company believes its businesses are eligible for the extensions. The DSCSA also sets forth national standards for the licensure of wholesale drug distributors and third-party logistic providers and other requirements applicable to these entities and the FDA has issued a proposed rule with respect to these requirements. These federal and state regulatory requirements have increased, and may further increase, our compliance burden and distribution costs.

Additionally, federal and state governments may adopt other laws intended to protect the integrity of the supply chain, and those laws could affect our distribution business. For example, the Federal Trade Commission ("FTC") and HHS issued a request for public comment in 2024 on how the practices of pharmaceutical wholesalers and group purchasing organizations impact generic drug shortages. Various industry stakeholders responded to this request, but no further action has been taken by the FTC or HHS.

Cybersecurity, Data Security, Privacy, and AI: We are subject to many cybersecurity, privacy, and data protection laws that change frequently and have requirements that vary from jurisdiction to jurisdiction. Our efforts to comply with these laws complicate our operations and add to our costs. We are subject to significant compliance obligations under privacy laws such as the Health Insurance Portability and Accountability Act of 1996, the General Data Protection Regulation in the European Union, the Personal Information Protection and Electronic Documents Act in Canada, and an expanding list of comprehensive state privacy laws in the U.S. Some privacy laws may prohibit the transfer of personal information to certain other jurisdictions or otherwise limit our use and disclosure of data. Many of these laws also require us to provide access or other data rights (modification, deletion, portability, etc.) to consumers' and patients' individual personal data records within specified periods of time. Cybersecurity laws such as the federal Cyber Incident Reporting for Critical Infrastructure Act of 2022, proposed changes to the Federal Acquisition Regulation, and SEC reporting requirements may require us to provide notifications of certain cybersecurity incidents within short timeframes. Regulations and guidance targeting critical infrastructure entities, including McKesson, continue to be a focus of regulators. We are subject to privacy and data protection compliance audits or investigations by various governmental agencies. There is also an emerging trend of governmental entities proposing and providing regulatory guidance related to AI, including generative AI. If we or our third-party providers are restricted from using AI as a result of any regulatory views, laws or other measures, it could impact our operations, increase our compliance expense and burden, and cause us to incur costs to replace or modify our use of AI.

Environmental Regulation: We are subject to various federal, state, local, and foreign laws concerning the environment, including laws addressing the discharge of pollutants into the air and water, the management and disposal of hazardous substances and wastes, and the cleanup of contaminated sites, as well as laws governing the operation of radiation-emitting equipment at U.S. Oncology Network practices.

We sold our chemical distribution operations in 1987 and retained responsibility for certain environmental obligations. Agreements with the U.S. Environmental Protection Agency and certain states have required and may require environmental assessments and cleanups at several closed sites. These matters are described further in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report.

Climate Change Regulation: Governments in the U.S. and abroad have adopted or are considering new or expanded policies and laws to address climate change. Such policies and laws may necessitate reductions in greenhouse gas ("GHG") emissions; mandate that companies implement processes and controls to monitor and disclose climate-related matters; and impose additional taxes or offset charges on specified energy sources, among other requirements. Compliance with climate-related policies and laws may be further complicated by disparate regulatory approaches in various jurisdictions. Methodologies for reporting climate-related information may change and previously reported information may be retroactively adjusted, if required. New or expanded climate-related policies and laws could impose costs on us, including capital expenditures to develop data gathering and reporting systems, third-party attestations, and additional GHG reduction measures. Until the timing and extent of climate-related policies and laws are clarified, including due to legal challenges, we cannot predict their potential effect on our capital expenditures, results of operations, or competitive position.

Antitrust Laws: Antitrust and competition laws in the U.S. and elsewhere prohibit types of conduct deemed to be anti-competitive. Antitrust enforcement in the healthcare industry remains a focus of the FTC and the U.S. Department of Justice. Some of our strategic transactions may require review by competition regulators, with inherent delays. Violations of the antitrust laws can result in sanctions and other adverse actions, including criminal and civil penalties. Private plaintiffs also may bring civil lawsuits for alleged antitrust law violations, including claims for treble damages. These laws contribute to our compliance efforts and expense, and their enforcement might materially adversely affect our operations and growth strategy.

Other Information about the Business

Customers: During fiscal 2025, sales to our ten largest customers, including group purchasing organizations ("GPOs") accounted for approximately 72% of our total consolidated revenues. Sales to our largest customer, CVS Health Corporation ("CVS"), accounted for approximately 24% of our total consolidated revenues in fiscal 2025. In fiscal 2023, we extended our pharmaceutical distribution partnership with CVS to June 2027. Our ten largest customers comprised approximately 48%, and CVS was approximately 23% of our total trade accounts receivable at March 31, 2025. We also have agreements with GPOs, each of which functions as a purchasing agent on behalf of member hospitals, pharmacies, and other healthcare providers, as well as with government entities and agencies. The accounts receivable balances are with individual members of the GPOs, and therefore no significant concentration of credit risk exists. Substantially all of these revenues and accounts receivable are included in our U.S. Pharmaceutical segment.

Suppliers: We obtain pharmaceutical and other products from manufacturers and our largest supplier accounted for 11% of our total purchases in fiscal 2025. The loss of a supplier could adversely affect our business if alternate sources of supply are unavailable. We believe that our relationships with our suppliers are generally sound. The ten largest suppliers in fiscal 2025 accounted for approximately 69% of our total purchases.

Some of our distribution arrangements with manufacturers provide us consideration based on a percentage of our purchases. In addition, we have certain distribution arrangements with pharmaceutical manufacturers that include an inflation-based consideration component whereby we benefit when the manufacturers increase their prices as we sell our existing inventory at the new higher prices. For these manufacturers, a reduction in the frequency and magnitude of price increases, as well as restrictions in the amount of inventory available to us, could have an adverse impact on our gross profit margin.

Research and Development: Research and development expenses were $91 million, $77 million, and $89 million for the years ended March 31, 2025, 2024, and 2023, respectively.

Financial Information About Foreign and Domestic Operations: Certain financial information relating to foreign and domestic operations is discussed in Financial Note 20, "Segments of Business," to the consolidated financial statements included in this Annual Report as well as in "Foreign Operations" in Item 7 of Part II of this Annual Report. See "Risk Factors" in Item 1A of Part I below for information regarding risks associated with our foreign operations.

Forward-Looking Statements

This Annual Report, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 7 of Part II of this report and the "Risk Factors" in Item 1A of Part I of this report, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 ("Securities Act") and Section 21E of the Exchange Act. Forward-looking statements may be identified by their use of terminology such as "believes," "expects," "anticipates," "may," "will," "should," "seeks," "approximately," "intends," "projects," "plans," "estimates," "targets," or the negative of these words or other comparable terminology. The discussion of trends, strategy, plans, prospects, assumptions, expectations, or intentions may also include forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, or implied. Although it is not possible to predict or identify all such risks and uncertainties, they include, but are not limited to, the factors discussed in Item 1A of Part I of this report under "Risk Factors" and in our publicly available SEC filings and press releases. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date such statements were first made. Except to the extent required by federal securities laws, we undertake no obligation to publicly release the result of any revisions to any forward-looking statements to reflect events or circumstances after the date the statements are made, or to reflect the occurrence of unanticipated events.

McKESSON CORPORATION

Available Information

We routinely post on our company website, and via our social media channels, information that may be material to investors, including details and updates to information disclosed elsewhere, which may include business developments, earnings and financial performance, sustainability matters, details regarding upcoming events, and materials for presentations to investors and financial analysts. Investors are encouraged to monitor our website www.mckesson.com. Interested parties can sign up on our website, including our Investor Relations site, to receive automated e-mail alerts, such as via RSS newsfeed, when we post certain information. Interested parties can also follow our social media feed @McKesson on X, formerly known as Twitter. The content on any website or social media channel is not incorporated by reference into this report, unless expressly noted otherwise.

Item 1A. Risk Factors.

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The discussion below identifies certain representative risks that might cause our actual business results to materially differ from our estimates. It is not practical to identify or describe all risks and uncertainties that might materially impact our business operations, reputation, financial position, or results of operations. Our business could be materially affected by risks that we have not yet identified or that we currently consider to be immaterial. This is not a complete discussion of all potential risks and uncertainties.

Litigation and Regulatory Risks

We experience costly and disruptive legal disputes.

We are routinely named as a defendant in litigation or regulatory proceedings and other legal disputes, which may include asserted class action litigation, such as those described in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report. Regulatory proceedings involve allegations such as false claims, healthcare fraud and abuse, and antitrust violations. Civil litigation proceedings involve commercial, employment, environmental, intellectual property, tort, and other claims. Despite valid defenses that we assert, legal disputes are often costly, time-consuming, distracting to management, and disruptive to normal business operations. The uncertainty and expense associated with unresolved legal disputes might harm our business and reputation even if the matter ultimately is favorably resolved. The outcome of legal disputes is difficult to predict, and outcomes may occur that we believe are not justified by the evidence or existing law. Outcomes include monetary damages, penalties and fines, and injunctive or other relief that requires us to change our business operations and incur significant expense. Accordingly, legal disputes might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

We experience losses not covered by insurance or indemnification.

Our business exposes us to risks that are inherent in the distribution, manufacturing, dispensing, and administration of pharmaceuticals and medical-surgical supplies, the provision of ancillary services, the conduct of our payer businesses, practice support services, and the provision of products that assist clinical decision-making and relate to patient medical histories and treatment plans. For example, pharmacy operations are exposed to risks such as improper filling of prescriptions, mislabeling of prescriptions, inadequacy of warnings, unintentional distribution of counterfeit drugs, and expiration of drugs. Although we seek to maintain adequate insurance coverage, such as property insurance for inventory and professional and general liability insurance, coverages on acceptable terms might be unavailable, or coverages might not cover our losses. We generally seek to limit our contractual exposure, but limitations of liability or indemnity provisions in our contracts may not be enforceable or adequately protect us from liability. Uninsured or non-indemnified losses might have a materially adverse impact on our business operations and our financial position or results of operations.

We experience costly legal disputes, government actions, and adverse publicity regarding our role in distributing controlled substances such as opioids.

The Company is a defendant in many litigation matters alleging claims related to the distribution of controlled substances (opioids), as described in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements in this Annual Report. We are sometimes named as a defendant in similar, new cases. The plaintiffs in those cases include governmental entities (such as states, provinces, counties, and municipalities) as well as businesses, groups, and individuals. The cases allege violations of controlled substance laws and other laws, and they make common law claims such as negligence and public nuisance. Many of these cases raise novel theories of liability and can have unexpected outcomes that we believe are not justified by evidence or existing law. Legal proceedings such as these often involve significant expense, management time and distraction, and risk of loss that can be difficult to predict or quantify. It is not uncommon for claims to be resolved over many years. Outcomes include monetary damages, penalties and fines, and injunctive or other relief that requires us to change our business operations and incur significant expense. Although the Company has valid defenses and is vigorously defending itself, some proceedings have been, and others may be, resolved by negotiated outcome. For example, we are subject to consent decrees issued by state courts that govern our distribution of controlled substances. Not all proceedings, however, are resolved by settlement. Our reputation has been and may continue to be impacted by publicity regarding opioids litigation and related allegations. An adverse outcome of any such legal proceedings might have a materially adverse impact on our business operations and our financial position or results of operations.

We experience increased costs to distribute controlled substances such as opioids.

Legislative, regulatory, or industry measures related to the distribution of controlled substances such as prescription opioids could affect our business in ways that we may not be able to predict. For example, some states have passed legislation that could require us to pay taxes or assessments on the distribution of opioid medications in those states and other states have considered similar legislation. Liabilities for taxes or assessments or other costs of compliance under any such laws might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

We are subject to extensive, complex, and challenging healthcare, environmental, and other laws.

As described in "Government Regulation" in Item 1 of Part I above, our industry is highly regulated, and further regulation of our distribution businesses, technology products, and services could impose increased costs, negatively impact our profit margins and the profit margins of our customers, delay the introduction or implementation of our new products, or otherwise negatively impact our business and expose the Company to litigation and regulatory investigations. We incur cleanup costs under environmental laws and may incur additional costs under environmental laws. Additionally, we are subject to various routine and ad hoc inspections and requests for information by governmental agencies to determine compliance with various statutes and regulations. Any noncompliance by us with applicable laws, or the failure to maintain, renew, or obtain necessary permits and licenses, could lead to enforcement actions or litigation and might have a materially adverse impact on our business operations and our financial position or results of operations.

We are subject to extensive and frequently changing laws relating to healthcare fraud, waste, and abuse.

As described in "Government Regulation" in Item 1 of Part I above, federal, state, and local governmental entities in the U.S. and elsewhere continue to strengthen their position on, and scrutiny of, practices that may indicate fraud, waste, and abuse affecting government healthcare programs such as Medicare and Medicaid. Those laws may be interpreted or applied in a manner that could require us to make changes in our operations at added expense. Alleged failures to comply with those laws, including the federal Anti-Kickback Statute, expose us to federal or state government investigations or qui tam actions, and to liability for damages and civil and criminal penalties. Such failures might result in the loss of licenses or our ability to participate in Medicare, Medicaid, or other federal and state healthcare programs, or pursue government contracts. These sanctions might have a materially adverse impact on our business operations and our financial position or results of operations.

We might lose our ability to purchase, store, or distribute pharmaceuticals, including controlled substances, and medical products.

As described in "Government Regulation" in Item 1 of Part I above, we are subject to the operating, quality, regulatory, and security requirements of the DEA, the FDA, various state boards of pharmacy, state health departments, CMS, and other agencies. Noncompliance with these requirements can result in inspectional observations, warning letters, product recalls, withdrawals or other market action, fines, seizures, injunctions, and other administrative, civil, and criminal enforcement actions. Noncompliance, enforcement actions or adverse decisions by regulators, or the inability to obtain, maintain, or renew permits, licenses, or other regulatory approvals needed for the operation of our businesses might have a materially adverse impact on our reputation, our business operations and our financial position or results of operations.

Privacy, cybersecurity, data protection, and AI laws increase our compliance burden.

As described in "Government Regulation" in Item 1 of Part I above, we are subject to a variety of privacy, cybersecurity, data protection, and AI laws that change frequently and have requirements that vary from jurisdiction to jurisdiction. Failure to comply with these laws subjects us to potential regulatory enforcement activity, fines, private litigation including class actions, reputational impacts, and other costs. We also have contractual obligations that might be breached if we fail to comply with privacy and data security laws. The use of AI solutions by our employees or third parties on which we rely could also lead to the misuse of data or public disclosure of confidential information (including personal data or proprietary information) in contravention of our internal policies, applicable laws, contractual requirements, or third-party intellectual property rights. Our efforts to comply with privacy, data security, and AI laws complicate our operations and add to our costs. A significant cybersecurity and/or privacy breach or failure to comply with privacy and data security laws, by us or by external service providers, vendors, or other third parties with which we do business, might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

Anti-bribery and anti-corruption laws increase our compliance burden.

We are subject to laws prohibiting improper payments and bribery, including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and similar regulations in other jurisdictions. Our failure to comply with these laws might subject us to civil and criminal penalties that might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

Company and Operational Risks

We might record significant charges from impairment to goodwill, intangibles, and other long-lived assets.

We are required under U.S. Generally Accepted Accounting Principles ("GAAP") to test our goodwill for impairment annually or more frequently if indicators for potential impairment exist. Indicators that are considered include significant changes in performance relative to expected operating results, significant changes in the use of the assets, significant negative industry or economic trends, or a significant decline in the Company's stock price and/or market capitalization for a sustained period of time. In addition, we periodically review our intangible and other long-lived assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Factors that may be considered a change in circumstances indicating that the carrying value of our intangible and other long-lived assets may not be recoverable include slower growth rates, the loss of a significant customer, burdensome new laws or other adverse legal developments, or divestiture of a business or asset for less than its carrying value. There are inherent uncertainties in management's estimates, judgments, and assumptions used in assessing recoverability of goodwill, intangibles, and other long-lived assets. Any material changes in key assumptions, including failure to meet business plans, negative changes in government reimbursement rates, a deterioration in the U.S. and global financial markets, an increase in interest rates, an increase in inflation, or an increase in the cost of equity financing by market participants within the industry, or other unanticipated events and circumstances, may decrease the projected cash flows or increase the discount rates and could potentially result in an impairment charge. We have in the past recorded, and may be required to record, a significant charge to earnings in our consolidated financial statements during the period in which any impairment of our goodwill or intangible and other long-lived assets is determined, which might have a materially adverse impact on our business operations and our financial position or results of operations. See Financial Note 10, "Goodwill and Intangible Assets," for descriptions of impairments of goodwill or intangible or other long-lived assets in recent periods.

We experience cybersecurity incidents that might significantly compromise our technology systems or might result in material data breaches.

We, our external service providers, vendors, and other third parties with which we do business, use technology and systems to perform our business operations, such as the secure electronic transmission, processing, storage, and hosting of sensitive information, including protected health information and other types of personal information, confidential financial information, proprietary information, and other sensitive information relating to our customers, company, and workforce. Despite our physical, technical, and administrative security measures as well as third party risk management processes as discussed in "Cybersecurity" in Item 1C of Part I below, technology systems and operations of the Company and third parties, including our external service providers and vendors, with which we do business, have experienced cybersecurity incidents and are subject to future cyberattacks and cybersecurity incidents. Companies in the healthcare industry are increasingly targeted for cyberattacks. Cybersecurity incidents include unauthorized occurrences on or conducted through our or our third parties' information systems, such as tampering, malware insertion, ransomware attacks, or other system integrity events. The risk and efficacy of cyberattacks increases from time to time due to a variety of internal and external factors, including, but not limited to, the adoption of sophisticated and rapidly evolving techniques, such as adversarial AI, and during political or military unrest. Our adoption of AI also may create new attack surfaces or methods and generally increase cybersecurity and data protection risks and costs. A cybersecurity incident might involve a material data breach or other material impact to the confidentiality, integrity, availability, and operations of our technology systems or data, which might result in harm to patients, consumers, or employees; litigation or regulatory action; disruption of our business operations; loss of customers or revenue; cash flow impacts; and increased expense. Additionally, it may take considerable time for us to investigate and evaluate the full impact of incidents, particularly for sophisticated attacks. These factors may inhibit our ability to provide prompt, full, and reliable information about the incident to our customers, regulators, and the public. Any cybersecurity incident might have a materially adverse impact on our business, our operations, our reputation, and our financial position or results of operations.

We experience significant problems with information systems or networks.

We rely on sophisticated information systems and networks to perform our business operations, such as to obtain, rapidly process, analyze, and manage data that facilitate the purchase and distribution of thousands of inventory items from distribution centers. We provide remote services that involve hosting customer data and operating software on our own or third-party systems. Our customers rely on their ability to access and use these systems, and their data, as needed, and our ability to compete effectively is increasingly dependent on access to, and interpretation of, data. Data quality impacts customer ordering, order fulfillment and higher order processing. If we fail to effectively implement and maintain data governance structures across our businesses, to effectively interpret and utilize such data, or protect the integrity of such data, including systems

powered by or incorporating AI and machine learning, our operations could be impacted, and we may be at a competitive disadvantage. Our networks and hosting systems are also vulnerable to interruption or damage from sources beyond our control. When those information systems or networks are disrupted, or if the timely delivery of medical care or other customer business requirements are impaired, we experience injury to patients or consumers, litigation or regulatory action, disruption of our business operations, loss of customers or revenue, cash flow impacts, and increased expense. In addition, hardware, software, and other applications and updates procured from third parties may contain defects that have, or may in the future, unexpectedly restrict access to or interfere with the proper operations of our information systems and hardware. Any such problems might have a materially adverse impact on our business, our reputation, and our financial position or results of operations.

Our technology products or services might not conform to specifications or perform as we intend.

We sell and provide services involving complex software and technology that may contain errors, especially when first introduced to market. Healthcare professionals delivering patient care tend to have heightened sensitivity to system and software errors. If our software and technology services are alleged to have contributed to faulty clinical decisions, compromised continuity of patient care, or injury to patients, we might be subject to regulatory scrutiny or, claims by users of our software or services and/or their patients. Errors or failures might damage our reputation and negatively affect future sales. A failure of a system or software to conform to specifications might constitute a breach of warranty that could result in repair costs, contract termination, refunds, or claims for damages. These risks can be heightened upon the adoption of new technologies, including AI, and may introduce new or expanded risks, such as data inaccuracy, unreliability, or bias. Any of these types of errors or failures might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

Pharmaceutical and medical products that we distribute might not conform to specifications or perform as intended.

We distribute pharmaceutical, medical, and other FDA-regulated products manufactured by third parties and by our private label businesses, including medications that may be temperature sensitive or have limited shelf lives. Our systems and procedures are designed to maintain the safety and efficacy of the products throughout the sourcing and distribution process. Issues affecting product safety or efficacy can arise from manufacturing, storing, distributing, dispensing or using products, and can result in adverse consequences such as safety alerts, seizures, bans, recalls, withdrawals or other market action, suspensions, and other regulatory actions and sanctions, civil lawsuits, increased costs, disruptions, delays, and reputational damage. Any of these types of issues or results might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

We might not realize expected benefits from business process initiatives.

From time to time, we implement restructuring, cost reduction, or other business process initiatives that result in significant charges and expenses. These initiatives might fail to achieve our desired objectives or have unintended consequences such as distraction of our management and employees, business disruption, attrition beyond any planned reduction in workforce, inability to attract or retain key personnel and reduced employee productivity. Any of these risks might have a materially adverse impact on our business operations and our financial position or results of operations.

We might be unable to successfully complete or integrate acquisitions or other strategic transactions.

Our growth strategy includes consummating acquisitions or other strategic transactions that either expand or complement our business. To fund these strategic transactions, we may require financing that may not be available on acceptable terms. We may not receive governmental approvals needed to complete proposed transactions, or such approvals may be subject to delays or conditions that reduce transaction benefits. Achieving the desired outcomes of these strategic transactions involves significant risks including: diverting management's attention from other business operations; challenges with assimilating the acquired businesses, such as integration of operations, systems, and technologies; failure or delay in realizing operating synergies; difficulty retaining key acquired company personnel; unanticipated accounting or financial systems issues with the acquired business, which might affect our internal controls over financial reporting; disputes with the sellers of acquired businesses; unanticipated compliance issues in the acquired business; unknown or unanticipated cybersecurity issues; challenges retaining customers of the acquired business; unanticipated expenses or charges to earnings, including depreciation and amortization or potential impairment charges; and risks of known and unknown assumed liabilities in the acquired business. These risks at times have adversely affected, and could in the future adversely affect, our ability to achieve the anticipated benefits of an acquisition, and might have a materially adverse impact on our business operations and our financial position or results of operations.

From time to time we are adversely impacted by delays or other difficulties with divestitures.

When we decide to sell or otherwise divest assets or a business, we may encounter difficulty in finding buyers or exit strategies on acceptable terms or in a timely manner, which could delay the achievement of our strategic objectives. After the disposition, we might experience greater dissynergies than expected, and the impact of the divestiture on our revenue or profit might be larger than we expected. We might have difficulties with pre-closing conditions such as governmental approvals, which could delay or prevent the divestiture. We might have financial exposure in a divested business, such as through minority equity ownership, financial or performance guarantees, indemnities, or other obligations, such that conditions outside of our control might negate the expected benefits of the disposition. Any of these risks could adversely affect our ability to achieve the anticipated benefits of a divestiture and might have a materially adverse impact on our business operations and our financial position or results of operations.

We might not realize the expected tax treatment from our split-off of Change Healthcare.

On March 10, 2020, the Company completed a separation of its interest in Change Healthcare LLC ("Change Healthcare JV"). The divestiture was effected through the split-off of PF2 SpinCo, Inc. ("SpinCo"), a wholly owned subsidiary of the Company that held all of the Company's interest in the Change Healthcare JV, to certain of the Company's stockholders through an exchange offer (the "Exchange Offer"), followed by a merger of SpinCo with and into Change Healthcare Inc. ("Change"), with Change surviving the merger (the "Merger" and, together with the Exchange Offer, the "Transactions"). The Company received an opinion from outside legal counsel to the effect that the Transactions qualified as generally tax-free transactions to the Company and its shareholders for U.S. federal income tax purposes. An opinion of legal counsel is not binding on the Internal Revenue Service (the "IRS") or the courts, and the IRS or the courts may not agree with the intended tax-free treatment of the Transactions. In addition, the opinion could not be relied upon if certain assumptions, representations, and undertakings upon which the opinion was based are materially inaccurate or incomplete, or are violated in any material respect. If the intended tax-free treatment of the Transactions is not sustained, the Company and its stockholders who participated in the Transactions may be required to pay substantial U.S. federal income taxes. In connection with the Transactions, the Company, SpinCo, Change, and the Change Healthcare JV entered into the Tax Matters Agreement, which governs their respective rights, responsibilities, and obligations with respect to tax liabilities and benefits, tax attributes, tax contests, and other tax sharing regarding U.S. federal, state, and local, and non-U.S. taxes, other tax matters, and related tax returns. Under the Tax Matters Agreement, Change is required to indemnify the Company if the Transactions become taxable as a result of certain actions by Change or SpinCo, or as a result of certain changes in ownership of the stock of Change after the Merger. If Change does not honor its obligations to indemnify the Company, or if the Transactions fail to qualify for the intended tax-free treatment for reasons not related to a disqualifying action by Change or SpinCo, the resulting tax to the Company could have a significant adverse effect on our financial position or results of operations.

We might be adversely impacted by outsourcing or similar third-party relationships.

We rely on third parties to perform certain business and administrative functions for us. We might not adequately develop, implement, and monitor these outsourced service providers, and we might not realize expected cost savings or other benefits. Third-party service providers experience cybersecurity incidents and other disruptions and can fail to perform their obligations due to various causes, which might cause us to incur operational difficulties, additional compliance requirements, or increased costs related to outsourced services. For example, our ability to use outsourcing resources in certain jurisdictions might be limited by legislative action or customer contracts, with the result that the work must be performed at greater expense or we may be subject to sanctions for non-compliance. Any of these risks might have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

We may be unsuccessful in achieving our strategic growth objectives.

Our business strategy as a diversified healthcare services company includes investing to build an integrated oncology and specialty care platform and expand our biopharma services business. Our ability to grow those businesses will depend on our: hiring and retaining talented individuals with necessary knowledge and skills; acquiring, developing, and implementing new technologies and capabilities, including AI; forming and expanding business relationships; and successfully competing against providers of similar services. New technologies, such as AI, may not result in the benefits we anticipate, may not enable us to maintain a competitive advantage, and may require us to expend significant resources. We have increased, and expect to continue to increase, our use of AI technology. The AI technologies we employ may become obsolete earlier than planned or we may be unsuccessful at realizing the benefits of these investments. Additionally, some of our historical competitors and a growing number of new competitive entrants have more experience than we do in enabling technologies such as data analytics, machine learning, or AI. We may not achieve our desired return on our investments through our growth strategies. If we fail to achieve acceptable sales and profitability in our strategic growth areas, it might have a materially adverse impact on our business prospects and our financial position or results of operations.

We are impacted by customer purchase reductions, contract non-renewals, payment defaults, and bankruptcies.

Some of our customers from time to time reduce the amounts they purchase from us, do not renew their purchase contracts with us, renew their purchase contracts at less favorable terms, delay or default on their payments to us, or avoid payments to us through bankruptcy proceedings. At March 31, 2025, sales to our largest customer represented approximately 24% of our total consolidated revenues and approximately 23% of our total trade receivables, and those of our ten largest customers combined accounted for approximately 72% of our consolidated revenues and approximately 48% of our trade receivables. Refer to "Other Information about the Business" in Item 1 of Part I above for additional details on our customers. One or more customer purchase reductions, contract non-renewals, renewals at less favorable terms, payment defaults, or bankruptcies might have a materially adverse impact on our business operations and our financial position or results of operations.

Our contracts with governmental entities involve future funding and compliance risks.

Our contracts with governmental entities are subject to risks such as lack of funding and compliance with unique requirements. For example, government contract purchase obligations are typically subject to the availability of funding, which may be eliminated or reduced. In addition, the future volume of products or services purchased by a government customer is often uncertain. Our government contracts might not be renewed or might be terminated for convenience with little prior notice. They might be modified with less favorable terms. Government contracts typically expose us to higher potential liability than do other types of contracts. In addition, government contracts typically are subject to procurement laws that include socio-economic, employment practices, environmental protection, recordkeeping and accounting, and other requirements. For example, our contracts with the U.S. government generally require us to comply with the Federal Acquisition Regulation, Procurement Integrity Act, Buy American Act, Trade Agreements Act, and other laws and requirements. New or revised laws, requirements, and policies, or changes in the interpretation of existing laws, requirements, and policies, could adversely affect our business and competitiveness and increase our compliance costs. We are subject to government audits, investigations, and oversight proceedings. Governmental agencies routinely review and audit government contractors to determine whether they are complying with contractual and legal requirements. If we fail to comply with these requirements, or we fail an audit, we may be subject to various sanctions such as monetary damages, criminal and civil penalties, termination of contracts, and suspension or debarment from government contract work. These requirements complicate our business and increase our compliance burden. The occurrence of any of these risks could harm our reputation and might have a materially adverse impact on our business operations and our financial position or results of operations.

We might be harmed by changes in our relationships or contracts with suppliers.

We attempt to structure our distribution agreements with manufacturers to ensure that we are appropriately and predictably compensated for the services we provide. Certain distribution agreements with manufacturers include product price inflation as a component of our consideration, and we cannot control the frequency or magnitude of price changes. Laws limiting or reducing product prices, and changes to manufacturers' pricing policies or practices as a result of changing laws, impact our distribution agreements. We might be unable to renew distribution agreements with manufacturers in a timely and favorable manner. Any of these risks might have a materially adverse impact on our business operations and our financial position or results of operations.

We might infringe intellectual property rights or our intellectual property protections might be inadequate.

We believe that our products and services do not infringe the proprietary rights of third parties, but third parties have asserted infringement claims against us and may do so in the future. If a court were to hold that we infringed other's rights, we might be required to pay substantial damages, develop non-infringing products or services, obtain a license, stop selling or using the infringing products or services, or incur other sanctions. We rely on trade secret, patent, copyright, and trademark laws, nondisclosure obligations, and other contractual provisions and technical measures to protect our proprietary rights in our products and solutions. We might initiate costly and time-consuming litigation to protect our trade secrets, to enforce our patent, copyright, and trademark rights, and to determine the scope and validity of the proprietary rights of others. Our intellectual property protection efforts might be inadequate to protect our rights. Our competitors might develop non-infringing products or services equivalent or superior to ours. Any of these risks might have a materially adverse impact on our business operations and our financial position or results of operations.

Our use of third-party data is subject to risks and limitations that could impede the growth of our data services business.

We attempt to structure our processes to satisfy contractual and other operative data usage rights and limitations associated with customers, industry partners, and other third-party data flowing through our businesses. These rights and limitations can apply to confidential commercial data and personal data provided to us. Failure to satisfy these data usage rights and limitations can lead to legal claims such as contractual breaches or data protection and privacy law violations. If a court were to hold that our use of data is not consistent with our rights and limitations, we might be required to pay substantial damages; we might need to stop using, sharing, and/or selling certain products and services; or we might incur other financial, legal, and/or reputational consequences. In addition, we might be unable to negotiate and/or obtain at an acceptable cost the data usage rights needed to advance our data strategy growth and AI objectives. Any of these risks might have a materially adverse impact on our business operations and our financial position or results of operations.

We might be unable to successfully recruit and retain qualified employees.

Our ability to attract, engage, develop, and retain qualified and experienced employees, including key executives and other talent, is essential for us to meet our objectives. We compete with many other businesses to attract and retain employees. Competition among potential employers results in increased salaries, benefits, or other employee-related costs, or in our failure to recruit and retain employees. We may experience sudden loss of key personnel due to a variety of causes, such as illness; and although we must adequately plan for timely succession of key management roles, our succession plans might not be effective, and employees might not successfully transition into new roles. Any of these risks might have a materially adverse impact on our business operations and our financial position or results of operations.

Industry and Economic Risks

We might be adversely impacted by healthcare reform such as changes in pricing and reimbursement models.

Many of our products and services are designed to function within the structure of current healthcare financing and reimbursement systems. The healthcare industry and related government programs are changing. Some of these changes increase our risks and create uncertainties for our business.

For example, some changes in reimbursement methodologies (including government rates) for pharmaceuticals, medical treatments, and related services reduce profit margins for us and our customers and impose new legal requirements on healthcare providers. Those changes have included cuts in Medicare and Medicaid reimbursement levels, changes in the bases for payments, shifts from fee-for-service pricing towards value-based payments and risk-sharing models, and increases in the use of managed care.

In the U.S., the ACA significantly expanded health insurance coverage to uninsured Americans and changed the way healthcare is financed by both governmental and private payors. Enactment of the IRA and its implementation over the next several years is anticipated to bring meaningful changes in how Medicare pays for drugs and various benefit design changes, which are all intended to reduce the price of drugs. Three central features of the IRA authorize the government to negotiate drug prices for certain Parts B and D drugs over time, establish an inflationary rebate program, and cap patient cost sharing under Medicare Part D. The implementation of these and other features of the IRA may result in significant changes to the pharmaceutical value chain as manufacturers, pharmacy benefit managers, managed care organizations, and other industry stakeholders look to implement new transactional flows and adapt their business models. Any such changes to arrangements involving our business as a result of this legislation, such as changes to our distribution agreements with manufacturers impacted by the IRA, may materially affect our business. The extent of the effects of the IRA remains uncertain due to a number of factors, including the potential for future regulations and guidance promulgated by HHS to implement provisions of the IRA. We continue to evaluate the impact of this law on our business.

Private challenges to government healthcare policy may also have significant impacts on our business. For example, many pharmaceutical manufacturers have unilaterally restricted sales under the Public Health Service's 340B Drug Pricing Program (the "340B program") to contract pharmacies. The 340B program requires manufacturers to offer discounts on certain drugs purchased by "covered entities," which include safety-net providers. The Health Resources and Services Administration ("HRSA") has taken the position that a covered entity may dispense such discounted drugs through multiple contract pharmacies. Starting in 2020, some manufacturers began to restrict such practices. Certain manufacturers and HHS continue to litigate these issues. The U.S. Courts of Appeal for the Third and D.C. Circuits have ruled that Section 340B of the Public Health Service Act does not require manufacturers to provide discounted drugs to an unlimited number of contract pharmacies. The U.S. Court of Appeals for the Seventh Circuit also is addressing this issue but has not yet ruled. Separately, several entities have filed lawsuits against HHS and HRSA related to the proposed implementation of rebate models to effectuate 340B pricing. Any changes to our arrangements that result from the rulings in these cases might have an adverse impact on our business.

Provincial governments in Canada that provide partial funding for the purchase of pharmaceuticals and independently regulate the sale and reimbursement of drugs have sought to reduce the costs of publicly funded health programs. For example, provincial governments have taken steps to reduce consumer prices for generic pharmaceuticals and, in some provinces, change professional allowances paid to pharmacists by generic manufacturers.

Although there is substantial uncertainty about the likelihood, timing, and results of these health reform efforts and challenges, their implementation or outcome might have a materially adverse impact on our business operations and our financial position or results of operations.

We are adversely impacted by competition and industry consolidation.

Our businesses face a highly competitive global environment with strong competition from international, national, regional, and local full-line, short-line, and specialty distributors, service merchandisers, self-warehousing chain drug stores, manufacturers engaged in direct distribution, third-party logistics companies, and large payer organizations. In addition, our businesses face competition from various other service providers and from pharmaceutical and other healthcare manufacturers as well as other potential customers, which may from time to time decide to develop, for their own internal needs, supply management capabilities that might otherwise be provided by our businesses. We also may face competition from companies that move faster to adopt emerging technologies. Due to consolidation, a few large suppliers control a significant share of the pharmaceuticals market. This concentration reduces our ability to negotiate favorable terms with suppliers and causes us to depend on a smaller number of suppliers. Many of our customers, including healthcare organizations, have consolidated or joined group purchasing organizations and have greater power to negotiate favorable prices. Consolidation by our customers, suppliers, and competitors might reduce the number of market participants and give the remaining enterprises greater bargaining power, which might lead to erosion in our profit margin. Consolidation might increase counterparty credit risk because credit purchases increase for fewer market participants. Consolidation also might affect our ability to achieve our growth objectives through acquisitions and other strategic transactions. These competitive pressures and industry consolidation might have a materially adverse impact on our business operations and our financial position or results of operations.

From time to time we have difficulties in sourcing or selling products due to a variety of causes and are adversely impacted by disruptions or changes in product supply.

We rely on third parties for the supply of pharmaceutical and other products, and our operations are subject to our suppliers' continued ability to supply the products that we require. From time to time, we experience difficulties and delays in

sourcing and selling products due to a variety of causes that result in suppliers' failure to satisfy production demand. Among these causes are suppliers' challenges in complying with legal requirements (including product and production quality standards), access to raw materials, inputs, and finished goods, manufacturing shutdowns, and operational and systems difficulties. Supply disruptions also arise from other factors beyond our control, such as product rationalization; government actions or policies (including trade sanctions, tariffs and other trade restrictions, as well as the requisition, diversion, or allocation of inventory); shifts in customer or societal demand for products; labor disputes or shortages; ethical sourcing issues; supplier financial distress; natural disasters and weather-related events; civil unrest; military conflicts; and epidemics or pandemics. In these types of situations, our alternative sourcing efforts are not always fully successful. We might experience extended delays or incur higher sourcing costs or suffer harm to our customer relationships and reputation. Furthermore, changes in the healthcare industry's or our suppliers' pricing, selling, inventory, distribution, or supply policies or practices could significantly reduce our revenues and net income. Any of these disruptions or changes might have a materially adverse impact on our business operations and our financial position or results of operations.

We are adversely impacted as a result of our distribution of generic pharmaceuticals.

Our generic pharmaceuticals distribution business is subject to both product availability and pricing risks. We might experience disruptions in our supply of generic pharmaceuticals. We have been impacted when, due to regulatory and supply chain challenges, our supplier partners are not able to deliver products that we have committed to source from them. Input cost increases, product discontinuations, and market shortages could result in ClarusONE, our joint venture with Walmart Inc., being unsuccessful in sourcing product to meet the needs of our customers, or could negatively impact our margin. Generic drug manufacturers offer a generic version of branded pharmaceuticals and routinely challenge the validity or enforceability of branded pharmaceutical patents in order to launch the drug pre- or post-loss of exclusivity. Patent holders have asserted infringement claims against us for distributing those generic versions they believed to have infringed a patent, and the generic drug manufacturers may not fully indemnify us against such claims. These risks and outcomes, as well as changes in the nature, frequency, or magnitude of generic pharmaceutical launches, might have a materially adverse impact on our business operations and our financial position or results of operations.

We are adversely impacted by changes in the economic environments in which we operate, including from inflation, an economic slowdown, a recession, or fluctuations in foreign currency exchange rates.

Inflationary conditions result in increased costs associated with our normal business operations and decreased levels of consumer commercial spending and, to the extent we are not able to offset such cost increases from our suppliers, increase the costs which we incur to purchase inventories and services. Inflationary pressure is increased by factors such as supply chain disruptions, labor market tightness, actual or announced tariffs, government policies, interest rate changes, and foreign exchange rate changes. An economic slowdown or a recession could also reduce the prices our customers are able or willing to pay for our products and services and reduce the volume of their purchases. In addition to rising inflation, rising interest rates, the impact of banking failures or perceived failures and related contagion, consumer sentiment, political circumstances, military conflicts, and civil unrest may contribute to recessionary pressure. Our non-U.S. operations, import and export of products sold in non-U.S. dollar (USD) denominations, non-USD intercompany loans, and our substantial international net assets also expose us to foreign currency exchange rate risk. Changes in the economic environments in which we operate might have a materially adverse impact on our business operations and our financial position or results of operations.

Changes affecting capital and credit markets might impede access to credit, increase borrowing costs, and disrupt banking services for us and our customers and suppliers and might impair the financial soundness of our customers and suppliers.

Volatility and disruption in global capital and credit markets, including the bankruptcy or restructuring of certain financial institutions, reduced lending activity by financial institutions, reduced creditworthiness of our customers or suppliers, or decreased liquidity and increased costs in the commercial paper market, might adversely affect the borrowing ability and cost of borrowing for us and our customers and suppliers. Credit rating agencies regularly review our credit and rate our outstanding debt; and any downgrades in our credit ratings might limit our access to public debt markets, decrease financial institutions willingness to lend to us, lead to more restrictive debt covenants, increase our borrowing costs, and adversely affect our earnings. We generally sell our products and services under short-term unsecured credit arrangements. An adverse change in general or entity-specific economic conditions or access to capital might cause our customers to reduce their purchases from us, or delay payments, or fail to pay amounts, owed to us. Suppliers might increase their prices, reduce their output, or change their terms of sale due to limited availability of credit. Suppliers might be unable to make payments due to us for fees, returned products, or incentives. Interest rate increases or changes in capital market conditions, including as a result of macroeconomic

events, might impede our or our customers' or suppliers' ability or cost to obtain credit. Any of these risks might have a materially adverse impact on our business operations and our financial position or results of operations.

We might be adversely impacted by tax legislation or challenges to our tax positions.

We are subject to the tax laws in the U.S. at the federal, state, and local government levels and to the tax laws of other jurisdictions in which we operate or sell products or services. Tax laws might change in ways that adversely affect our tax positions, effective tax rate, and cash flow. The tax laws are extremely complex and subject to varying interpretations. For example, the European Union and other countries (including countries in which we operate) have committed to enacting changes to numerous long-standing tax principles impacting how large multinational enterprises are taxed. In particular, the Organization for Economic Co-operation and Development's Pillar Two initiative introduces a 15% global minimum tax applied on a country-by-country basis which many jurisdictions have enacted or committed to enact. The impact of these new and potential regulations as well as any other changes in domestic and international tax regulations could have a material effect on our effective tax rate. We are subject to tax examinations in various jurisdictions that might assess additional tax liabilities against us. Our tax reporting positions are sometimes challenged by relevant tax authorities, we might incur significant expense in our efforts to defend those challenges, and we might be unsuccessful in those efforts. Developments in examinations and challenges might materially change our provision for taxes in the affected periods and might differ materially from our historical tax accruals. Any of these risks might have a materially adverse impact on our business operations, our cash flows, and our financial position or results of operations.

General Risks

Conditions and events outside of our control, such as widespread public health issues, natural disasters, and geopolitical factors adversely impact our business operations and our financial position or results of operations.

From time to time we are adversely affected by conditions and events outside of our control, including: widespread public health issues such as epidemic or pandemic infectious diseases; natural disasters and other catastrophic events such as earthquakes, floods, or severe weather; and geopolitical factors such as terrorism, military conflicts, civil unrest, political circumstances (including changes in international relations), changes or uncertainty in government policies (including with respect to U.S. or international trade), actual or announced tariffs or other trade restrictions, or changes in laws or their interpretation. These conditions and events can disrupt operations for us, our suppliers, our vendors, and our customers, as well as impair product manufacturing, supply, and transport availability and cost in unpredictable ways that depend on highly uncertain future developments. They might affect consumer confidence levels and spending or the availability of certain goods, commodities, raw materials, and other inputs. In response to these types of conditions and events, we might seek alternate sources for product supply, incur additional sourcing or distribution costs, suspend operations, implement extraordinary procedures, or suffer consequences that are unexpected and difficult to mitigate. For example, recently imposed or announced U.S. tariffs, as well as any retaliatory tariffs or other trade restrictions imposed by other countries, might require us to incur substantial additional sourcing costs, raise prices on certain products, or seek alternate supply sources. If we are unable to effectively manage or offset the impact of new tariffs or other trade restrictions, or find alternate sources of supply, we might be competitively disadvantaged or experience reduced profit margins or supply disruptions. Further, we might suffer harm to our customer relationships. Any of the foregoing risks might have a materially adverse impact on our business operations and our financial position or results of operations.

We may be adversely affected by global climate change or by regulatory or market responses to such change.

The long-term effects of climate change are difficult to predict and may be widespread. The impacts may include physical risks (such as rising sea levels or frequency and severity of extreme weather conditions), social and human effects (such as population dislocations or harm to health and well-being), compliance costs and transition risks (such as regulatory or technology changes), costs for critical services (such as transportation costs), and other adverse effects. The effects could impair, for example, the availability and cost of certain products, commodities, transportation, and energy (including utilities), which in turn may impact our ability to procure goods or services, and transport those goods, required for the operation of our business at the quantities and levels we require. We bear losses incurred as a result of, for example, physical damage to or destruction of our facilities (such as distribution or fulfillment centers), loss or spoilage of inventory due to unusual ambient temperatures, and business interruption due to weather events that may be attributable to climate change. These risks might have a materially adverse impact on our business operations and our financial position or results of operation.

Evolving expectations and regulatory requirements related to governance and sustainability matters may damage our reputation and have an adverse effect on our business, financial condition, and results of operations.

Investors, regulators, employees, customers, and other stakeholders continue to focus on companies' governance and sustainability ("G&S") practices and policies, including those related to human capital management, climate change, environmental responsibility, and social impact. Given the varied and at times divergent views of different stakeholder groups, any action or inaction by us with respect to G&S matters may be perceived negatively by some stakeholders. Furthermore, the G&S regulatory landscape is evolving and uncertain. New or revised laws and policies, or changes in the interpretation of existing laws and policies, could increase our compliance costs and expose us to legal risks. From time to time, we make statements regarding our sustainability goals. Although we intend to meet these goals, we may be required to expend significant resources to do so, which could impose costs on us. In addition, we could be criticized for the scope or nature of these goals, or for any revisions to our goals. Moreover, we may determine that it is in the best interests of the Company and our stockholders to prioritize other business investments over the achievement of our sustainability goals based on various factors such as our business strategy, technological and regulatory developments, industry standards, and input or pressure from stakeholders. If our G&S practices or outcomes do not align with stakeholder expectations or evolving regulatory requirements, our reputation, stock price, ability to access capital markets, and employee recruitment and retention efforts might be negatively affected. We also could face litigation or government action. Any of the foregoing risks might have a materially adverse impact on our business, financial condition, and results of operations.

Exclusive forum provisions in our Bylaws could limit our stockholders' ability to choose their preferred judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated bylaws provide that, unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for specified legal actions is the Court of Chancery of the State of Delaware or the United States District Court for the District of Delaware if the Court of Chancery does not have or declines to accept jurisdiction (collectively, "Delaware Courts"). Current and former stockholders are deemed to have consented to the personal jurisdiction of the Delaware Courts in connection with any action to enforce that exclusive forum provision and to service of process in any such action. These provisions of the bylaws are not a waiver of, and do not relieve anyone of duties to comply with, federal securities laws including those specifying the exclusive jurisdiction of federal courts under the Exchange Act and concurrent jurisdiction of federal and state courts under the Securities Act. To the extent that these provisions of the bylaws limit a current or former stockholder's ability to select a judicial forum other than the Delaware Courts, they might discourage the specified legal actions, might cause current or former stockholders to incur additional litigation-related expenses, and might result in outcomes unfavorable to current or former stockholders. A court might determine that these provisions of the bylaws are inapplicable or unenforceable in any particular action, in which case we may incur additional litigation related expenses in such action, and the action may result in outcomes unfavorable to us, which could have a materially adverse impact on our reputation, our business operations, and our financial position or results of operations.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Security

As a diversified healthcare services leader that is dedicated to advancing health outcomes for patients everywhere, cybersecurity risk management is integral to our enterprise risk management strategy. Our management, with involvement and input from external consultants and oversight from our Board of Directors ("Board"), performs an annual enterprise-wide risk assessment ("ERA") to identify key existing and emerging risks. One of the principal risks identified and assessed through this process is cybersecurity, which remains a key focus for the Company, management, and our Board.

Our Cybersecurity Risk Management Program ("RM Program") is aligned with the National Institute of Standards and Technology Cybersecurity Framework and other industry best practices. The RM Program is designed to identify, assess and mitigate material cybersecurity risks.

We have implemented cybersecurity controls designed to protect our systems, data and operations from cybersecurity risks. Enterprise-wide cybersecurity and privacy training continue to serve an important role in risk reduction and protection of the Company and our stakeholders. We require periodic access-based and role-based privacy and cybersecurity training, which is updated to reflect changes in the threat environment, audit findings, laws, and regulations. We also engage and educate employees through cybersecurity and privacy awareness programs and communication campaigns. Our Cybersecurity Incident Response Plan ("Response Plan") provides a framework for responding to cybersecurity incidents. The Response Plan governs activities such as preparation, detection, coordination, eradication, recovery, and appropriate escalations to the Company's senior management, disclosure committee, Board, and relevant Board committees. The Response Plan is routinely tested, reviewed and updated as appropriate under the leadership of our Chief Information Officer and Chief Technology Officer ("CIO/CTO") with the assistance of the Company's Chief Information Security Officer ("CISO").

We also engage internal and external assessors, consultants, auditors, and other third parties, to assess our RM Program . We manage cybersecurity risks associated with third parties, including vendors, service providers, and external users of our systems. This includes conducting due diligence on the third parties we use, as well as the systems of third parties that could adversely impact our business in the event of a cybersecurity incident affecting those third-party systems, and by using contracts to reinforce their cybersecurity obligations.

Although we believe that we maintain reasonable cybersecurity measures, we recognize that cyber threats continue to evolve, and no system is immune to risk.

Both intentional and unintentional occurrences have caused, and could cause in the future, a variety of adverse business impacts to our information systems and data. For a discussion of whether and how any risks from cybersecurity threats have affected or, if realized, are reasonably likely to materially affect the Company, see "Risk Factors" in Item 1A of Part I above for additional information on risks related to our business, including for example, risks related to privacy and data protection, cybersecurity incidents, third-party relationships, and continuity of our information systems and networks, operational technology, and technology products or services.

Governance

Our CIO/CTO leads management's assessment and management of cybersecurity risk with the assistance of the Company's CISO who reports to the CIO/CTO. The CIO/CTO reports to our CFO, is a member of the Executive Operating Team, and provides updates to that group about cybersecurity matters. Our CIO/CTO has more than 29 years of experience managing technology and risks, and advising on cybersecurity issues and our CISO has more than 21 years of relevant experience, is a Certified Information System Security Professional (CISSP), and a Certified Information Systems Auditor (CISA).

Cybersecurity is among the risks identified by our ERA for Board-level oversight. The Audit Committee of the Board has oversight of information technology controls related to financial reporting, while the Compliance Committee of the Board has oversight of technology-related risk, including privacy and cybersecurity. The Audit Committee and Compliance Committee meet jointly at least annually to review cybersecurity risks and programs, and they are updated as needed on cybersecurity threats, incidents, or new developments in our cybersecurity risk profile. The chairs of the Audit Committee and Compliance Committee provide updates to the Board after each committee meeting. The CIO/CTO and CISO provide regular updates to the Board, Audit Committee, or Compliance Committee about material risks from cybersecurity threats. The CIO/CTO or CISO also provide regular updates to the Board, Audit Committee or Compliance Committee about cybersecurity trends and regulatory updates, data governance and usage, technology infrastructure, our training and compliance efforts, and implications for our business strategy. In addition to the information provided in these meetings, members of our Board have access to continuing education, which includes topics relating to cybersecurity risks.

Item 2. Properties.

Because of the nature of our principal businesses, our plant, warehousing, retail pharmacies, offices, and other facilities for all of our reportable segments are operated in widely dispersed locations, primarily throughout North America. Retail pharmacies and most warehouses are typically owned or leased on a long-term basis. We consider our operating properties to be in satisfactory condition and adequate to meet our needs for the next several years without making capital expenditures materially higher than historical levels. Information as to material lease commitments is included in Financial Note 9, "Leases," to the consolidated financial statements included in this Annual Report.

The majority of our properties in Europe within our International segment were divested in fiscal 2022 and fiscal 2023, and our remaining European business operations reside in Norway. Refer to Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report for more details on our European divestitures.

Item 3. Legal Proceedings.

Certain legal proceedings in which we are involved are discussed in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report. Disclosure of an environmental proceeding with a governmental agency is generally included only if we expect monetary sanctions in the proceeding to exceed $1 million, unless otherwise material.

Item 4. Mine Safety Disclosures.

Not applicable.

Information about our Executive Officers

The following table sets forth information regarding the executive officers of the Company, including their principal occupations during the past five years.

There are no family relationships between any of the executive officers or directors of the Company. The term of office of each executive officer expires at the first meeting of the Board following the annual meeting of shareholders, or until their successors are elected and have qualified, or until death, resignation, or removal, whichever is sooner.

Name	Age	Position with Registrant and Business Experience
Brian S. Tyler	58	Chief Executive Officer and a director since April 2019; President and Chief Operating Officer from August 2018 to March 2019; Chairman of the Management Board of McKesson Europe AG from 2017 to 2018; President and Chief Operating Officer, McKesson Europe from 2016 to 2017; President of North America Distribution and Services from 2015 to 2016; and Executive Vice President, Corporate Strategy and Business Development from 2012 to 2015.
Britt J. Vitalone	56	Executive Vice President and Chief Financial Officer since January 2018; Senior Vice President and Chief Financial Officer, U.S. Pharmaceutical from July 2014 to December 2017; Senior Vice President and Chief Financial Officer, U.S. Pharmaceutical and Specialty Health from October 2017 to December 2017; Senior Vice President of Corporate Finance and M&A Finance from March 2012 to June 2014.
LeAnn B. Smith	50	Executive Vice President and Chief Human Resources Officer since December 2022. Previously, Senior Vice President, Talent Management and Development from 2021 to 2022. Chief People Leader, Global Corporate Functions for Walmart Inc. (retail) from 2018 to 2021.
Thomas L. Rodgers	54	Executive Vice President, Chief Strategy and Business Development Officer since June 2020. Previously, Senior Vice President and Managing Director of McKesson Ventures from 2014 to 2020.
Michele Lau	49	Executive Vice President and Chief Legal Officer since January 2024. Chief Legal Officer and Corporate Secretary, GoDaddy (technology services) from July 2021 to November 2023. Senior Vice President, Corporate Secretary and Associate General Counsel at McKesson from March 2018 to June 2021 and various other legal roles at McKesson from 2008 to 2018.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities.

Market Information: The principal market on which our common stock is traded is the New York Stock Exchange ("NYSE") under the trading symbol "MCK."

Holders: At March 31, 2025, there were 3,895 holders of record of our common stock.

Dividends: In July 2024, our quarterly dividend was raised from $0.62 to $0.71 per share of common stock for dividends declared on or after such date by the Board. We declared regular cash dividends of $2.75, $2.40, and $2.09 per share for the years ended March 31, 2025, 2024, and 2023, respectively.

We anticipate that we will continue to pay quarterly cash dividends in the future. However, the payment and amount of future dividends remain within the discretion of the Board and will depend upon our future earnings, financial condition, capital requirements, legal requirements, and other factors.

Securities Authorized for Issuance under Equity Compensation Plans: Information relating to this item is provided under Item 12 of Part III included in this Annual Report.

Share Repurchase Plans: The Board has authorized the repurchase of common stock. We may affect stock repurchases from time-to-time through open market transactions, privately negotiated transactions, accelerated share repurchase ("ASR") programs, or by combinations of such methods, any of which may use pre-arranged trading plans that are designed to meet the requirements of Rule 10b5-1(c) of the Exchange Act. The timing of any repurchases and the actual number of shares repurchased will depend on a variety of factors, including our stock price, corporate and regulatory requirements, tax implications, restrictions under our debt obligations, other uses for capital, impacts on the value of remaining shares, cash generated from operations, and market and economic conditions. During the last three fiscal years, our share repurchases were transacted through both open market transactions and ASR programs with third-party financial institutions.

Effective January 1, 2023, our repurchase of common stock, adjusted for allowable items, are subject to a 1% excise tax as a result of the IRA. Excise taxes incurred on share repurchases of an entity's own common stock are direct and incremental costs to purchase treasury stock, and accordingly are included in the total cost basis of the common stock acquired and reflected as a reduction of stockholders' equity within "Treasury shares" in our Consolidated Balance Sheets and Consolidated Statements of Stockholders' Equity (Deficit). Excise taxes do not reduce our remaining authorization for the repurchase of common stock. As of March 31, 2025 and March 31, 2024 excise taxes of $26 million and $25 million were accrued within "Other accrued liabilities" in the Company's Consolidated Balance Sheet, for shares repurchased during the years ended March 31, 2025 and 2024, respectively. On October 30, 2024, the Company made a payment of $25 million for fiscal 2024 excise taxes previously accrued.

Refer to Financial Note 18, "Stockholders' Equity (Deficit)," to the accompanying consolidated financial statements included in this Annual Report on Form 10-K for a full discussion of the Company's share repurchases for the years ended March 31, 2025, 2024, and 2023.

McKESSON CORPORATION

The following table provides information on our share repurchases during the fourth quarter of fiscal 2025:

	Share Repurchases [1]			
(In millions, except price per share)	**Total Number of Shares Purchased**	**Average Price Paid per Share [2]**	**Total Number of Shares Purchased as Part of Publicly Announced Programs [3]**	**Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs[2]**
January 1, 2025 - January 31, 2025	0.2	$ 587.77	0.2	$ 7,635
February 1, 2025 - February 28, 2025	0.2	602.54	0.2	7,519
March 1, 2025 - March 31, 2025	0.1	643.72	0.1	7,469
Total	0.5		0.5	

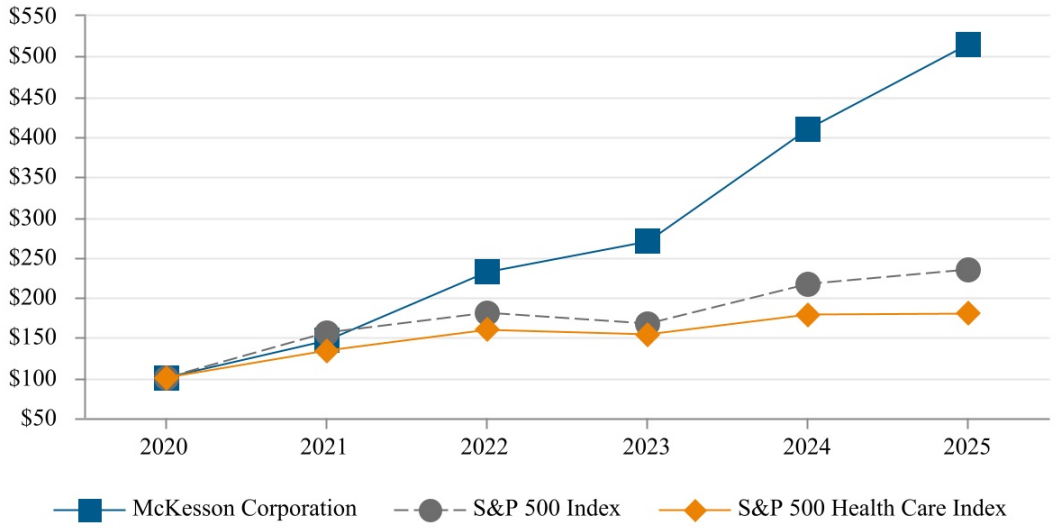
(1) This table does not include the value of equity awards surrendered to satisfy tax withholding obligations or forfeitures of equity awards.

(2) The average price paid per share excludes $3 million of excise taxes incurred on share repurchases for the three months ended March 31, 2025. The remaining authorization outstanding for repurchases of common stock excludes $26 million of excise taxes incurred on share repurchases for the year ended March 31, 2025.

(3) In July 2023 and July 2024, the Board authorized the Company to repurchase up to an additional $6.0 billion and $4.0 billion shares of common stock, respectively, which have no expiration date.

McKESSON CORPORATION

*Stock Price Performance Graph**: The following graph compares the cumulative total stockholder return on our common stock for the periods indicated with the Standard & Poor's ("S&P") 500 Index and the S&P 500 Health Care Index. The S&P 500 Health Care Index was selected as a comparator because it is generally available to investors and broadly used by other companies in the same industry.



	March 31,					
	2020	**2021**	**2022**	**2023**	**2024**	**2025**
McKesson Corporation	$ 100.00	$ 145.67	$ 230.55	$ 269.71	$ 408.88	$ 514.93
S&P 500 Index	$ 100.00	$ 156.35	$ 180.81	$ 166.84	$ 216.69	$ 234.57
S&P 500 Health Care Index	$ 100.00	$ 134.04	$ 159.63	$ 153.73	$ 178.46	$ 179.18

* Assumes $100 invested in McKesson Common Stock and in each index on March 31, 2020 and that all dividends are reinvested.

Item 6. Reserved.

McKESSON CORPORATION

FINANCIAL REVIEW

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

INDEX TO MANAGEMENT'S DISCUSSION AND ANALYSIS

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GENERAL

Management's discussion and analysis of financial condition and results of operations, referred to as the "Financial Review," is intended to assist the reader in the understanding and assessment of significant changes and trends related to the results of operations and financial position of McKesson Corporation together with its subsidiaries (collectively, the "Company," "McKesson," "we," "our," or "us" and other similar pronouns). This discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying financial notes in Item 8 of Part II of this Annual Report on Form 10-K ("Annual Report").

Our fiscal year begins on April 1 and ends on March 31. Unless otherwise noted, all references to a particular year refer to our fiscal year.

Our Financial Review within this Annual Report generally discusses fiscal 2025 and fiscal 2024 results and year-over-year comparisons between fiscal 2025 and fiscal 2024. For a discussion of our year-over-year comparisons between fiscal 2024 and fiscal 2023, refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of Part II of our Annual Report on Form 10-K for the year ended March 31, 2024, previously filed with the Securities and Exchange Commission on May 8, 2024.

Certain statements in this Annual Report constitute forward-looking statements. See Item 1 - Business - Forward-Looking Statements in Part I of this Annual Report for additional factors relating to these statements and Item 1A - Risk Factors in Part I of this Annual Report for a list of certain risk factors applicable to our business, financial condition and liquidity, and results of operations.

Overview of Our Business:

We are a diversified healthcare services leader dedicated to advancing health outcomes for patients everywhere. Our teams partner with biopharma companies, care providers, pharmacies, manufacturers, governments, and others to deliver insights, products, and services to help make quality care more accessible and affordable.

We report our financial results in four reportable segments: U.S. Pharmaceutical, Prescription Technology Solutions ("RxTS"), Medical-Surgical Solutions, and International. Our organizational structure also includes Corporate, which consists of income and expenses associated with administrative functions and projects, as well as the results of certain investments and operations. The factors for determining the reportable segments include the manner in which management evaluates the performance of the Company combined with the nature of individual business activities. We evaluate the performance of our operating segments on a number of measures, including revenues and operating profit (loss) before interest expense and income taxes.

The following summarizes our four reportable segments. Refer to Financial Note 20, "Segments of Business," to the consolidated financial statements included in this Annual Report for further information regarding our reportable segments.

- **U.S. Pharmaceutical** is a reportable segment that distributes branded, generic, specialty, biosimilar, and over-the-counter pharmaceutical drugs and other healthcare-related products in the United States ("U.S."). This segment also provides practice management, technology, clinical support, and business solutions to community-based oncology and other specialty practices. In addition, the segment sells financial, operational, and clinical solutions to pharmacies (retail, hospital, alternate sites) and provides consulting, outsourcing, technological, and other services.
- **Prescription Technology Solutions** is a reportable segment that combines automation and our ability to navigate the healthcare ecosystem to connect patients, pharmacies, providers, pharmacy benefit managers, health plans, and biopharma companies to address patients' medication access, affordability, and adherence challenges. RxTS offers technology services, which includes electronic prior authorization, prescription price transparency, benefit insight, dispensing support services, in addition to third-party logistics, and wholesale distribution support across various therapeutic categories and temperature ranges to biopharma customers throughout the product lifecycle.
- **Medical-Surgical Solutions** is a reportable segment that provides medical-surgical supply distribution, logistics, and other services to healthcare providers, including physician offices, surgery centers, nursing homes, hospital reference labs, and home health care agencies. This segment offers national brand medical-surgical products as well as McKesson's own line of high-quality products through a network of distribution centers within the U.S. In May 2025, we announced our intention to separate this segment into an independent company.
- **International** is a reportable segment that includes our operations in Canada and Norway, bringing together non-U.S.-based drug distribution services, specialty pharmacy, retail, and infusion care services. Our Canadian operations deliver medicines, supplies, and information technology solutions throughout Canada and included Rexall Health retail pharmacies. During fiscal 2025, we completed the sale of Rexall and Well.ca businesses in Canada ("Canadian retail disposal group"). This divestiture is further described in the "Canadian Divestiture Activities" section below. Our Norwegian operations provide distribution and services to wholesale and retail customers in Norway where we own, partner, or franchise with retail pharmacies.

Business Acquisitions and Divestitures

Community Oncology Revitalization Enterprise Ventures, LLC

On August 26, 2024, we entered into a definitive agreement to acquire a 70% controlling interest in Community Oncology Revitalization Enterprise Ventures, LLC ("Core Ventures"), an internal business and administrative services organization established by Florida Cancer Specialists & Research Institute, LLC, for approximately $2.49 billion cash, subject to certain customary adjustments. Following the completion of the transaction, Core Ventures will be part of the Oncology platform, and financial results will be reported within our U.S. Pharmaceutical segment. The waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 expired in late April 2025. We expect the transaction to close during the first quarter of fiscal 2026, subject to satisfaction of customary closing conditions.

PRISM Vision Holdings, LLC

On April 2, 2025, we announced the completion of our previously announced acquisition of a controlling interest in PRISM Vision Holdings, LLC ("PRISM Vision"), a leading provider of general ophthalmology and retina management services. We purchased an approximate 80% and PRISM Vision physicians retained a 20% interest. The financial results of PRISM Vision will be reported within our U.S. Pharmaceutical segment.

Canadian Divestiture Activities

On December 30, 2024, we completed the sale of our Canadian retail disposal group for an adjusted purchase price consisting of a cash payment of $9 million, received upon closing, and a note of $120 million, measured at fair value and accruing interest upon satisfaction of certain conditions, and payable to the Company at the end of six years. We recorded a charge of $667 million for the year ended March 31, 2025 in total operating expenses to remeasure the Canadian retail disposal group to fair value less costs to sell. The remeasurement adjustment includes a $48 million loss related to the accumulated other comprehensive loss balances associated with the disposal group. Refer to Financial Note 2, "Business Acquisitions and Divestitures,", to the consolidated financial statements included in this Annual Report for more information.

Executive Summary:

The following summary provides highlights and key factors that impacted our business, operating results, financial condition, and liquidity for the year ended March 31, 2025:

- For the year ended March 31, 2025 compared to the prior year, revenues increased by 16%, gross profit increased by 4%, total operating expenses were flat, and other income, net increased by $70 million. Refer to the "Overview of Consolidated Results" section below for an analysis of these changes;
- Diluted earnings per common share from continuing operations attributable to McKesson Corporation increased to $25.72 in fiscal 2025 from $22.39 in the prior year;
- During the year ended March 31, 2025, we onboarded a new strategic partner within our U.S. Pharmaceutical segment;
- During fiscal 2025, we completed the sale of our Canadian retail disposal group and total operating expenses for the year ended March 31, 2025 includes fair value remeasurement charges of $667 million;
- For the year ended March 31, 2025, we recorded restructuring charges of $298 million related to an enterprise-wide initiative to drive operational efficiencies as further described in the "Restructuring Initiatives" section of "Overview of Consolidated Results" below;
- We received $444 million for the year ended March 31, 2025 related to our share of antitrust legal settlements. This amount was recorded as a gain within "Cost of sales" in the Consolidated Statement of Operations within our U.S. Pharmaceutical segment;
- For the year ended March 31, 2025, we recognized a net discrete tax benefit of $258 million related to the sales of certain intellectual property between McKesson wholly-owned legal entities based in foreign tax jurisdictions;
- We recorded a charge of $108 million for the year ended March 31, 2025 related to our estimated liability for opioid-related claims as further described in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report;
- For the year ended March 31, 2025, we recognized a net gain of $100 million related to a recapitalization event of one of our investments in equity securities which resulted in an increase to the carrying value of this investment as discussed in Financial Note 15, "Fair Value Measurements," to the consolidated financial statements included in this Annual Report;
- On September 10, 2024, we completed a public offering of 4.25% Notes due September 15, 2029 (the "2029 Notes") in a principal amount of $500 million. Proceeds received from this note issuance, net of discounts and offering expenses were approximately $496 million;
- During the year ended March 31, 2025, we utilized the net proceeds from the issuance of the 2029 Notes, along with cash on hand, to redeem our $500 million outstanding principal amount of 5.25% Notes due February 15, 2026 (the "2026 Notes") prior to maturity; and
- We returned $3.5 billion of cash to shareholders during fiscal 2025 through $3.1 billion of common stock repurchases through open market transactions and $345 million of dividend payments. In July 2024, our Board of Directors (the "Board") approved an increase of $4.0 billion in the authorization for repurchase of the Company's common stock and raised our quarterly dividend to $0.71 from $0.62 per share of common stock. The total remaining authorization outstanding for repurchases of the Company's common stock at March 31, 2025 was $7.5 billion.

Trends and Uncertainties:

Opioid-Related Litigation and Claims

As described in the discussion of opioid-related matters in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report, we are a defendant in many legal proceedings asserting claims related to the distribution of controlled substances (opioids) in federal and state courts throughout the U.S., and in Puerto Rico and Canada. Other than as to the settlements described in Financial Note 17, "Commitments and Contingent Liabilities,", we have not concluded a loss is probable in any of the matters; nor is any possible loss or range of loss reasonably estimable. An adverse judgment or negotiated resolution in any of these matters could have a material adverse impact on our financial position, cash flows or liquidity, or results of operations.

Rite Aid Bankruptcy Proceedings

During fiscal 2024, our customer Rite Aid Corporation (including certain of its subsidiaries, "Rite Aid") filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code. As a result, we recorded a provision for bad debts of $725 million for the year ended March 31, 2024, representing the uncollected trade accounts receivable from sales to Rite Aid prior to its bankruptcy petition filing.

Rite Aid's restructuring plan was approved by the court and the company successfully emerged from bankruptcy in August 2024. During the year ended March 31, 2025, we reassessed our initial estimates made in conjunction with the previously reserved prepetition balances, including cash received during the period, resulting in a reversal of $206 million recorded within "Selling, distribution, general, and administrative expenses" in our Consolidated Statements of Operations and included within our U.S. Pharmaceutical segment. During the year ended March 31, 2025, we released $237 million of allowance for doubtful accounts against trade accounts receivables, representing the write-off of uncollectible receivables related to the Rite Aid provision in the Consolidated Balance Sheet. On May 5, 2025, Rite Aid filed a second voluntary petition under Chapter 11 of the Bankruptcy Code.

We believe the reserves maintained and any adjustments recorded for Rite Aid trade accounts receivable are appropriate and consistent with our accounting policy and assessment of the information currently available. We evaluate our reserves periodically and as circumstances warrant, which may result in changes to our reserves. For additional disclosure of our policy regarding allowances for credit losses, refer to the "Critical Accounting Estimates" section included in this Financial Review.

McKESSON CORPORATION

FINANCIAL REVIEW (Continued)

RESULTS OF OPERATIONS

Overview of Consolidated Results:

(In millions, except per share data)	Years Ended March 31, 2025	2024	Change
Revenues	$ 359,051	$ 308,951	16 %
Gross profit	13,323	12,828	4
Gross profit margin	*3.71 %*	*4.15 %*	*(44) bp*
Total operating expenses	$ (8,901)	$ (8,919)	— %
Total operating expenses as a percentage of revenues	*2.48 %*	*2.89 %*	*(41) bp*
Other income, net	$ 202	$ 132	53 %
Interest expense	(265)	(252)	5
Income before income taxes	4,359	3,789	15
Income tax expense	(878)	(629)	40
Reported income tax rate	*20.1 %*	*16.6 %*	*350 bp*
Net income	3,481	3,160	10
Net income attributable to noncontrolling interests	(186)	(158)	18
Net income attributable to McKesson Corporation	$ 3,295	$ 3,002	10 %
Diluted earnings per common share attributable to McKesson Corporation	$ 25.72	$ 22.39	15 %
Weighted-average diluted common shares outstanding	128.1	134.1	(4) %

Any percentage changes displayed above which are not meaningful are displayed as zero percent.

bp - basis point

Revenues

Revenues increased for the year ended March 31, 2025 compared to the prior year largely due to market growth in our U.S. Pharmaceutical segment, including higher volumes largely from retail national account customers and growth in specialty pharmaceuticals. Market growth includes growing drug utilization and newly launched products, partially offset by branded to generic drug conversion. This revenue growth was also favorably impacted by higher pharmaceutical distribution volumes in our International segment.

Gross Profit

Gross profit increased for the year ended March 31, 2025 compared to the prior year primarily in our U.S. Pharmaceutical segment driven by growth of specialty pharmaceuticals, growth from retail national account customers, and our share of antitrust legal settlements received in fiscal 2025, partially offset by last-in, first-out ("LIFO") inventory charges in fiscal 2025 and higher restructuring charges.

Gross profit for the years ended March 31, 2025 and 2024 included gains of $444 million and $244 million, respectively, representing our share of antitrust legal settlements. We recognized these amounts within "Cost of sales" in the Consolidated Statements of Operations within our U.S. Pharmaceutical segment.

Gross profit for the years ended March 31, 2025 and 2024 also included a LIFO charge of $82 million and a credit of $157 million, respectively. The LIFO charge in fiscal 2025 compared to a credit in fiscal 2024 was primarily due to higher brand inflation compared to the prior year. Refer to the "Critical Accounting Estimates" section included in this Financial Review for further information regarding the use of the LIFO method of accounting within our U.S. Pharmaceutical business.

Gross profit for the year ended March 31, 2025 was impacted by an inventory impairment charge of $58 million related to restructuring initiatives to drive operational efficiencies and increase cost optimization efforts as discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements in this Annual Report. We recorded this amount related to impairment of inventories within "Cost of sales" in the Consolidated Statements of Operations within our U.S. Pharmaceutical segment.

Total Operating Expenses

A summary and description of the components of our total operating expenses for the years ended March 31, 2025 and 2024 is as follows:

- Selling, distribution, general, and administrative expenses ("SDG&A"): consists of personnel costs, transportation costs, depreciation and amortization, lease costs, professional fee expenses, administrative expenses, provision for bad debts and related recoveries, remeasurement charges to fair value less costs to sell, and other general charges.
- Claims and litigation charges, net: These charges include adjustments for estimated probable settlements related to our controlled substance monitoring and reporting, and opioid-related claims, as well as any applicable income items or credit adjustments due to subsequent changes in estimates. Legal fees to defend claims, which are expensed as incurred, are included within SDG&A.
- Restructuring, impairment, and related charges, net: Charges recorded under this component include those incurred for programs in which we change our operations, the scope of a business undertaken by our business units, or the manner in which that business is conducted, as well as long-lived asset impairments.

McKESSON CORPORATION

FINANCIAL REVIEW (Continued)

(Dollars in millions)	Years Ended March 31, 2025	2024	Change
Selling, distribution, general, and administrative expenses	$ 8,507	$ 8,657	(2) %
Claims and litigation charges, net	108	147	(27)
Restructuring, impairment, and related charges, net	286	115	149
Total operating expenses	$ 8,901	$ 8,919	— %
Percent of revenues	*2.48 %*	*2.89 %*	*(41) bp*

Any percentage changes displayed above which are not meaningful are displayed as zero percent.

bp - basis points

Total operating expenses and total operating expenses as a percentage of revenues decreased for the year ended March 31, 2025 compared to the prior year. Total operating expenses for the years ended March 31, 2025 and 2024 were affected by the following significant items:

Fiscal 2025

- SDG&A includes charges of $667 million to remeasure our Canadian retail disposal group to fair value less costs to sell. The remeasurement adjustment includes a $48 million loss related to the accumulated other comprehensive loss balances associated with this disposal. Of the total charges recorded during the period, $605 million are included within our International segment and $62 million are included within Corporate expenses, net;
- SDG&A includes a credit of $206 million related to the bankruptcy of Rite Aid. Refer to the Rite Aid Bankruptcy Proceedings section of "Trends and Uncertainties" for further discussion;
- Claims and litigation charges, net primarily consists of a charge of $108 million related to our estimated liability for opioid-related claims as discussed in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report; and
- Restructuring, impairment, and related charges, net of $286 million, are discussed below under "Restructuring Initiatives" as well as Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report.

Fiscal 2024

- SDG&A includes a provision for bad debts of $725 million related to the bankruptcy of Rite Aid in October 2023. Refer to the Rite Aid Bankruptcy Proceedings section of "Trends and Uncertainties" for more information;
- SDG&A includes a fair value adjustment gain of $78 million which reduced our contingent consideration liability related to the Rx Savings Solutions, LLC ("RxSS") acquisition, as discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures" to the consolidated financial statements included in this Annual Report;
- SDG&A was impacted by lower operating expenses from the completed divestiture of our E.U. disposal group in fiscal 2023, as discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report;
- Claims and litigation charges, net primarily consists of a charge of $149 million related to our estimated liability for opioid-related claims as discussed in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report; and
- Restructuring, impairment, and related charges, net of $115 million are primarily related to Corporate expenses, net. Refer to the "Restructuring Initiatives" discussion below as well as Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report for more information.

Goodwill Impairment

We evaluate goodwill for impairment on an annual basis in the first fiscal quarter, and at an interim date if indicators of potential impairment exist. The annual impairment testing performed in fiscal 2025 and fiscal 2024 did not indicate any impairment of goodwill, and no goodwill impairment charges were recorded in fiscal 2025 and fiscal 2024. However, other risks, expenses, and future developments, such as government actions, increased regulatory uncertainty, and material changes in key market assumptions limit our ability to estimate projected cash flows, which could adversely affect the fair value of various reporting units in future periods. Refer to the "Critical Accounting Estimates" included in this Financial Review for further information.

Restructuring Initiatives

We recorded restructuring, impairment, and related charges of $286 million and $115 million for the years ended March 31, 2025 and 2024, respectively. These charges were included in "Restructuring, impairment, and related charges, net" in the Consolidated Statements of Operations.

During the second quarter of fiscal 2025, we approved enterprise-wide initiatives to modernize and accelerate our technology service operating model, which are intended to improve business continuity, compliance, operating efficiency and advance investments to streamline the organization. These initiatives include cost reduction efforts and support other rationalization efforts within Corporate, and the Medical-Surgical Solutions, and U.S. Pharmaceutical segments to help realize long-term sustainable growth. We anticipate total charges related to these initiatives of $650 million to $700 million, consisting primarily of employee severance and other employee-related costs as well as facility, exit and other related costs, including long-lived asset impairments. These programs are anticipated to be substantially complete in fiscal 2028. For the year ended March 31, 2025, we recorded charges of $240 million related to the initiatives, which primarily includes severance and other employee-related costs as well as facility exit and other related costs, including long-lived asset impairments recorded within "Restructuring, impairment, and related charges, net" in the Consolidated Statements of Operations, and $58 million for the year ended March 31, 2025 related to inventory impairments recorded within "Cost of sales" in the Consolidated Statements of Operations.

During the fourth quarter of fiscal 2023, we approved a broad set of initiatives to drive operational efficiencies and increase cost optimization efforts, with the intent of simplifying our infrastructure and realizing long-term sustainable growth. These initiatives included headcount reductions and the exit or downsizing of certain facilities. We recorded charges of $45 million for the year ended March 31, 2024 related to this program. This restructuring program was substantially complete in fiscal 2024.

Refer to Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report for more information.

Other Income, Net

Other income, net increased for the year ended March 31, 2025 compared to fiscal 2024 primarily due to net gains of $101 million related to our investments in equity securities of certain U.S. growth stage companies in the healthcare industry and a favorable impact from interest income, partially offset by charges of $87 million related to the termination of the U.K. pension plan and a loss of $43 million related to one of our equity method investments.

Interest Expense

Interest expense increased in fiscal 2025 compared to the prior year primarily due to increased average balances of the Company's loan portfolio in fiscal 2025, and a prior year gain on debt extinguishment of $9 million. These increases were partially offset by increased capitalized interest from higher capital spending, changes in our derivative portfolio in fiscal 2025, and a decline in commercial paper borrowings in fiscal 2025 compared to fiscal 2024. Refer to Financial Note 11, "Debt and Financing Activities," to the consolidated financial statements included in this Annual Report for more information. Interest expense may fluctuate based on timing, amounts, and interest rates of term debt repaid and new term debt issued, amounts and interest rates of commercial paper borrowings, as well as amounts incurred associated with financing fees.

Income Tax Expense

We recorded income tax expense of $878 million and $629 million for the years ended March 31, 2025 and 2024, respectively. Our reported income tax expense rates were 20.1% and 16.6% in 2025 and 2024, respectively.

Fluctuations in our reported income tax rates are primarily due to changes in our business mix of earnings between various taxing jurisdictions, including the impact of non-cash pre-tax charges related to the remeasurement of our Canadian retail disposal group to fair value less costs to sell as described in Financial Note 2, "Business Acquisitions and Divestitures," and recognized discrete tax items.

For the year ended March 31, 2025, we recognized a net discrete tax benefit of $258 million related to the sales of certain intellectual property between McKesson wholly-owned legal entities based in foreign tax jurisdictions. For the year ended March 31, 2024, we recognized a net discrete tax benefits of $157 million related to the release of a valuation allowance based on management's reassessment of the amount of our deferred tax assets that are more likely than not to be realized and $104 million related to the repatriation and sale of certain intellectual property between McKesson wholly-owned legal entities that are based in different tax jurisdictions. Refer to Financial Note 6, "Income Taxes," to the consolidated financial statements included in this Annual Report for more information.

Significant judgments and estimates are required in determining the consolidated income tax provision and evaluating income tax uncertainties. Although our major taxing jurisdictions include the U.S. and Canada, we are subject to income taxes in numerous foreign jurisdictions. Our income tax expense, deferred tax assets and liabilities, and uncertain tax liabilities reflect management's best assessment of estimated current and future taxes to be paid. We believe that we have made adequate provision for all income tax uncertainties.

Net Income Attributable to Noncontrolling Interests

Net income attributable to noncontrolling interests for the years ended March 31, 2025 and 2024 primarily represents the proportionate results of third-party equity interests in ClarusONE Sourcing Services LLP, Vantage Oncology Holdings, LLC, and SCRI Oncology, LLC. The increase in net income attributable to noncontrolling interests was primarily driven by higher volumes in our ClarusONE joint venture.

Net Income Attributable to McKesson Corporation

Net income attributable to McKesson Corporation was $3.3 billion and $3.0 billion for the years ended March 31, 2025 and 2024, respectively. Diluted earnings per common share attributable to McKesson Corporation was $25.72 and $22.39 for the years ended March 31, 2025 and 2024, respectively. Our diluted earnings per share includes the cumulative effects of share repurchases during each period.

Weighted-Average Diluted Common Shares Outstanding

Diluted earnings per common share was calculated based on a weighted-average number of shares outstanding of 128.1 million and 134.1 million for the years ended March 31, 2025 and 2024, respectively. Weighted-average diluted shares outstanding for fiscal 2025 decreased from the prior year primarily due to the cumulative effect of share repurchases, as discussed in the "Share Repurchases Plans" section of this Financial Review.

McKESSON CORPORATION
FINANCIAL REVIEW (Continued)

Overview of Segment Results:

Segment Revenues:

(Dollars in millions)	Years Ended March 31, 2025	2024	Change
Segment revenues			
U.S. Pharmaceutical	$ 327,717	$ 278,739	18 %
Prescription Technology Solutions	5,216	4,769	9
Medical-Surgical Solutions	11,386	11,313	1
International	14,721	14,130	4
Corporate	11	—	—
Total revenues	$ 359,051	$ 308,951	16 %

Any percentage changes displayed above which are not meaningful are displayed as zero percent.

U.S. Pharmaceutical

U.S. Pharmaceutical revenues for the year ended March 31, 2025 increased $49.0 billion or 18% compared to the prior year. Within the segment, sales to pharmacies and healthcare providers increased $42.6 billion and sales to specialty practices and other increased $6.4 billion. Overall, these increases were primarily due to higher volumes from retail national account customers and growth in specialty pharmaceuticals, partially offset by branded to generic drug conversions.

Prescription Technology Solutions

RxTS revenues for the year ended March 31, 2025 increased $447 million or 9% compared to the prior year due to increased volumes from our third-party logistics and higher technology services revenues.

Medical-Surgical Solutions

Medical-Surgical Solutions revenues for the year ended March 31, 2025 increased $73 million or 1% compared to the prior year. Within the segment, sales to primary care customers increased $85 million, partially offset by other sales which declined $10 million driven by lower contribution from the kitting and distribution of ancillary supplies used to administer COVID-19 vaccines, and sales to extended care customers which decreased $2 million.

International

International revenues for the year ended March 31, 2025 increased $591 million or 4% compared to the prior year which included $455 million unfavorable effects of foreign currency exchange fluctuations. Within the segment, sales in Canada increased by $950 million largely driven by higher pharmaceutical distribution volumes and sales in Norway increased by $96 million primarily driven by growth in retail pharmacy.

Corporate

Corporate reflects revenues from services derived in the U.S. related to certain technology operations. The increase compared to the prior year was immaterial.

McKESSON CORPORATION
FINANCIAL REVIEW (Continued)

Other Segment Expense, Segment Operating Profit (Loss), and Corporate Expenses, Net:

(Dollars in millions)	Years Ended March 31, 2025	2024	Change
Other segment expense, net [1]			
U.S. Pharmaceutical [2]	$ 323,715	$ 275,953	17 %
Prescription Technology Solutions [3]	4,341	3,934	10
Medical-Surgical Solutions [4]	10,613	10,361	2
International [5]	14,934	13,811	8
Total other expense, net	$ 353,603	$ 304,059	16 %
Segment operating profit (loss)			
U.S. Pharmaceutical	$ 4,002	$ 2,786	44 %
Prescription Technology Solutions	875	835	5
Medical-Surgical Solutions	773	952	(19)
International	(213)	319	(167)
Subtotal	5,437	4,892	11
Corporate expenses, net [6]	(813)	(851)	(4)
Interest expense	(265)	(252)	5
Income from continuing operations before income taxes	$ 4,359	$ 3,789	15 %
Segment operating profit margin			
U.S. Pharmaceutical	1.22 %	1.00 %	22 bp
Prescription Technology Solutions	16.78	17.51	(73)
Medical-Surgical Solutions	6.79	8.42	(163)
International	(1.45)	2.26	(371)

bp - basis point

(1) Other segment expense, net includes cost of sales, total operating expenses, as well as other income, net, for our reportable segments.

(2) Other segment expense, net for our U.S. Pharmaceutical segment includes the following:

- a credit of $206 million and a provision for bad debts of $725 million for the years ended March 31, 2025 and 2024, respectively, related to the bankruptcy of our customer Rite Aid in October 2023, as further discussed in the "Trends and Uncertainties" section above;
- cash receipts for our share of antitrust legal settlements of $444 million and $244 million for the years ended March 31, 2025 and 2024, respectively;
- a charge of $82 million and a credit of $157 million for the years ended March 31, 2025 and 2024, respectively, related to the LIFO method of accounting for inventories;
- restructuring charges of $59 million for the year ended March 31, 2025 for restructuring initiatives, as discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report;
- charges of $57 million and $74 million for the years ended March 31, 2025 and 2024, respectively, related to our estimated liability for opioid-related claims, as discussed in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report; and
- a loss of $43 million for the year ended March 31, 2025 related to one of the Company's equity method investments.

(3) Other segment expense, net for our RxTS segment for the year ended March 31, 2024 includes a gain of $78 million resulting from fair value adjustments of our contingent consideration liability related to the RxSS acquisition, as discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report.

(4) Other segment expense, net for our Medical-Surgical Solutions segment for the year ended March 31, 2025 includes restructuring charges of $204 million related to a broad set of initiatives to drive operational efficiencies and increase cost optimization efforts, as

discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report.

(5) Other segment expense, net for our International segment includes a charge of $605 million for the year ended March 31, 2025 to remeasure the assets and liabilities of our Canadian retail disposal group to fair value less costs to sell, as discussed in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report.

(6) Corporate expenses, net includes the following:

- a charge of $87 million related to the termination of the U.K. pension plan as discussed in Financial Note 13, "Pension Benefits," to the consolidated financial statements included in this Annual Report;
- a charge of $62 million for the year ended March 31, 2025 related to the effect of accumulated other comprehensive loss components from our Canadian retail disposal group, as discussed in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report;
- a net gain of $101 million for the year ended March 31, 2025 related to our investments in equity securities of certain U.S. growth stage companies in the healthcare industry, as discussed in Financial Note 15, "Fair Value Measurements," to the consolidated financial statements included in this Annual Report;
- charges of $51 million and $75 million for the years ended March 31, 2025 and 2024, respectively, related to our estimated liability for opioid-related claims as discussed in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report; and
- restructuring charges of $68 million and $55 million for the years ended March 31, 2025 and 2024, respectively, for restructuring initiatives as discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report.

U.S. Pharmaceutical

Operating profit increased for the year ended March 31, 2025 compared to the prior year primarily due to a prior year provision for bad debts of $725 million and a fiscal 2025 credit of $206 million related to the reassessment of our initial estimates made in conjunction with the previously reserved prepetition balances owed by Rite Aid, growth in specialty pharmaceuticals and retail national account customers, and an increase in net cash proceeds received representing our share of antitrust legal settlements. These increases were partially offset by a LIFO charge in fiscal 2025 compared to a credit in the prior year period, an increase in operating expenses to support higher volumes, a charge of $57 million related to our estimated liability for opioid-related claims, and a loss related to one of our equity method investments.

Prescription Technology Solutions

Operating profit increased for the year ended March 31, 2025 compared to the prior year primarily driven by contributions from technology services partially offset by the gain of $78 million recognized in the prior year resulting from a fair value adjustment of our contingent consideration liability related to the RxSS acquisition.

Medical-Surgical Solutions

Operating profit decreased for the year ended March 31, 2025 compared to the prior year primarily due to higher restructuring charges recorded in fiscal 2025 and a decline in the contribution from our primary care business, partially offset by lower expenses resulting from business rationalization initiatives.

International

Operating (loss) for this segment for the year ended March 31, 2025 compared to an operating profit for the prior year was largely due to remeasurement charges related to our Canadian retail disposal group, as discussed in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report.

Corporate

Corporate expenses, net decreased for the year ended March 31, 2025 compared to the prior year primarily due to a net gain of $101 million related to our investments in equity securities of certain U.S. growth stage companies in the healthcare industry, a favorable impact to interest income, and lower charges related to our estimated liability for opioid-related claims. These were partially offset by a fiscal 2025 charge of $87 million related to the termination of the U.K. pension plan, remeasurement charges related to our Canadian retail disposal group, as discussed in Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report, and higher restructuring charges recorded in fiscal 2025 compared to the prior year.

FOREIGN OPERATIONS

Our foreign operations represented approximately 4% and 5% of our consolidated revenues in fiscal 2025 and fiscal 2024, respectively. Foreign operations are subject to certain risks, including currency fluctuations. Refer to Item 1A - Risk Factors in Part I of this Annual Report for a risk factor related to fluctuations in foreign currency exchange rates, and risks from trade and tariffs. We monitor our operations and adopt strategies responsive to changes in the economic and political environment in each of the countries in which we operate. We conduct our business worldwide in local currencies, including the Canadian dollar and Euro. As a result, the comparability of our results reported in U.S. dollars can be affected by changes in foreign currency exchange rates. In discussing our operating results, we may use the term "foreign currency exchange fluctuations," which refers to the effect of changes in foreign currency exchange rates used to convert the local currency results of our operations in foreign countries where the functional currency is not the U.S. dollar. We present this information to provide a framework for assessing how our business performed excluding the effect of foreign currency exchange rate fluctuations. In computing the foreign currency exchange fluctuations, we translate our current year results of our operations in foreign countries recorded in local currencies into U.S. dollars by applying their respective average foreign currency exchange rates of the corresponding prior year periods, and we subsequently compare those results to the previously reported results of the comparable prior year periods reported in U.S. dollars.

In fiscal 2025, we completed the sale of our Canadian retail disposal group. Refer to Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report for more information.

Additional information regarding our foreign operations is also included in Financial Note 20, "Segments of Business," to the consolidated financial statements included in this Annual Report.

BUSINESS COMBINATIONS

Refer to Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report for additional information.

FISCAL 2026 OUTLOOK

Information regarding the Company's fiscal 2026 outlook is contained in the release of our fourth quarter fiscal 2025 financial results included as an exhibit to our Form 8-K furnished to the SEC on May 8, 2025, which is not incorporated by reference into this Annual Report. That Form 8-K should be read in conjunction with the cautionary statements in Item 1 - Business - Forward-Looking Statements and Item 1A - Risk Factors, in Part I of this Annual Report.

CRITICAL ACCOUNTING ESTIMATES

We consider an accounting estimate to be critical if the estimate requires us to make assumptions about matters based upon past experience and management's judgment that were uncertain at the time the accounting estimate was made and if different estimates that we reasonably could have used in the current period, or changes in the accounting estimate that are reasonably likely to occur from period to period, could have a material impact on our financial condition or results from operations. Below are the estimates that we believe are critical to the understanding of our operating results and financial condition. Other accounting policies are described in Financial Note 1, "Significant Accounting Policies," to the consolidated financial statements included in this Annual Report. Because of the uncertainty inherent in such estimates, actual results may differ from these estimates.

Allowances for Credit Losses: Our receivables primarily consist of short-term trade accounts receivable from customers that result from the sale of goods and services. We also provide customer financing arrangements to customers who purchase our products and services. Customer financing primarily relates to guarantees provided to our customers, or their creditors, regarding the repurchase of inventories. We also provide financing to certain customers related to the purchase of pharmacies, which serve as collateral for the loans. We estimate the receivables for which we do not expect full collection based on historical collection rates and specific knowledge regarding the current creditworthiness of our customers and record an allowance in our consolidated financial statements for these amounts.

The Company considers historical credit losses, the current economic environment, customer credit ratings, collections on past due amounts, legal disputes, and bankruptcies, as well as reasonable and supportable forecasts to develop its allowance for credit losses. Management reviews these factors quarterly to determine if any adjustments are needed to the allowance.

Sales to the Company's ten largest customers, including group purchasing organizations ("GPOs"), accounted for approximately 72% of total consolidated revenues in fiscal 2025 and comprised approximately 48% of total trade accounts receivable at March 31, 2025. Sales to our largest customer, CVS Health Corporation ("CVS"), accounted for approximately 24% of our total consolidated revenues in fiscal 2025 and comprised approximately 23% of total trade accounts receivable at March 31, 2025. As a result, our sales and credit concentration is significant. We also have agreements with GPOs, each of which functions as a purchasing agent on behalf of member hospitals, pharmacies and other healthcare providers, as well as with government entities and agencies. The accounts receivable balances are with individual members of the GPOs, and therefore no significant concentration of credit risk exists. A material default in payment, a material reduction in purchases from GPOs or any other large customers, or the loss of a large customer or GPO could have a material adverse impact on our financial position, results of operations, and liquidity.

Reserve methodologies are assessed annually based on historical losses and economic, business, and market trends. In addition, reserves are reviewed quarterly and updated if unusual circumstances or trends are present. We believe the reserves maintained and expenses recorded in fiscal 2025 are appropriate and consistent in the context of historical methodologies employed, as well as assessment of trends currently available.

At March 31, 2025, trade and notes receivables were $22.6 billion prior to allowances of $472 million. Our provision for bad debts was a credit of $130 million, in fiscal 2025 and a charge of $819 million, and $45 million in fiscal 2024 and fiscal 2023, respectively. At March 31, 2025 and 2024, the allowance as a percentage of trade and notes receivables was 2.1% and 4.5%, respectively. The provision for bad debts for fiscal 2024 included a charge of $725 million within our U.S. Pharmaceutical segment related to the bankruptcy of our customer Rite Aid, as discussed in the "Trends and Uncertainties" section of this financial review and the Financial Note 20, "Segments of Business," to the consolidated financial statements included in this Annual Report. This amount represented the uncollected trade accounts receivable balance due from Rite Aid prior to its bankruptcy petition filing in October 2023. During the year ended March 31, 2025, we reassessed our initial estimates made in conjunction with the previously reserved prepetition balances, including cash received during the period, resulting in a reversal of $206 million recorded within "Selling, distribution, general, and administrative expenses" in our Consolidated Statements of Operations and included within our U.S. Pharmaceutical segment. During the year ended March 31, 2025, we released $237 million of allowance for doubtful accounts against trade accounts receivables, representing the write-off of uncollectible receivables related to the Rite Aid provision in the Consolidated Balance Sheet.

An increase or decrease of a hypothetical 0.1% in the fiscal 2025 allowance as a percentage of trade and notes receivables would result in an increase or decrease in the provision for bad debts of approximately $23 million. The selected 0.1% hypothetical change does not reflect what could be considered the best or worst-case scenarios. Additional information concerning our allowances for credit losses may be found in Schedule II included in this Annual Report.

Inventories: Inventories consist of merchandise held for resale. We report inventories at the lower of cost or net realizable value, except for inventories determined using the LIFO method which are valued at the lower of LIFO cost or market. The LIFO method presumes that the most recent inventory purchases are the first items sold and the inventory cost under LIFO approximates market. The majority of the cost of domestic inventories is determined using the LIFO method. The majority of the cost of inventories held in foreign and certain domestic locations is based on the first-in, first-out ("FIFO") method or weighted-average purchase prices. Rebates, cash discounts, and other incentives received from vendors relating to the purchase or distribution of inventory are considered product discounts and are accounted for as a reduction in the cost of inventory and are recognized when the inventory is sold.

In determining whether an inventory valuation allowance is required, we consider various factors including estimated quantities of slow-moving inventory by reviewing on-hand quantities, outstanding purchase obligations, and forecasted sales. Shifts in market trends and conditions, changes in customer preferences due to the introduction of generic drugs or new pharmaceutical products, or the loss of one or more significant customers are factors that could affect the value of our inventories. We write down inventories which are considered excess and obsolete as a result of these reviews. These factors could make our estimates of inventory valuation differ from actual results.

At March 31, 2025 and 2024, total inventories, net were $23.0 billion and $21.1 billion, respectively, in our Consolidated Balance Sheets. The LIFO method was used to value approximately 63% and 62% of our inventories at March 31, 2025 and 2024, respectively. If we had used the moving average method of inventory valuation, inventories would have been approximately $309 million and $227 million higher than the amounts reported at March 31, 2025 and 2024, respectively. These amounts are equivalent to our LIFO reserves. A LIFO charge is recognized when the net effect of price increases on pharmaceutical and non-pharmaceutical products held in inventory exceeds the impact of price declines, including the effect of branded pharmaceutical products that have lost market exclusivity. A LIFO credit is recognized when the net effect of price declines exceeds the impact of price increases on pharmaceutical and non-pharmaceutical products held in inventory. We recognized a LIFO charge of $82 million in fiscal 2025, a LIFO credit of $157 million in fiscal 2024, and a LIFO charge of $1 million in fiscal 2023, all within "Cost of sales" in our Consolidated Statements of Operations. The LIFO charge in fiscal 2025 compared to a LIFO credit in fiscal 2024 was primarily due to higher brand inflation in the current fiscal year. The LIFO credit in fiscal 2024 compared to a LIFO charge in fiscal 2023 was primarily due to lower brand inflation, offset by higher brand inventory levels, lower deflation from off patent launch activity, and lower generics deflation. Our LIFO valuation amount includes both pharmaceutical and non-pharmaceutical products.

We believe that the moving average inventory costing method provides a reasonable estimation of the current cost of replacing inventory (i.e., "market"). As such, our LIFO inventory is valued at the lower of LIFO cost or market. As of March 31, 2025 and 2024, inventories at LIFO did not exceed market.

Business Combinations: We account for business combinations using the acquisition method of accounting whereby the identifiable assets and liabilities of the acquired business, including contingent consideration, as well as any noncontrolling interest in the acquired business, are recorded at their estimated fair values as of the date that we obtain control of the acquired business. Any purchase consideration in excess of the estimated fair values of the net assets acquired is recorded as goodwill. Acquisition-related expenses and related restructuring costs are expensed as incurred.

Several valuation methods may be used to determine the fair value of assets acquired and liabilities assumed. For intangible assets, we typically use a variation of the income approach, whereby a forecast of future cash flows attributable to the asset is discounted to present value using a risk-adjusted discount rate. Some of the more significant estimates and assumptions inherent in the income approach include the amount and timing of projected future cash flows, the discount rate selected to measure the risks inherent in the future cash flows, and the assessment of the asset's expected useful life. Refer to Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report for additional information regarding our acquisitions.

Certain business combinations involve the potential for future payments of consideration that is contingent upon the achievement of performance milestones or other agreed-upon events. The liability for the contingent consideration is measured at its fair value as of the acquisition date using unobservable inputs. These inputs include the estimated amount and timing of projected operational and financial information, the probability of achievement of performance milestones or other agreed-upon events, and the risk-adjusted discount rate used to calculate the present value of the probability-weighted projected financial information. Contingent liabilities are remeasured to fair value at each reporting date until the liability is resolved with changes in fair value being recognized within "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations. Changes in any of the inputs may result in a significant adjustment to the fair value.

Goodwill and Long-Lived Assets:

Goodwill

As a result of acquiring businesses, we have $10.0 billion and $10.1 billion of goodwill at March 31, 2025 and 2024, respectively, and $1.5 billion and $2.1 billion of intangible assets, net at March 31, 2025 and 2024, respectively.

We perform an impairment test on goodwill balances annually in the first fiscal quarter and more frequently if indicators for potential impairment exist. Indicators that are considered include significant declines in performance relative to expected operating results, significant changes in the use of the assets, significant negative industry or economic trends, or a significant decline in the Company's stock price and/or market capitalization for a sustained period of time.

Goodwill impairment testing is conducted at the reporting unit level, which is generally defined as an operating segment or a component, one level below our operating segments, for which discrete financial information is available and where segment management regularly reviews the operating results of that reporting unit.

We apply the goodwill impairment test by comparing the estimated fair value of a reporting unit to its carrying value and an impairment charge is recorded equal to the amount of excess carrying value above the estimated fair value, if any, but not to exceed the amount of goodwill allocated to the reporting unit.

To estimate the fair value of our reporting units, we generally use a combination of the market approach and the income approach. Under the market approach, we estimate fair value by comparing the business to similar businesses, or guideline companies whose securities are actively traded in public markets. Under the income approach, we use a discounted cash flow model in which cash flows anticipated over several periods, plus a terminal value at the end of that time horizon, are discounted to their present value using an appropriate rate that is commensurate with the risk inherent within the reporting unit. In addition, we compare the aggregate of the reporting units' fair values to our market capitalization as further corroboration of the reasonableness of our concluded fair values.

Estimates of fair value result from a complex series of judgments about future events and uncertainties and rely heavily on estimates and assumptions at a point in time. Judgments made in determining an estimate of fair value may materially impact our results of operations. The valuations are based on information available as of the impairment testing date and are based on expectations and assumptions that have been deemed reasonable by management. Any material changes in key assumptions, including failure to meet business plans, negative changes in government reimbursement rates, deterioration in the U.S. and global financial markets, an increase in interest rates, or an increase in the cost of equity financing by market participants within the industry, or other unanticipated events and circumstances may decrease the projected cash flows or increase the discount rates and could potentially result in an impairment charge. Under the market approach, significant estimates and assumptions also include the selection of appropriate guideline public companies and the determination of appropriate valuation multiples to apply to the reporting unit. Under the income approach, significant estimates and assumptions also include the determination of discount rates. The discount rates represent the weighted-average cost of capital measuring the reporting unit's cost of debt and equity financing, which are weighted by the percentage of debt and percentage of equity in a company's target capital structure. Included in the estimate of the weighted-average cost of capital is the assumption of an unsystematic risk premium to address incremental uncertainty related to the reporting units' future cash flow projections.

The annual impairment testing performed for fiscal 2025, fiscal 2024, and fiscal 2023 did not indicate any impairment of goodwill.

Refer to Financial Note 10, "Goodwill and Intangible Assets, Net," to the consolidated financial statements included in this Annual Report for additional information.

Long-Lived Assets

Currently, all of our identifiable intangible and other long-lived assets are amortized or depreciated based on the pattern of their economic consumption or a straight-line basis over their estimated useful lives, ranging from one to 30 years. We review intangible and other long-lived assets for impairment at an asset group level whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Determination of recoverability of intangible and other long-lived assets is based on the lowest level of identifiable estimated future undiscounted cash flows resulting from the use of the asset and its eventual disposition. Measurement of any impairment loss is based on the excess of the carrying value of the asset group over its fair value. Assumptions and estimates about future values and the remaining useful lives of our purchased intangible assets are complex and subjective. They can be affected by a variety of factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our internal forecasts.

Our ongoing consideration of all the factors described previously could result in further impairment charges in the future, which could adversely affect our net income. Refer to Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report for additional information on our long-lived asset impairments.

Long-lived assets classified as held for sale are measured at the lower of their carrying amount or fair value less costs to sell and are not depreciated or amortized. Fair value is determined based on the total consideration expected to be received by the Company. The fair value of a disposal group, less any costs to sell, is assessed each reporting period it remains classified as held for sale and any remeasurement to the lower of carrying value or fair value less costs to sell is reported as an adjustment to the carrying value of the disposal group. When the net realizable value of a disposal group increases during a period, a gain can be recognized to the extent that it does not increase the value of the disposal group beyond its original carrying value when the disposal group was reclassified as held for sale.

Restructuring Charges: We have certain restructuring reserves which require significant estimates related to the timing and amount of future employee severance and other exit-related costs to be incurred when the restructuring actions take place. We generally recognize employee severance costs when payments are probable and amounts can be reasonably estimated. Costs related to contracts without future benefit or contract termination are recognized at the earlier of the contract termination or the cease-use dates. Other exit-related costs are expensed as incurred. In connection with these restructuring actions, we also assess the recoverability of long-lived assets used in the business, and as a result, we may recognize accelerated depreciation and amortization reflecting shortened useful lives of the underlying assets. Refer to Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," to the consolidated financial statements included in this Annual Report for additional information on restructuring matters.

Income Taxes: Our income tax expense and deferred tax assets and liabilities reflect management's best assessment of estimated current and future taxes to be paid. We are subject to income taxes in the U.S. and numerous foreign jurisdictions. Significant judgments and estimates are required in determining the consolidated income tax provision and in evaluating income tax uncertainties, including those used to conclude on the unrecognized tax position related to opioid-related litigation and claims, and may differ from the actual amounts of tax benefit recognized. We review our tax positions at the end of each quarter and adjust the balances as new information becomes available.

Deferred income taxes arise from temporary differences between the tax and financial statement recognition of revenue and expense. In evaluating our ability to recover our deferred tax assets, we consider all available positive and negative evidence including our past operating results, the existence of cumulative net operating losses in the most recent years, and our forecast of future taxable income. In estimating future taxable income, we develop assumptions including the amount of future federal, state, and foreign pre-tax operating income, the reversal of temporary differences, and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we use to manage the underlying businesses.

Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Should tax laws change, our tax expense and cash flows could be materially impacted.

In addition, the calculation of our tax liabilities includes estimates for uncertainties in the application of complex new tax regulations across multiple global jurisdictions where we conduct our operations.

We recognize liabilities for tax and related interest for issues in the U.S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes and related interest will be due. If our current estimate of tax and interest liabilities is less than the ultimate settlement, an additional charge to income tax expense may result. If our current estimate of tax and interest liabilities is more than the ultimate settlement, a reduction to income tax expense may be recognized. Refer to Financial Note 6, "Income Taxes," to the consolidated financial statements included in this Annual Report for additional information on income tax matters.

Loss Contingencies: We are subject to various claims, including claims with customers and vendors, pending and potential legal actions for damages, investigations relating to laws and regulations and other matters arising out of the normal conduct of our business. When a loss is considered probable and reasonably estimable, we record a liability in the amount of our best estimate for the ultimate loss. However, the likelihood of a loss with respect to a particular contingency is often difficult to predict, and determining a meaningful estimate of the loss or a range of loss may not be practicable based on the information available and the potential effect of future events and decisions by third parties that will determine the ultimate resolution of the contingency. Moreover, it is not uncommon for such matters to be resolved over many years, during which time relevant developments and new information must be reevaluated at least quarterly to determine both the likelihood of potential loss and whether it is possible to reasonably estimate a range of possible loss. When a material loss is reasonably possible, or probable but a reasonable estimate cannot be made, disclosure of the proceeding is provided. Legal fees are expensed as incurred when the legal services are provided.

We review all contingencies at least quarterly to determine whether the likelihood of loss has changed and to assess whether a reasonable estimate of the potential loss or range of the loss can be made. As discussed above, development of a meaningful estimate of loss or a range of potential loss is complex when the outcome is directly dependent on future negotiations with or decisions by third parties, such as regulatory agencies, the court system, and other interested parties.

In conjunction with the preparation of the consolidated financial statements included in this Annual Report, we considered matters related to ongoing controlled substances claims to which we are a party. For the year ended March 31, 2024, the Company recorded a charge of $149 million within “Claims and litigation charges, net” in the Consolidated Statement of Operations to reflect its portion of a proposed settlement with a nationwide class of acute care hospitals, and the corresponding liability was included within “Other accrued liabilities” in the Consolidated Balance Sheet. For the year ended March 31, 2025, we recorded a charge of $114 million within “Claims and litigation charges, net” in the Consolidated Statement of Operations to reflect the Company’s portion of the settlement with representatives of a nationwide group of certain third-party payors, of which $57 million was recorded within Corporate expenses, net, and U.S. Pharmaceutical, respectively. The corresponding liability was included within “Other accrued liabilities” in the Consolidated Balance Sheet. At March 31, 2025, our estimated accrued liability for opioid-related claims was $6.4 billion. Because of the many uncertainties associated with the remaining opioid-related litigation matters, we are not able to reasonably estimate the upper or lower ends of the range of ultimate possible losses for all opioid-related litigation matters. We are not able to predict the outcome in these matters, and an adverse judgment or negotiated resolution in any of these matters could have a material adverse effect on our results of operations, financial position, and cash flows or liquidity. Refer to Financial Note 17, “Commitments and Contingent Liabilities,” to the consolidated financial statements included in this Annual Report for additional information.

FINANCIAL CONDITION, LIQUIDITY, AND CAPITAL RESOURCES

We expect our available cash generated from operations and our short-term investment portfolio, together with our existing sources of liquidity from our credit facilities, commercial paper program, and other borrowings will be sufficient to fund our short-term and long-term capital expenditures, working capital, and other cash requirements. We remain adequately capitalized, including access to liquidity from our $4.0 billion revolving credit facility. At March 31, 2025, we were in compliance with all debt covenants, and believe we have the ability to continue to meet our debt covenants in the future.

The following table summarizes the net change in cash, cash equivalents, and restricted cash for the periods shown:

	Years Ended March 31,		
(Dollars in millions)	**2025**	**2024**	**Change**
Net cash provided by (used in):			
Operating activities	$ 6,085	$ 4,314	$ 1,771
Investing activities	(733)	(1,072)	339
Financing activities	(3,965)	(3,342)	(623)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(16)	6	(22)
Net change in cash, cash equivalents, and restricted cash	$ 1,371	$ (94)	$ 1,465

Operating Activities

Operating activities provided cash of $6.1 billion and $4.3 billion for the years ended March 31, 2025 and 2024, respectively. Cash flows from operations can be significantly impacted by factors such as the timing of receipts from customers, inventory receipts, and payments to vendors. Additionally, working capital is primarily a function of sales and purchase volumes, inventory requirements, and vendor payment terms.

For the year ended March 31, 2025, net cash provided by operating activities increased by $1.8 billion compared to the prior year period. This increase was primarily due to the following:

- the Company's net income increased by $321 million and was favorably impacted by higher net non-cash items of $549 million, compared to the prior year period driven by factors discussed in more detail in the "Overview of Consolidated Results" section of this Financial Review, including an increase in cash receipts for our share of antitrust legal settlements of $200 million;
- an increase in cash of $3.7 billion related to accounts payable as a result of customary vendor payment scheduling, and higher purchases to support business growth, partially offset by timing related to the day of the week on which the period ends;
- a decrease in net cash of $981 million related to accounts receivable primarily due to growth in specialty pharmaceuticals sales and higher volumes from retail national account customers in our U.S. Pharmaceutical segment;
- a decrease in net cash of $976 million related to higher inventory purchases to support business growth; and
- a decrease in cash driven by higher income tax payments in fiscal 2025 compared to the prior year.

Investing Activities

Investing activities used cash of $733 million and $1.1 billion for the years ended March 31, 2025 and 2024, respectively. Investing activities for the year ended March 31, 2025 includes $537 million and $322 million, respectively, in capital expenditures for property, plant, and equipment and capitalized software. Investing activities for the year ended March 31, 2025 was also impacted by the receipt of proceeds of $189 million related to investments in equity securities, as discussed in Financial Note 15, "Fair Value Measurements," to the consolidated financial statements included in this Annual Report.

Investing activities for the year ended March 31, 2024 includes $431 million and $256 million, respectively, in capital expenditures for property, plant, and equipment and capitalized software, as well as $272 million of net cash payments for acquisitions.

Financing Activities

Financing activities used cash of $4.0 billion and $3.3 billion for the years ended March 31, 2025 and 2024, respectively. Financing activities for the year ended March 31, 2025 includes $3.1 billion of cash paid for share repurchases and $345 million of cash paid for dividends. Financing activities also includes cash receipts and cash payments of $15.1 billion related to short-term borrowings of commercial paper in fiscal 2025. On September 10, 2024, we completed a public offering of 4.25% Notes due September 15, 2029 in a principal amount of $500 million. Proceeds received from this note issuance, net of discounts and offering expenses, were $496 million. We utilized the net proceeds from this note issuance along with cash on hand to redeem our $500 million outstanding principal amount of 5.25% Notes due February 15, 2026 prior to maturity at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest through the settlement date.

Financing activities for the year ended March 31, 2024 includes $3.0 billion of cash paid for share repurchases and $314 million of cash paid for dividends. Financing activities also includes cash receipts and cash payments of $20.0 billion related to short-term borrowings of commercial paper in fiscal 2024.

On June 15, 2023, we completed a public offering of 4.90% Notes due July 15, 2028 in a principal amount of $400 million and 5.10% Notes due July 15, 2033 in a principal amount of $600 million, for proceeds received, net of discounts and offering expenses, of $397 million and $592 million, respectively. A portion of the net proceeds from these notes was utilized to fund the repurchase of our then outstanding 3.80% Notes due March 15, 2024 (the "2024 Notes") discussed below, while the remaining net proceeds was available for general corporate purposes.

On June 16, 2023, we completed a cash tender offer for any and all of our then outstanding 2024 Notes with a principal amount of $918 million, which was made concurrently with the June 15, 2023 notes offering described above. Using a portion of the proceeds from the June 15, 2023 notes offering, we paid an aggregate consideration of $268 million to repurchase $271 million principal amount of the 2024 Notes. Following the consummation of this tender offer, on June 16, 2023, we irrevocably deposited U.S. government obligations with the trustee under the indenture governing the 2024 Notes sufficient to fund the payment of accrued and unpaid interest of the remaining $647 million principal amount of the 2024 Notes as it became due, and of the principal amount of those 2024 Notes on their March 15, 2024 maturity date.

Cash used for other financing activities generally includes shares surrendered for tax withholding and payments to noncontrolling interests.

Share Repurchase Plans

The Board has authorized the repurchase of common stock. We may repurchase common stock from time-to-time through open market transactions, privately negotiated transactions, accelerated share repurchase programs, or by combinations of such methods, any of which may use pre-arranged trading plans that are designed to meet the requirements of Rule 10b5-1(c) of the Securities Exchange Act of 1934 ("Exchange Act"). The timing of any repurchases and the actual number of shares repurchased will depend on a variety of factors, including our stock price, corporate and regulatory requirements, tax implications, restrictions under our debt obligations, other uses for capital, impacts on the value of remaining shares, cash generated from operations, and market and economic conditions.

Effective January 1, 2023, our repurchase of common stock, adjusted for allowable items, are subject to a 1% excise tax as a result of the Inflation Reduction Act of 2022. Excise taxes incurred on share repurchases of an entity's own common stock are direct and incremental costs to purchase treasury stock, and accordingly are included in the total cost basis of the common stock acquired and reflected as a reduction of stockholders' equity within "Treasury shares" in our Consolidated Balance Sheets and Consolidated Statements of Stockholders' Deficit. Excise taxes do not reduce our remaining authorization for the repurchase of common stock. Excise taxes of $26 million and $25 million were accrued for shares repurchased during the year ended March 31, 2025 and 2024, respectively. On October 30, 2024, we made a payment of $25 million for fiscal 2024 excise taxes previously accrued. As of March 31, 2025 and March 31, 2024, the amount accrued for excise taxes was $26 million, and $25 million, respectively, within "Other accrued liabilities" in our Consolidated Balance Sheets.

McKESSON CORPORATION

FINANCIAL REVIEW (Continued)

Information regarding the share repurchase activity over the last two fiscal years was as follows:

	Share Repurchases [1]		
(In millions, except price per share)	Total Number of Shares Purchased [2]	Average Price Paid Per Share	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs [3] [4]
Balance, March 31, 2023			$ 3,613
Share repurchase authorization increase in fiscal 2024			6,000
Shares repurchased - Open market	6.9	$ 436.46	(2,998)
Balance, March 31, 2024			6,615
Share repurchase authorization increase in fiscal 2025			4,000
Shares repurchased - Open market	5.8	$ 543.05	(3,146)
Balance, March 31, 2025			$ 7,469

(1) This table does not include the value of equity awards surrendered to satisfy tax withholding obligations or forfeitures of equity awards.

(2) The number of shares purchased reflects rounding adjustments.

(3) The remaining authorization outstanding for repurchases of common stock excludes $26 million and $25 million of excise taxes incurred on share repurchases for the years ended March 31, 2025 and 2024, respectively.

(4) In July 2023 and July 2024, the Board authorized the Company to repurchase up to an additional $6.0 billion and $4.0 billion shares of common stock, respectively, both of which have no expiration date.

Selected Measures of Liquidity and Capital Resources

	March 31,	
(Dollars in millions)	2025	2024
Cash, cash equivalents, and restricted cash	$ 5,956	$ 4,585
Working capital	(6,206)	(4,387)
Days sales outstanding for: [1]		
Customer receivables	22	22
Inventories	24	26
Drafts and accounts payable	57	58
Debt to capital ratio [2]	125.3 %	124.0 %

(1) Based on year-end balances and sales or cost of sales for the last 90 days of the year.

(2) This ratio describes the relationship and changes within our capital resources, and is computed as the sum of total debt divided by the sum of total debt and McKesson stockholders' deficit, which excludes noncontrolling interests and accumulated other comprehensive loss.

Cash equivalents, which are readily convertible to known amounts of cash, are carried at fair value. Cash equivalents are primarily invested in AAA-rated U.S. government money market funds, short-term deposits with financial institutions, and short-term commercial papers issued by non-financial institutions. Deposits with financial institutions are primarily denominated in U.S. dollars and the functional currencies of our foreign subsidiaries, including Canadian dollars. Deposits could exceed the amounts insured by the Federal Deposit Insurance Corporation in the U.S. and similar deposit insurance programs in other jurisdictions. We mitigate the risk of our short-term investment portfolio by depositing funds with reputable financial institutions and monitoring risk profiles and investment strategies of money market funds.

McKESSON CORPORATION

FINANCIAL REVIEW (Continued)

Our cash and cash equivalents balance as of March 31, 2025 and 2024 included approximately $2.9 billion and $1.6 billion, respectively, of cash held by our subsidiaries outside of the U.S. Our primary intent is to utilize this cash for foreign operations for an indefinite period of time. Although the majority of cash held outside the U.S. is available for repatriation, doing so could subject us to foreign withholding taxes and state income taxes. We may remit foreign earnings to the U.S. to the extent it is tax efficient to do so. We do not anticipate the tax impact from remitting these earnings to be material. Following enactment of the 2017 Tax Cuts and Jobs Act, the repatriation of cash to the U.S. is generally no longer taxable for federal income tax purposes.

Working capital primarily includes cash and cash equivalents, receivables, inventories, and prepaid expenses, net of drafts and accounts payable, short-term borrowings, current portion of long-term debt, current portion of operating lease liabilities, and other accrued liabilities. Our businesses require substantial investments in working capital that are susceptible to large variations during the year as a result of inventory purchase patterns and seasonal demands. Inventory purchase activity is a function of sales activity and other requirements.

Consolidated working capital decreased at March 31, 2025 compared to the prior year primarily due to an increase in drafts and accounts payable from increased purchasing driven by increased sales and timing, and an increase in the current portion of long-term debt. These were partially offset by an increase in receivables, net and inventories, net, driven by higher sales and timing, an increase in cash and cash equivalents, and a decrease in other accrued liabilities.

Our debt to capital ratio increased for the year ended March 31, 2025 compared to the prior year primarily due to share repurchases and dividend payments as well as repayments of long-term debt, partially offset by net income attributable to McKesson for the year and issuance of new long-term debt.

In July 2024, we raised our quarterly dividend from $0.62 to $0.71 per share of common stock for dividends declared on or after such date by the Board. Dividends were $2.75 per share in fiscal 2025 and $2.40 per share in fiscal 2024, and we paid total cash dividends of $345 million and $314 million in fiscal 2025 and fiscal 2024, respectively. We anticipate that we will continue to pay quarterly cash dividends in the future. However, the payment and amount of future dividends remain within the discretion of the Board and will depend upon our future earnings, financial condition, capital requirements, legal requirements, and other factors.

Material Cash Requirements:

The table and information below presents our significant financial obligations and commitments as of March 31, 2025:

		Years			
(In millions)	**Total**	**Within 1**	**Over 1 to 3**	**Over 3 to 5**	**After 5**
On balance sheet					
Total debt [1]	$ 5,654	$ 1,184	$ 1,612	$ 1,736	$ 1,122
Operating lease obligations [2]	2,078	313	565	423	777
Other [3]	72	18	10	22	22
Off balance sheet					
Interest on borrowings [4]	1,240	179	330	245	486
Purchase obligations [5]	8,823	8,804	11	7	1
Other [6]	395	111	240	9	35
Total	$ 18,262	$ 10,609	$ 2,768	$ 2,442	$ 2,443

(1) Represents maturities of the Company's long-term obligations, including finance lease obligations. Refer to Financial Note 11, "Debt and Financing Activities," to the consolidated financial statements included in this Annual Report for more information.

(2) Represents undiscounted minimum operating lease obligations under non-cancelable operating leases having an initial remaining term over one year and is not adjusted for imputed interest. Refer to Financial Note 9, "Leases," to the consolidated financial statements included in this Annual Report for more information.

(3) Includes estimated benefit payments for our unfunded benefit plans and minimum funding requirements for our pension plans as well as the contingent consideration liability related to our acquisition of RxSS in November 2022.

(4) Represents interest that will become due on our fixed rate long-term debt obligations.

(5) Primarily relates to the expected purchase of goods and services, including inventory and capital commitments, from vendors in the normal course of business.

(6) Includes agreements under which we have guaranteed the repurchase of our customers' inventory and our customers' debt in the event these customers are unable to meet their obligations to those financial institutions. Refer to Financial Note 16, "Financial Guarantees and Warranties," to the consolidated financial statements included in this Annual Report for more information.

The material cash requirements table above excludes the following obligations:

At March 31, 2025, the Company had accrued liabilities of $6.4 billion related to the settlement of opioid-related litigation claims with U.S. governmental entities, including Native American tribes, and certain non-governmental plaintiffs as described in Financial Note 17, "Commitments and Contingent Liabilities," to the consolidated financial statements included in this Annual Report. The majority of this amount relates to governmental entities opioid settlement payable in annual installments through 2038 pursuant to the schedule set forth in the agreement. As of March 31, 2025, $776 million is estimated to be paid within the next twelve months.

At March 31, 2025, the liability recorded for uncertain tax positions, excluding associated interest and penalties, was approximately $1.1 billion. The ultimate amount and timing of any related future cash settlements cannot be predicted with reasonable certainty. Refer to Financial Note 6, "Income Taxes," to the consolidated financial statements included in this Annual Report for additional information on income tax matters.

At March 31, 2025, our banks and insurance companies have issued $206 million of standby letters of credit and surety bonds. These were issued on our behalf and are mostly related to our customer contracts and to meet the security requirements for statutory licenses and permits, court and fiduciary obligations, pension obligations in Europe, and our workers' compensation and automotive liability programs.

Capital Resources

We fund our working capital requirements primarily with cash and cash equivalents, proceeds from short-term borrowings from our commercial paper issuances, and longer-term credit agreements and debt offerings. Funds necessary for future debt maturities and our other cash requirements, including any future payments that may be made related to our total estimated litigation liability of $6.4 billion as of March 31, 2025 payable under the terms of various settlement agreements for opioid-related claims, are expected to be met by existing cash balances, cash flow from operations, existing credit sources, and future borrowings. Long-term debt markets and commercial paper markets, our primary sources of capital after cash flow from operations, are open and accessible to us should we decide to access those markets. Detailed information regarding our debt and financing activities is included in Financial Note 11, "Debt and Financing Activities," to the consolidated financial statements included in this Annual Report.

We believe that our future operating cash flow, financial assets, and access to capital and credit markets, including our credit facilities, give us the ability to meet our financing needs for the foreseeable future. However, there can be no assurance that an increase in volatility or disruption in the global capital and credit markets will not impair our liquidity or increase our costs of borrowing.

RELATED PARTY BALANCES AND TRANSACTIONS

Information regarding our related party balances and transactions is included in Financial Note 19, "Related Party Balances and Transactions," to the consolidated financial statements included in this Annual Report.

NEW ACCOUNTING PRONOUNCEMENTS

New accounting pronouncements that we have recently adopted, as well as those that have been recently issued but not yet adopted by us, are included in Financial Note 1, "Significant Accounting Policies," to the consolidated financial statements included in this Annual Report.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Interest rate risk: Our long-term debt bears interest predominately at fixed rates, whereas our short-term borrowings are at variable interest rates. Our cash and cash equivalents balances earn interest at variable rates. At March 31, 2025 and 2024, we had $5.7 billion and $4.6 billion, respectively, in cash and cash equivalents. At March 31, 2025 and 2024, we also had fixed-to-floating interest rate swaps with a total notional amount of $750 million and $1.3 billion, respectively. The effect of a hypothetical 50 basis points increase in the underlying interest rate on our cash and cash equivalents, net of short-term borrowings and fixed-to-floating interest rate swaps, would have resulted in a favorable impact of $8 million and $4 million to our earnings in fiscal 2025 and fiscal 2024, respectively.

Foreign currency exchange rate risk: We conduct our business worldwide in U.S. dollars and the functional currencies of our foreign subsidiaries, primarily the Canadian dollar. We are also exposed to foreign currency exchange rate risk related to our foreign currency-denominated notes, intercompany loans denominated in non-functional currencies, and certain foreign subsidiaries, primarily the Euro, British pound sterling, and Canadian dollar. Changes in foreign currency exchange rates could have a material adverse impact on our financial results that are reported in U.S. dollars.

In September 2024, we announced an agreement to sell our Rexall and Well.ca businesses in Canada ("Canadian retail disposal group"). We completed the sale of the Canadian retail disposal group on December 30, 2024. In July 2021, we announced our intention to exit our businesses in Europe and completed the divestitures of our Austrian business in fiscal 2022, and the U.K. disposal group and the E.U. disposal group in fiscal 2023. Refer to Financial Note 2, "Business Acquisitions and Divestitures," to the consolidated financial statements included in this Annual Report for more information on these divestitures. The completion of these divestitures has reduced our foreign currency exchange rate risk as it relates to the Euro and British pound sterling.

We have certain foreign currency exchange rate risk programs that utilize cross-currency swaps which are intended to reduce the income statement effects from fluctuations in foreign currency exchange rates and have been designated as net investment hedges, fair value hedges, or cash flow hedges. These programs reduce but do not entirely eliminate foreign currency exchange rate risk. However, our risk management programs are designed such that changes in the value of the underlying exposure would be largely offset by the potential changes in the value of the risk management portfolios. Refer to Financial Note 14, "Hedging Activities," to the consolidated financial statements included in this Annual Report for more information on our cross-currency swaps.

The Company and its subsidiaries are periodically exposed to balances denominated in currencies other than their functional currency. At March 31, 2025 and 2024, the effect of a hypothetical adverse 10% change in the foreign currency exchange rates on underlying balances not reported in the functional currencies of the Company and these subsidiaries would not have resulted in a material impact to our earnings in fiscal 2025 or fiscal 2024. Refer to Financial Note 1, "Significant Accounting Policies," under the section "*Foreign Currency Translation*" for more information regarding our exposure to transactional gains and losses.

McKESSON CORPORATION

Item 8. Financial Statements and Supplementary Data.

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McKESSON CORPORATION

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of McKesson Corporation is responsible for establishing and maintaining an adequate system of internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). With the participation of the Chief Executive Officer and the Chief Financial Officer, our management conducted an assessment of the effectiveness of our internal control over financial reporting based on the framework and criteria established in *Internal Control—Integrated Framework (2013)*, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, our management has concluded that our internal control over financial reporting was effective as of March 31, 2025.

Deloitte & Touche LLP, an independent registered public accounting firm, audited the financial statements included in this Annual Report on Form 10-K and has also audited the effectiveness of the Company's internal control over financial reporting as of March 31, 2025. This audit report appears on the following page of this Annual Report on Form 10-K.

May 8, 2025

/s/ Brian S. Tyler

Brian S. Tyler
Chief Executive Officer
(Principal Executive Officer)

/s/ Britt J. Vitalone

Britt J. Vitalone
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

McKESSON CORPORATION

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of McKesson Corporation

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of McKesson Corporation and subsidiaries (the "Company") as of March 31, 2025, and 2024, the related consolidated statements of operations, comprehensive income, stockholders' equity (deficit), and cash flows, for each of the three years in the period ended March 31, 2025, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of March 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and 2024, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2025, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on these financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Uncertain Tax Position, Opioid-Related Claims - refer to Note 1 and Note 6 to the financial statements

Critical Audit Matter Description

The Company has recorded charges and related tax benefit for opioid-related claims. In order to account for the uncertainty associated with the ultimate realization of the income tax benefit related to opioid-related claims, the Company recorded an uncertain tax position reserve. Tax benefits from uncertain tax positions are recognized when, based upon the technical tax merits, it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes. The net amount of income tax benefit recognized by management is measured as the largest amount of tax benefit that is greater than 50 percent likely of being realized. The Company uses significant judgment in evaluating the technical tax merits of income tax benefits that qualify for recognition, including the determination of the amount that is more likely than not of being realized for U.S. federal and state income tax purposes.

We identified the Company's uncertain tax position related to liabilities arising from opioid-related claims as a critical audit matter because of the challenges in auditing management's estimate of the amount of income tax benefit that qualifies for recognition. Specifically, there is significant judgment associated with the assessment of the technical tax merits, including the related interpretation of applicable tax laws and regulations. Auditing the uncertain tax position related to liabilities arising from opioid-related claims required a high degree of auditor judgment and an increased extent of effort, including the need to involve our tax specialists.

McKESSON CORPORATION

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's uncertain tax position associated with liabilities arising from opioid-related claims included the following, among others:

- We tested the effectiveness of the Company's internal control related to management's assessment of the technical merits of its tax position and the amount of benefit more likely than not to be realized related to liabilities arising from opioid-related claims.
- With the assistance of our income tax specialists, we evaluated the facts, evidence and the Company's related income tax analysis for the uncertain tax position reserve associated with liabilities arising from opioid-related claims.
- We held inquiries with the Company's internal and external income tax specialists related to the uncertain tax position for liabilities arising from opioid-related claims.
- We evaluated any events after March 31, 2025, that might affect management's accounting treatment and related applicable disclosures.
- We obtained written representations from executives and internal legal counsel of the Company.
- We obtained and reviewed terms related to the Company's settlements of opioid-related claims and evaluated them against the deductibility criteria set forth by relevant tax laws and regulations.
- We evaluated the Company's related disclosures for consistency with our testing and also searched for contradictory evidence by reading disclosures from peer companies, who are also party to opioid-related litigation.

/s/ Deloitte & Touche LLP

Dallas, Texas
May 8, 2025

We have served as the Company's auditor since 1968.

McKESSON CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Years Ended March 31,		
	2025	**2024**	**2023**
Revenues	$ 359,051	$ 308,951	$ 276,711
Cost of sales	(345,728)	(296,123)	(264,353)
Gross profit	13,323	12,828	12,358
Selling, distribution, general, and administrative expenses	(8,507)	(8,657)	(7,776)
Claims and litigation charges, net	(108)	(147)	8
Restructuring, impairment, and related charges, net	(286)	(115)	(209)
Total operating expenses	(8,901)	(8,919)	(7,977)
Operating income	4,422	3,909	4,381
Other income, net	202	132	497
Interest expense	(265)	(252)	(248)
Income from continuing operations before income taxes	4,359	3,789	4,630
Income tax expense	(878)	(629)	(905)
Income from continuing operations	3,481	3,160	3,725
Loss from discontinued operations, net of tax	—	—	(3)
Net income	3,481	3,160	3,722
Net income attributable to noncontrolling interests	(186)	(158)	(162)
Net income attributable to McKesson Corporation	$ 3,295	$ 3,002	$ 3,560
Earnings (loss) per common share attributable to McKesson Corporation			
Diluted			
Continuing operations	$ 25.72	$ 22.39	$ 25.05
Discontinued operations	—	—	(0.02)
Total	$ 25.72	$ 22.39	$ 25.03
Basic			
Continuing operations	$ 25.86	$ 22.54	$ 25.25
Discontinued operations	—	—	(0.02)
Total	$ 25.86	$ 22.54	$ 25.23
Weighted-average common shares outstanding			
Diluted	128.1	134.1	142.2
Basic	127.4	133.2	141.1

See Financial Notes

McKESSON CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Years Ended March 31,		
	2025	**2024**	**2023**
Net income	$ 3,481	$ 3,160	$ 3,722
Other comprehensive income (loss), net of tax			
Foreign currency translation adjustments	(74)	(7)	674
Unrealized gains (losses) on cash flow and other hedges	(7)	39	(63)
Changes in retirement-related benefit plans	30	(8)	62
Other comprehensive income (loss), net of tax	(51)	24	673
Comprehensive income	3,430	3,184	4,395
Comprehensive income attributable to noncontrolling interests	(186)	(158)	(206)
Comprehensive income attributable to McKesson Corporation	$ 3,244	$ 3,026	$ 4,189

See Financial Notes

McKESSON CORPORATION

CONSOLIDATED BALANCE SHEETS
(In millions, except per share amounts)

	March 31, 2025	March 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 5,691	$ 4,583
Receivables, net	25,643	21,622
Inventories, net	23,001	21,139
Prepaid expenses and other	1,063	626
Total current assets	55,398	47,970
Property, plant, and equipment, net	2,502	2,316
Operating lease right-of-use assets	1,782	1,729
Goodwill	10,022	10,132
Intangible assets, net	1,464	2,110
Other non-current assets	3,972	3,186
Total assets	$ 75,140	$ 67,443
LIABILITIES AND DEFICIT		
Current liabilities		
Drafts and accounts payable	$ 55,330	$ 47,097
Current portion of long-term debt	1,191	50
Current portion of operating lease liabilities	258	295
Other accrued liabilities	4,825	4,915
Total current liabilities	61,604	52,357
Long-term debt	4,463	5,579
Long-term deferred tax liabilities	1,029	917
Long-term operating lease liabilities	1,478	1,466
Long-term litigation liabilities	5,601	6,113
Other non-current liabilities	2,659	2,610
Commitments and contingent liabilities (Note 17)		
McKesson Corporation stockholders' deficit		
Preferred stock, $0.01 par value, 100 shares authorized, no shares issued or outstanding	—	—
Common stock, $0.01 par value, 800 shares authorized, 279 and 278 shares issued at March 31, 2025 and 2024, respectively	3	3
Additional paid-in capital	8,373	8,048
Retained earnings	17,921	14,978
Accumulated other comprehensive loss	(932)	(881)
Treasury shares, at cost, 154 and 148 shares at March 31, 2025 and 2024, respectively	(27,439)	(24,119)
Total McKesson Corporation stockholders' deficit	(2,074)	(1,971)
Noncontrolling interests	380	372
Total deficit	(1,694)	(1,599)
Total liabilities and deficit	$ 75,140	$ 67,443

See Financial Notes

McKESSON CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(In millions, except per share amounts)

	McKesson Corporation Stockholders' Equity (Deficit)								
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury		Noncontrolling Interests	Total Equity (Deficit)
	Shares	Amount				Common Shares	Amount		
Balance, March 31, 2022	275	$ 2	$ 7,275	$ 9,030	$ (1,534)	(130)	$ (17,045)	$ 480	$ (1,792)
Issuance of shares under employee plans, net of forfeitures	2	1	163	—	—	—	(160)	—	4
Share-based compensation	—	—	161	—	—	—	—	—	161
Repurchase of common stock	—	—	127	—	—	(11)	(3,792)	—	(3,665)
Net income	—	—	—	3,560	—	—	—	162	3,722
Other comprehensive income	—	—	—	—	629	—	—	44	673
Cash dividends declared, $2.09 per common share	—	—	—	(296)	—	—	—	—	(296)
Payments to noncontrolling interests	—	—	—	—	—	—	—	(150)	(150)
Reclassification of recurring compensation to other accrued liabilities	—	—	—	—	—	—	—	(5)	(5)
Formation of SCRI Oncology, LLC	—	—	22	—	—	—	—	225	247
Derecognition of noncontrolling interests in McKesson Europe AG	—	—	—	—	—	—	—	(382)	(382)
Other	—	—	(1)	1	—	—	—	(7)	(7)
Balance, March 31, 2023	277	3	7,747	12,295	(905)	(141)	(20,997)	367	(1,490)
Issuance of shares under employee plans, net of forfeitures	1	—	116	—	—	—	(99)	—	17
Share-based compensation	—	—	182	—	—	—	—	—	182
Repurchase of common stock	—	—	—	—	—	(7)	(3,023)	—	(3,023)
Net income	—	—	—	3,002	—	—	—	158	3,160
Other comprehensive income	—	—	—	—	24	—	—	—	24
Cash dividends declared, $2.40 per common share	—	—	—	(320)	—	—	—	—	(320)
Payments to noncontrolling interests	—	—	—	—	—	—	—	(152)	(152)
Other	—	—	3	1	—	—	—	(1)	3
Balance, March 31, 2024	278	3	8,048	14,978	(881)	(148)	(24,119)	372	(1,599)
Issuance of shares under employee plans, net of forfeitures	1	—	101	—	—	—	(148)	—	(47)
Share-based compensation	—	—	226	—	—	—	—	—	226
Repurchase of common stock	—	—	—	—	—	(6)	(3,172)	—	(3,172)
Net income	—	—	—	3,295	—	—	—	186	3,481
Other comprehensive loss	—	—	—	—	(51)	—	—	—	(51)
Cash dividends declared, $2.75 per common share	—	—	—	(352)	—	—	—	—	(352)
Payments to noncontrolling interests	—	—	—	—	—	—	—	(178)	(178)
Other	—	—	(2)	—	—	—	—	—	(2)
Balance, March 31, 2025	279	$ 3	$ 8,373	$ 17,921	$ (932)	(154)	$ (27,439)	$ 380	$ (1,694)

See Financial Notes

McKESSON CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended March 31,		
	2025	2024	2023
OPERATING ACTIVITIES			
Net income	$ 3,481	$ 3,160	$ 3,722
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation	242	253	248
Amortization	394	382	360
Long-lived asset impairment charges	98	43	72
Deferred taxes	(110)	(603)	(20)
Charges (credits) associated with last-in, first-out inventory method	82	(157)	1
Non-cash operating lease expense	245	228	249
Loss (gain) from sales of businesses and investments	485	(17)	(211)
Provision for bad debts	(130)	819	45
Other non-cash items	424	233	253
Changes in assets and liabilities, net of acquisitions:			
Receivables	(3,935)	(2,954)	(1,082)
Inventories	(2,270)	(1,294)	(1,259)
Drafts and accounts payable	8,301	4,587	3,788
Operating lease liabilities	(404)	(339)	(338)
Taxes	(136)	331	363
Litigation liabilities	(401)	(395)	(1,088)
Other	(281)	37	56
Net cash provided by operating activities	6,085	4,314	5,159
INVESTING ACTIVITIES			
Payments for property, plant, and equipment	(537)	(431)	(390)
Capitalized software expenditures	(322)	(256)	(168)
Acquisitions, net of cash, cash equivalents, and restricted cash acquired	(24)	(272)	(867)
Proceeds from sales of businesses and investments, net	179	47	1,077
Other	(29)	(160)	(194)
Net cash used in investing activities	(733)	(1,072)	(542)
FINANCING ACTIVITIES			
Proceeds from short-term borrowings	15,086	19,964	8,450
Repayments of short-term borrowings	(15,086)	(19,964)	(8,450)
Proceeds from issuances of long-term debt	498	991	997
Repayments of long-term debt	(519)	(288)	(1,274)
Purchase of U.S. government obligations for the satisfaction and discharge of long-term debt	—	(647)	—
Common stock transactions:			
Issuances	101	116	163
Share repurchases	(3,146)	(3,025)	(3,638)
Dividends paid	(345)	(314)	(292)
Other	(554)	(175)	(324)
Net cash used in financing activities	(3,965)	(3,342)	(4,368)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(16)	6	25
Cash, cash equivalents, and restricted cash classified as Assets held for sale	—	—	470
Net increase (decrease) in cash, cash equivalents, and restricted cash	1,371	(94)	744
Cash, cash equivalents, and restricted cash at beginning of year	4,585	4,679	3,935
Cash, cash equivalents, and restricted cash at end of year	5,956	4,585	4,679
Less: Restricted cash at end of year included in Prepaid expenses and other	(265)	(2)	(1)
Cash and cash equivalents at end of year	$ 5,691	$ 4,583	$ 4,678
SUPPLEMENTAL CASH FLOW INFORMATION			
Cash paid for:			
Interest, net	$ 273	$ 234	$ 224
Income taxes, net of refunds	1,124	901	562

See Financial Notes

McKESSON CORPORATION

FINANCIAL NOTES

1. Significant Accounting Policies

Nature of Operations: McKesson Corporation together with its subsidiaries (collectively, the "Company" or "McKesson") is a diversified healthcare services leader dedicated to advancing health outcomes for patients everywhere. McKesson partners with biopharma companies, care providers, pharmacies, manufacturers, governments, and others to deliver insights, products, and services to help make quality care more accessible and affordable. The Company reports its financial results in four reportable segments: U.S. Pharmaceutical, Prescription Technology Solutions ("RxTS"), Medical-Surgical Solutions, and International. Refer to Financial Note 20, "Segments of Business," for additional information.

Basis of Presentation: The consolidated financial statements and accompanying notes are prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP"). The consolidated financial statements of McKesson include the financial statements of all majority-owned or controlled companies. For those consolidated subsidiaries where the Company's ownership is less than 100%, the portion of the net income or loss allocable to the noncontrolling interests is reported as "Net income attributable to noncontrolling interests" in the Consolidated Statements of Operations. All significant intercompany balances and transactions have been eliminated in consolidation, including the intercompany portion of transactions with equity method investees.

The Company considers itself to control an entity if it is the majority owner of or has voting control over such entity. The Company also assesses control through means other than voting rights and determines which business entity is the primary beneficiary of the variable interest entity ("VIE"). The Company consolidates VIEs when it is determined that it is the primary beneficiary of the VIE. Investments in business entities in which the Company does not have control, but instead has the ability to exercise significant influence over operating and financial policies, are accounted for using the equity method.

Fiscal Period: The Company's fiscal year begins on April 1 and ends on March 31. Unless otherwise noted, all references to a particular year shall mean the Company's fiscal year.

Reclassifications: Certain prior period amounts have been reclassified to conform to the current year presentation.

Use of Estimates: The preparation of financial statements in conformity with U.S. GAAP requires the Company to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and accompanying notes. Actual amounts could differ from those estimated amounts.

Cash and Cash Equivalents: All highly liquid debt and money market instruments purchased with an original maturity of three months or less at the date of acquisition are included in cash and cash equivalents. Cash equivalents are carried at fair value. Cash equivalents are primarily invested in AAA-rated U.S. government money market funds, short-term deposits with financial institutions, and short-term commercial papers issued by non-financial institutions. Deposits with financial institutions are primarily denominated in U.S. dollars and the functional currencies of the Company's foreign subsidiaries, including Canadian dollars, Euro, and British pounds sterling. Deposits could exceed the amounts insured by the Federal Deposit Insurance Corporation in the U.S. and similar deposit insurance programs in other jurisdictions. The Company mitigates the risk of its short-term investment portfolio by depositing funds with reputable financial institutions and monitoring risk profiles and investment strategies of money market funds.

Restricted Cash: Cash that is subject to legal restrictions or is unavailable for general operating purposes is classified as restricted cash and is included in "Prepaid expenses and other" and "Other non-current assets" in the Consolidated Balance Sheets.

Equity Method Investments: Investments in business entities in which the Company does not have control, but instead has the ability to exercise significant influence over operating and financial policies, are accounted for using the equity method. The Company evaluates its equity method investments for impairment whenever an event or change in circumstances occurs that could have a significant adverse impact on the carrying value of the investment. If a loss in value has occurred that is deemed to be other-than-temporary, an impairment loss is recorded.

Receivables, Net and Allowances for Credit Losses: The Company's receivables are presented net of an allowance for credit losses and primarily consist of trade accounts receivable from customers that result from the sale of goods and services. Receivables, net also includes other receivables, which primarily represent amounts due from suppliers.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The Company is exposed to credit losses on accounts receivable balances. The Company estimates credit losses by considering historical credit losses, the current economic environment, customer credit ratings, collections on past due amounts, legal disputes, and bankruptcies, as well as reasonable and supportable forecasts to develop its allowance for credit losses. Management reviews these factors quarterly to determine if any adjustments are needed to the allowance.

Trade accounts receivable represent the majority of the Company's financial assets, for which an allowance for credit losses of $450 million and $864 million were included in "Receivables, net" in the Consolidated Balance Sheets as of March 31, 2025 and 2024, respectively. The increase in the allowance for the year ended March 31, 2024 was primarily due to a provision for bad debts recognized of $725 million related to the bankruptcy of the Company's customer Rite Aid Corporation (including certain of its subsidiaries, "Rite Aid"). In October 2023, Rite Aid filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code and this amount represents the uncollected trade accounts receivable balance due from Rite Aid prior to its bankruptcy petition filing. During the year ended March 31, 2025, the Company reassessed its initial estimates made in conjunction with the previously reserved prepetition balances, including cash received during the period, resulting in a reversal of $206 million recorded within "Selling, distribution, general, and administrative expenses" in the Company's Consolidated Statements of Operations and included within the U.S. Pharmaceutical segment. During the year ended March 31, 2025, the Company released $237 million of allowance for doubtful accounts against trade accounts receivables, representing the write-off of uncollectible receivables related to the Rite Aid provision in the Consolidated Balance Sheet.

The following table presents the components of the Company's receivables as of March 31, 2025 and 2024:

	March 31,	
(In millions)	**2025**	**2024**
Customer accounts	$ 22,281	$ 19,439
Other	3,862	3,104
Total receivables	26,143	22,543
Allowances	(500)	(921)
Receivables, net	$ 25,643	$ 21,622

Concentrations of Credit Risk and Receivables: The Company's trade accounts receivable are subject to concentrations of credit risk with customers primarily in its U.S. Pharmaceutical segment. During fiscal 2025, sales to the Company's ten largest customers, including group purchasing organizations ("GPOs"), accounted for approximately 72% of its total consolidated revenues and approximately 48% of total trade accounts receivable at March 31, 2025. Sales to the Company's largest customer, CVS Health Corporation ("CVS"), accounted for approximately 24% of its total consolidated revenues in fiscal 2025 and comprised approximately 23% of total trade accounts receivable at March 31, 2025. As a result, the Company's sales and credit concentration is significant. The Company has agreements with GPOs, each of which functions as a purchasing agent on behalf of member hospitals, pharmacies, and other healthcare providers, as well as with government entities and agencies. The accounts receivable balances are with individual members of the GPOs, and therefore no significant concentration of credit risk exists. A material default in payment, a material reduction in purchases from GPOs or any other large customers, or the loss of a large customer or customer groups could have a material adverse impact on the Company's financial condition, results of operations, and liquidity. In addition, trade accounts receivables are subject to concentrations of credit risk with customers in the institutional, retail, and healthcare provider sectors, which can be affected by a downturn in the economy, changes in reimbursement policies, and other factors. This credit risk is mitigated by the size and diversity of the Company's customer base as well as its geographic dispersion.

Inventories: Inventories consist of merchandise held for resale. The Company reports inventories at the lower of cost or net realizable value, except for inventories determined using the last-in, first-out ("LIFO") method which are valued at the lower of LIFO cost or market. The LIFO method presumes that the most recent inventory purchases are the first items sold and the inventory cost under LIFO approximates market. The majority of the cost of domestic inventories is determined using the LIFO method. The majority of the cost of inventories held in foreign and certain domestic locations is based on the first-in, first-out ("FIFO") method or weighted-average purchase prices. Rebates, cash discounts, and other incentives received from vendors are recognized in cost of sales upon the sale of the related inventory.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

At March 31, 2025 and 2024, total inventories, net were $23.0 billion and $21.1 billion, respectively, in the Company's Consolidated Balance Sheets. The LIFO method was used to value approximately 63% and 62% of the Company's inventories at March 31, 2025 and 2024, respectively. If the Company had used the moving average method of inventory valuation, inventories would have been approximately $309 million and $227 million higher than the amounts reported at March 31, 2025 and 2024, respectively. These amounts are equivalent to the Company's LIFO reserves. A LIFO charge is recognized when the net effect of price increases on pharmaceutical and non-pharmaceutical products held in inventory exceeds the impact of price declines, including the effect of branded pharmaceutical products that have lost market exclusivity. A LIFO credit is recognized when the net effect of price declines exceeds the impact of price increases on pharmaceutical and non-pharmaceutical products held in inventory. The Company recognized a LIFO charge of $82 million in fiscal 2025, a LIFO credit of $157 million in fiscal 2024, and a LIFO charge of $1 million in fiscal 2023, all within "Cost of sales" in its Consolidated Statements of Operations. The LIFO charge in fiscal 2025 compared to a LIFO credit in fiscal 2024 was primarily due to higher brand inflation in the current fiscal year. The LIFO credit in fiscal 2024 compared to a LIFO charge in fiscal 2023 was primarily due to lower brand inflation, offset by higher brand inventory levels, lower deflation from off patent launch activity, and lower generics deflation. The Company's LIFO valuation amount includes both pharmaceutical and non-pharmaceutical products.

The Company believes that the moving average inventory costing method provides a reasonable estimation of the current cost of replacing inventory (i.e., "market"). As such, its LIFO inventory is valued at the lower of LIFO cost or market. As of March 31, 2025 and 2024, inventories at LIFO did not exceed market.

Shipping and Handling Costs: The Company includes costs to pack and deliver inventory to its customers in "Selling, distribution, general, and administrative expenses" in its Consolidated Statements of Operations. Shipping and handling costs of $1.1 billion, $1.1 billion, and $1.2 billion were recognized in fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

Held for Sale: Assets and liabilities to be disposed of by sale ("disposal groups") are classified as "held for sale" if their carrying amounts are principally expected to be recovered through a sale transaction rather than through continuing use. The classification occurs when the disposal group is available for immediate sale and the sale is probable. These criteria are generally met when management has committed to a plan to sell the assets within one year. Disposal groups are measured at the lower of carrying amount or fair value less costs to sell, and long-lived assets included within the disposal group are not depreciated or amortized. The fair value of a disposal group, less any costs to sell, is assessed during each reporting period it remains classified as held for sale, and any remeasurement to the lower of carrying value or fair value less costs to sell is reported as an adjustment to the carrying value of the disposal group. When the net realizable value of a disposal group increases during a period, a gain can be recognized to the extent that it does not increase the value of the disposal group beyond its original carrying value when the disposal group was reclassified as held for sale. Refer to Financial Note 2, "Business Acquisitions and Divestitures," for additional information.

Property, Plant, and Equipment, Net: Property, plant, and equipment, net is stated at historical cost and depreciated under the straight-line method over the estimated useful life of each asset, which ranges from 15 to 30 years for building and improvements and three to 15 years for machinery, equipment, and other. Leasehold improvements and property, plant, and equipment, net under finance leases are amortized over their respective useful lives of the right-of-use ("ROU") asset or over the term of the lease, whichever is shorter. Depreciation and amortization begins when an asset is placed in service and ready for its intended use. Repairs and maintenance costs are expensed as incurred. When certain events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable, an impairment assessment may be performed on the recoverability of the carrying amounts.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The following table presents the components of the Company's property, plant, and equipment, net as of March 31, 2025 and 2024:

(In millions)	March 31, 2025	March 31, 2024
Land	$ 104	$ 109
Building and improvements	1,433	1,482
Machinery, equipment, and other	2,772	2,751
Construction in progress	722	441
Total property, plant, and equipment	5,031	4,783
Accumulated depreciation and amortization	(2,529)	(2,467)
Property, plant, and equipment, net	$ 2,502	$ 2,316

Total depreciation expense for property, plant, and equipment, net and amortization of the ROU assets of finance leases was $272 million, $279 million, and $272 million for the years ended March 31, 2025, 2024, and 2023, respectively.

Leases: The Company leases facilities and equipment primarily under operating leases. The Company recognizes lease expense on a straight-line basis over the term of the lease, taking into account, when applicable, lessor incentives for tenant improvements, periods where no rent payment is required, and escalations in rent payments over the term of the lease. As a practical expedient, the Company does not separate lease components from non-lease components, such as common area maintenance, utilities, and repairs and maintenance. Remaining terms for facility leases generally range from one to 15 years, while remaining terms for equipment leases generally range from one to five years. Most real property leases contain renewal options (typically for five-year increments). Generally, the renewal option periods are not included within the lease term as the Company is not reasonably certain to exercise that right at lease commencement. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Operating ROU assets and operating lease liabilities are recognized at the lease commencement date. ROU assets represent the Company's right to use an underlying asset for the lease term and operating lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease liabilities are recognized based on the present value of the future lease payments over the lease term, discounted at the Company's incremental borrowing rate as the implicit rate in the lease is not readily determinable for most of the Company's leases. The Company estimates the discount rate as its incremental borrowing rate based on qualitative factors including Company specific credit rating, lease term, general economics, and the interest rate environment. Operating lease liabilities are recorded in "Current portion of operating lease liabilities" and "Long-term operating lease liabilities," and the corresponding lease assets are recorded in "Operating lease right-of-use assets" in the Company's Consolidated Balance Sheets. Finance lease assets are included in "Property, plant, and equipment, net" and finance lease liabilities are included in "Current portion of long-term debt" and "Long-term debt" in the Company's Consolidated Balance Sheets. As a practical expedient, short-term leases with an initial term of 12 months or less are excluded from the Consolidated Balance Sheets and charges from these leases are expensed as incurred.

As a lessor, the Company primarily leases certain owned equipment, classified as direct financing or sales-type leases, to physician practices.

Refer to Financial Note 9, "Leases," for additional information on the Company's leases.

Goodwill: Goodwill is tested for impairment on an annual basis in the first fiscal quarter and more frequently if indicators of potential impairment exist. Impairment testing is conducted at the reporting unit level, which is generally defined as an operating segment or one level below an operating segment (also known as a component), for which discrete financial information is available and segment management regularly reviews the operating results.

The Company applies the goodwill impairment test by comparing the estimated fair value of a reporting unit to its carrying value and recording an impairment charge equal to the amount of excess carrying value above the estimated fair value, if any, but not to exceed the amount of goodwill allocated to the reporting unit.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

To estimate the fair value of its reporting units, the Company generally uses a combination of the market approach and the income approach. Under the market approach, it estimates fair value by comparing the business to similar businesses, or guideline companies whose securities are actively traded in public markets. Under the income approach, it uses a discounted cash flow ("DCF") model in which cash flows anticipated over future periods, plus a terminal value at the end of that time horizon, are discounted to their present value using an appropriate rate that is commensurate with the risk inherent within the reporting unit. Other estimates inherent in both the market and income approaches include long-term growth rates, projected revenues, and earnings and cash flow forecasts for the reporting units. In addition, the Company compares the aggregate of the reporting units' fair values to the Company's market capitalization as further corroboration of the fair values. Goodwill testing requires a complex series of assumptions and judgments by management in projecting future operating results, selecting guideline public companies for comparisons, and assessing risks. The use of alternative assumptions and estimates could affect the fair values and change the impairment determinations.

Intangible Assets: Currently all of the Company's identifiable intangible assets are subject to amortization and are amortized based on the pattern of their economic consumption or on a straight-line basis over their estimated useful lives, ranging from one to 25 years. The Company reviews intangible assets for impairment at an asset group level whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Determination of recoverability is based on the lowest level of identifiable estimated future undiscounted cash flows resulting from the use of the asset and its eventual disposition. Measurement of any impairment loss is based on the excess of the carrying value of the asset group over its estimated fair value. The Company also performs a periodic review of its intangible assets and removes from the balance sheet fully amortized intangible assets that no longer provide an economic benefit, are no longer in use, or for which the related contract has expired. During the year ended March 31, 2024, the Company removed from the balance sheet $1.4 billion of fully amortized gross intangible assets and the corresponding accumulated amortization.

Capitalized Software Held for Internal Use: The Company capitalizes costs of software held for internal use during the application development stage of a project and amortizes those costs using the straight-line method over their estimated useful lives, not to exceed 10 years. As of March 31, 2025 and 2024, capitalized software held for internal use was $681 million and $495 million, respectively, net of accumulated amortization of $657 million and $560 million, respectively, and is included in "Other non-current assets" in the Consolidated Balance Sheets. Costs incurred during the preliminary project and post-implementation stages are expensed as incurred. Amortization expense for capitalized software held for internal use was $135 million, $102 million, and $101 million for the years ended March 31, 2025, 2024, and 2023, respectively. The Company performs a periodic review of its capitalized software held for internal use and removes from the balance sheet fully amortized capitalized software costs that are determined to no longer be in use. During the year ended year ended March 31, 2024, the Company removed from the balance sheet $1.0 billion of fully amortized gross capitalized software held for internal use and the corresponding accumulated amortization.

Insurance Programs: The Company maintains insurance programs through its wholly-owned captive insurance subsidiaries ("Captives") from which it obtains coverage for various exposures, including certain exposures arising from the opioid-related claims of governmental entities against the Company as discussed in more detail in Financial Note 17, "Commitments and Contingent Liabilities," as well as those risks required to be insured by law or contract. It is the Company's policy to retain a significant portion of certain losses, including those related to workers' compensation and comprehensive general, product, and vehicle liability. Provisions for losses expected under insurance programs are recorded based on the Company's estimate of the aggregate liability for claims incurred as well as for claims incurred but not yet reported. Such estimates utilize certain actuarial assumptions followed in the insurance industry. The Captives receive direct premiums, which are eliminated on consolidation against the Company's premium costs within "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations.

Revenue Recognition: Revenue is recognized when an entity satisfies a performance obligation by transferring control of a promised good or service to a customer in an amount that reflects the consideration to which the entity expects to be entitled for that good or service.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Revenues generated from the distribution of pharmaceutical and medical products represent the majority of the Company's revenues. The Company orders product from the manufacturer, receives and carries the product at its central distribution facilities, and delivers the product directly to its customers' warehouses, hospitals, or retail pharmacies. The distribution business primarily generates revenue from a contract related to a confirmed purchase order with a customer in a distribution arrangement. Revenue is recognized when control of goods is transferred to the customer which occurs upon the Company's delivery to the customer or upon customer pick-up. The Company also earns revenues from a variety of other sources including its retail, services, and technology businesses. Retail revenues are recognized at the point of sale. Service revenues, including technology service revenues, are recognized when services are rendered. Revenues derived from distribution and retail business at the point of sale represent approximately 99%, 98%, and 99% of total revenues for the years ended March 31, 2025, 2024, and 2023, respectively. Revenues derived from services represent approximately 1%, 2%, and 1% of total revenues for the years ended March 31, 2025, 2024, and 2023, respectively.

Revenues are recorded gross when the Company is the principal in the transaction, has the ability to direct the use of the goods or services prior to transfer to a customer, is responsible for fulfilling the promise to its customer, has latitude in establishing prices, and controls the relationship with the customer. The Company records its revenues net of sales taxes. Revenues are measured based on the amount of consideration that the Company expects to receive, reduced by estimates for return allowances, discounts, and rebates using historical data. Sales returns from customers were approximately $2.9 billion, $3.0 billion, and $3.1 billion for the years ended March 31, 2025, 2024, and 2023, respectively. Assets for the right to recover products from customers and the associated refund liabilities for return allowances were not material as of March 31, 2025 and 2024. Shipping and handling costs associated with outbound freight after control over a product has transferred to a customer are accounted for as fulfillment costs. The Company records deferred revenues when payments are received or due in advance of its performance. Deferred revenues are primarily from the Company's services arrangements and are recognized as revenues over the periods when services are performed.

The Company had no material contract assets, contract liabilities, or deferred contract costs recorded in its Consolidated Balance Sheets as of March 31, 2025 and 2024. The Company generally expenses costs to obtain a contract as incurred when the amortization period is less than one year.

Supplier Incentives: Fees for services and other incentives received from suppliers, relating to the purchase or distribution of inventory, are considered product discounts and are generally reported as a reduction to cost of sales.

Supplier Reserves: The Company establishes reserves against amounts due from suppliers relating to various fees for services and price and rebate incentives, including deductions taken against payments otherwise due to it. These reserve estimates are established based on judgment after considering the status of current outstanding claims, historical experience with the suppliers, the specific incentive programs, and any other pertinent information available. The Company evaluates the amounts due from suppliers on a continual basis and adjusts the reserve estimates when appropriate based on changes in facts and circumstances. Adjustments to supplier reserves are generally included in cost of sales unless consideration from the vendor is in exchange for distinct goods or services or for pass-through rebate purchases. The ultimate outcome of any outstanding claims could be different than the Company's estimate. The supplier reserves primarily pertain to the Company's U.S. Pharmaceutical segment.

Income Taxes: The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or the tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statements and the tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Tax benefits from uncertain tax positions are recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. The amount recognized is measured as the largest amount of tax benefit that is greater than 50% likely of being realized.

Interest Expense: Interest expense primarily includes interest for the Company's long-term debt obligations, commercial paper, net interest settlements of interest rate swaps, and the amortization of deferred issuance costs and original issue discounts on debt.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Foreign Currency Translation: The reporting currency of the Company and its subsidiaries is the U.S. dollar. Its foreign subsidiaries generally consider their local currency to be their functional currency. Foreign currency-denominated assets and liabilities of these foreign subsidiaries are translated into U.S. dollars at period-end exchange rates, while revenues and expenses are translated at average exchange rates during the corresponding period and stockholders' equity or deficit accounts are primarily translated at historical exchange rates. Foreign currency translation adjustments are included in "Other comprehensive income (loss), net of tax" in the Consolidated Statements of Comprehensive Income, and the cumulative effect is included in the stockholders' deficit section of the Consolidated Balance Sheets. Gains and losses from currency exchange transactions are recorded in "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations and were not material for the years ended March 31, 2025, 2024, and 2023. The Company releases cumulative translation adjustments from stockholders' equity or deficit into earnings as a gain or loss only upon a complete or substantially complete liquidation of a controlling interest in a subsidiary or a group of assets within a foreign entity. It also releases all or a pro-rata portion of the cumulative translation adjustments into earnings upon the sale of an equity method investment that is a foreign entity or has a foreign component.

Derivative Financial Instruments: Derivative financial instruments are used principally in the management of foreign currency exchange and interest rate exposures and are recorded in the Consolidated Balance Sheets at fair value. The Company uses cross-currency swaps to hedge the changes in the fair value of its foreign currency notes resulting from changes in benchmark interest rates and foreign currency exchange rates. The Company also uses floating interest rate swaps to hedge the changes in the fair value of its U.S. dollar notes resulting from changes in benchmark interest rates. If a derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. The Company has used foreign currency-denominated notes and uses cross-currency swaps to hedge a portion of its net investment in its foreign subsidiaries. The Company uses cash flow hedges primarily to reduce the effects of foreign currency exchange rate risk related to intercompany loans denominated in non-functional currencies. The Company also uses forward contracts to hedge the variability of future benchmark interest rates on any planned bond issuances and to offset the potential income statement effects from obligations denominated in non-functional currencies. If the financial instrument is designated as a cash flow hedge or net investment hedge, the effective portions of changes in the fair value of the derivative are included in "Other comprehensive income (loss), net of tax" in the Consolidated Statements of Comprehensive Income, and the cumulative effect is included in the stockholders' deficit section of the Consolidated Balance Sheets. The cumulative changes in fair value are reclassified to the same line as the hedged item in the Consolidated Statements of Operations when the hedged item affects earnings. The Company evaluates hedge effectiveness at inception and on an ongoing basis, and ineffective portions of changes in the fair value of cash flow hedges and net investment hedges are recognized in earnings following the date when ineffectiveness was identified. Any cash flows received or paid as part of the termination of derivative financial instruments are classified within the Consolidated Statements of Cash Flows in accordance with the nature of the hedged item. Derivative instruments not designated as hedges are marked-to-market at the end of each accounting period with the change included in earnings. Refer to Financial Note 14, "Hedging Activities," for additional information.

Comprehensive Income: Comprehensive income consists of two components: net income and other comprehensive income or loss. Other comprehensive income or loss refers to revenue, expenses, as well as gains and losses that are recorded as an element of stockholders' deficit but are excluded from earnings. The Company's other comprehensive income or loss primarily consists of foreign currency translation adjustments from those subsidiaries where the local currency is the functional currency, including gains and losses on net investment hedges, as well as unrealized gains and losses on cash flow hedges and unrealized gains and losses on retirement-related benefit plans.

Noncontrolling Interests: Noncontrolling interests represent the portion of profit or loss, net assets, and comprehensive income or loss that is not allocable to McKesson Corporation. Net income attributable to noncontrolling interests includes third-party equity interests in the Company's consolidated entities, including: ClarusONE Sourcing Services LLP ("ClarusONE"), a joint venture established between McKesson and Walmart Inc. in fiscal 2017; Vantage Oncology Holdings, LLC ("Vantage"), a provider of integrated oncology and radiation services acquired in fiscal 2017; and SCRI Oncology, LLC ("SCRI Oncology"), an oncology research business formed in fiscal 2023. Net income attributable to noncontrolling interests also included recurring compensation that the Company was obligated to pay to the noncontrolling shareholders of McKesson Europe AG ("McKesson Europe"), formerly known as Celesio AG, under the domination and profit and loss transfer agreement. The Company's noncontrolling interest in McKesson Europe was included in the divestiture of certain of the Company's businesses in the European Union ("E.U.") in October 2022.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Share-Based Compensation: The Company accounts for all share-based compensation transactions at fair value. The share-based compensation expense, for the portion of the awards that is ultimately expected to vest, is recognized on a straight-line basis over the requisite service period. The Company estimates the number of share-based awards that will ultimately vest primarily based on historical experience. The estimated forfeiture rate established upon grant is re-assessed throughout the requisite service period and is adjusted when actual forfeitures occur. The actual forfeitures in future reporting periods could be higher or lower than current estimates. The share-based compensation expense recognized is classified in the Consolidated Statements of Operations in the same manner as cash compensation paid to the Company's employees and included in "Selling, distribution, general, and administrative expenses." Refer to Financial Note 4, "Share-Based Compensation," for additional information.

Loss Contingencies: The Company is subject to various claims, including, but not limited to, claims with customers and vendors, pending and potential legal actions for damages, investigations relating to governmental laws and regulations, and other matters arising out of the normal conduct of its business. When a loss is considered probable and reasonably estimable, the Company records a liability in the amount of its best estimate for the ultimate loss. However, the likelihood of a loss with respect to a particular contingency is often difficult to predict and determining a meaningful estimate of the loss or a range of loss may not be practicable based on the information available and the potential effect of future events and decisions by third parties that will determine the ultimate resolution of the contingency. Moreover, it is not uncommon for such matters to be resolved over many years, during which time relevant developments and new information must be reevaluated at least quarterly to determine both the likelihood of potential loss and whether it is possible to reasonably estimate the loss or a range of possible loss. When a material loss is reasonably possible, or probable but a reasonable estimate cannot be made, disclosure of the proceeding is provided. The Company expenses legal fees as incurred when the legal services are provided.

The Company reviews all material contingencies at least quarterly to determine whether the likelihood of loss has changed and to assess whether a reasonable estimate of the loss or a range of the loss can be made. As discussed above, development of a meaningful estimate of loss or a range of potential loss is complex when the outcome is directly dependent on negotiations with or decisions by third parties, such as regulatory agencies, the court system, and other interested parties. Refer to Financial Note 17, "Commitments and Contingent Liabilities," for additional information related to controlled substances claims to which the Company is a party.

Restructuring Charges: Restructuring charges are incurred for programs in which the Company changes its operations, the scope of a business undertaken by its business units, or the manner in which that business is conducted as well as long-lived asset impairments. Such charges may include employee severance, retention bonuses, facility closure or consolidation costs, lease or contract termination costs, asset impairments, accelerated depreciation and amortization, and other related expenses. The restructuring programs may be implemented due to the sale or discontinuation of a product line, reorganization or management structure changes, headcount rationalization, realignment of operations or products, integration of acquired businesses, and/or company-wide cost saving initiatives. The amount and/or frequency of these restructuring charges are not part of the Company's underlying business, which include normal levels of reinvestment in the business. Employee severance costs are generally recognized when payments are probable and amounts are reasonably estimable. Costs related to contracts without future benefit or contract termination are recognized at fair value at the earlier of the contract termination or the cease-use dates. Other exit-related costs are expensed as incurred. Restructuring charges may also include credit adjustments due to subsequent changes in estimates. Refer to Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," for additional information.

Business Combinations: The Company accounts for business combinations using the acquisition method of accounting whereby the identifiable assets and liabilities of the acquired business, including contingent consideration, as well as any noncontrolling interest in the acquired business, are recorded at their estimated fair values as of the date that the Company obtains control of the acquired business. Any purchase consideration in excess of the estimated fair values of the net assets acquired is recorded as goodwill. Acquisition-related expenses and related restructuring costs are expensed as incurred.

Several valuation methods may be used to determine the fair value of assets acquired and liabilities assumed. For intangible assets, the Company typically uses a variation of the income approach, whereby a forecast of future cash flows attributable to the asset is discounted to present value using a risk-adjusted discount rate. Some of the more significant estimates and assumptions inherent in the income approach include the amount and timing of projected future cash flows, the discount rate selected to measure the risks inherent in the future cash flows, and the assessment of the asset's expected useful life.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Contingent consideration liabilities are measured at their fair value as of the acquisition date using unobservable inputs. These inputs include the estimated amount and timing of projected operational and financial information, the probability of achievement of performance milestones or other agreed-upon events, and the risk-adjusted discount rate used to calculate the present value of the probability-weighted projected financial information. Contingent liabilities are remeasured to fair value at each reporting date until the liability is resolved. Changes in any of the inputs could result in a significant adjustment to the fair value.

Treasury Stock: The Company records purchases of treasury stock at cost, which is reflected as a reduction to stockholders' equity in the Company's Consolidated Balance Sheets. Incremental direct costs to purchase treasury stock, including any excise tax recognized as a result of the IRA, are included in the cost of the shares acquired. Treasury stock also includes shares withheld to satisfy the tax obligations of recipients of share-based compensation. Refer to Financial Note 18, "Stockholders' Equity (Deficit)," for additional information.

Recently Adopted Accounting Pronouncements

In the fourth quarter of fiscal 2025, the Company adopted Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which expands reportable segment disclosures by requiring disclosure, on an annual and interim basis, of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss, as well as an amount and description of other segment items. The guidance also requires interim disclosures of a reportable segment's profit or loss and assets, disclosure of the title and position of the CODM, and an explanation of how the CODM uses the reported measure of segment profit or loss in assessing performance and allocating resources. The adoption of this amended guidance resulted in changes in disclosures but did not have an impact on the Company's Consolidated Statements of Operations, Comprehensive Income (Loss), Balance Sheets, or Cash Flows.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosure*s. ASU 2023-09 improves the transparency of income tax disclosures by requiring, on an annual basis, consistent categories, and greater disaggregation of information in the rate reconciliation as well as income taxes paid disaggregated by jurisdiction. The update is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The amendments in this update should be applied prospectively, although optional retrospective application is permitted. While this accounting standard will increase disclosures related to the Company's income taxes, it will not have a material impact on the Company's Consolidated Financial Statement results.

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses.* ASU 2024-03 requires disclosure of certain costs and expenses on an interim and annual basis in the notes to the financial statements. ASU 2024-03 is effective for the Company for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, as clarified by ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. Early adoption is permitted. The Company is currently evaluating the impact that this guidance will have on its disclosures.

2. Business Acquisitions and Divestitures

Acquisitions

Rx Savings Solutions, LLC

On November 1, 2022, the Company completed its acquisition of 100% of the shares of Rx Savings Solutions, LLC ("RxSS"), a privately-owned company headquartered in Overland Park, Kansas, to further connect biopharma and payer services to patients. RxSS is a prescription price transparency and benefit insight company that offers affordability and adherence solutions to health plans and employers. The purchase consideration included a payment of $600 million in cash made upon closing and a maximum of $275 million of contingent consideration based on RxSS' operational and financial performance through calendar year 2025. The payment made upon closing was funded from cash on hand. The financial results of RxSS are included in the Company's RxTS segment as of the acquisition date. The transaction was accounted for as a business combination.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The Company recorded a liability for the contingent consideration at its fair value of $92 million as of the acquisition date. The fair value of the contingent consideration liability was estimated using a Monte Carlo simulation model, utilizing internal cash flow projections which are Level 3 inputs under Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements and Disclosures*. The contingent consideration liability will be remeasured to fair value at each reporting date until the liability is settled with changes in fair value being recognized within "Selling, distribution, general, and administrative expenses" in the Company's Consolidated Statements of Operations. During the year ended March 31, 2024, the Company recognized fair value adjustment gains of $78 million, which reduced its contingent consideration liability, based on the estimated amount and timing of projected operational and financial information and the probability of achievement of performance milestones. As of March 31, 2025 and 2024, the current portion of the contingent consideration liability of $14 million is included within "Other accrued liabilities." Recognition of the initial fair value of this contingent consideration was a non-cash investing activity.

The purchase price allocation included acquired identifiable intangible assets of $229 million, primarily representing customer relationships and technology with a weighted average amortization period of 12 years, and goodwill of $463 million. Goodwill has been allocated to the Company's RxTS segment, which reflects the expected future benefits from certain synergies and intangible assets that do not qualify for separate recognition. Goodwill attributable to the acquisition is deductible for tax purposes.

The following table summarizes the final purchase price allocation for this acquisition:

(In millions)		**Amounts Recognized as of Acquisition Date (Final)**
Purchase consideration:		
Cash	$	600
Contingent consideration		92
Total purchase consideration	$	692
Identifiable assets acquired and liabilities assumed:		
Current assets	$	5
Intangible assets		229
Other non-current assets		3
Current liabilities		(8)
Total identifiable net assets		229
Goodwill		463
Net assets acquired	$	692

SCRI Oncology, LLC

On October 31, 2022, the Company completed a transaction with HCA Healthcare, Inc. ("HCA") to form SCRI Oncology, an oncology research business combining McKesson's U.S. Oncology Research ("USOR") and HCA's Sarah Cannon Research Institute ("SCRI") based in Nashville, Tennessee, to advance cancer care and increase access to oncology clinical research. McKesson owns a 51% controlling interest in the combined business, and the financial results are consolidated by the Company and reported within its U.S. Pharmaceutical segment as of the acquisition date. Transaction consideration included the transfer of full ownership interest in USOR to the combined business and $166 million of net cash paid to HCA, which was funded from cash on hand. The transaction was accounted for as a business combination.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The purchase price allocation included acquired identifiable intangible assets of $177 million, primarily representing customer relationships as well as trademarks and trade names with a weighted average amortization period of 17 years, and goodwill of $113 million. Goodwill has been allocated to the Company's U.S. Pharmaceutical segment, which reflects the expected future benefits from certain synergies and intangible assets that do not qualify for separate recognition. Goodwill attributable to the acquisition of $46 million is deductible for tax purposes. The Company recorded noncontrolling interest of $225 million as a component of equity, which includes HCA's proportionate interest in the identifiable net assets of SCRI at fair value of $202 million and its proportionate interest in the contributed net assets of USOR at carrying value of $23 million. The difference between the fair value of the Company's acquired interest in SCRI net assets and the $166 million of net cash paid to HCA was recognized as additional paid in capital, as well as the Company's reduction in ownership interest in USOR net assets.

The following table summarizes the final purchase price allocation for this acquisition:

(In millions)		**Amounts Recognized as of Acquisition Date (Final)**
Purchase consideration:		
Cash	$	166
Contribution of USOR		46
Total purchase consideration	$	212
Identifiable assets acquired and liabilities assumed:		
Receivables	$	224
Property, plant, and equipment		22
Operating lease right-of-use assets		31
Intangible assets		177
Other non-current assets		6
Current liabilities		(42)
Long-term operating lease liabilities		(29)
Other non-current liabilities		(43)
Total identifiable net assets		346
Noncontrolling interest		(225)
Additional paid-in capital		(22)
Goodwill		113
Net assets acquired	$	212

The fair value of the acquired identifiable intangible assets from the acquisitions discussed above were determined by applying the income approach, using a discounted cash flow model in which cash flows anticipated over several periods are discounted to their present value using an appropriate rate that is commensurate with the risk inherent with the transaction. These inputs are considered Level 3 inputs under the fair value measurements and disclosure guidance. The Company's fair value assessments of these acquisitions were finalized upon completion of the measurement period in the third quarter of fiscal 2024. There were no material changes to the purchase price allocations since the respective acquisition dates. Pro forma financial information has not been provided as these acquisitions did not have a material impact, individually, or in the aggregate, to the Company's consolidated results of operations.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Divestitures

Canada Divestiture Activities

On December 30, 2024, the Company completed the sale of its Rexall and Well.ca businesses in Canada ("Canadian retail disposal group") for an adjusted purchase price consisting of a cash payment of $9 million, received at closing, and a note of $120 million, measured at fair value and accruing interest upon satisfaction of certain conditions, and payable to the Company at the end of six years. Within the International segment and as part of the transaction, the Company divested net assets of $741 million, including $125 million of intercompany trade accounts payable primarily related to purchases of inventories from McKesson Canada assumed by the buyer upon divestiture. The Company determined that the disposal group did not meet the criteria for classification as discontinued operations.

During the year ended March 31, 2025, the Company recorded net charges of $667 million within "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations, to remeasure the Canadian retail disposal group to fair value less costs to sell. The remeasurement adjustment for the year ended March 31, 2025 includes a $48 million loss related to the accumulated other comprehensive loss balances associated with the Canadian retail disposal group. The Company's measurement of the fair value of the Canadian retail disposal group was based on the total consideration expected to be received by the Company as outlined in the transaction agreements. Certain components of the total consideration included Level 3 fair value measurements.

European Divestiture Activities

In July 2021, the Company announced its intention to exit its businesses in Europe ("European Divestiture Activities"), as discussed in more detail below. Net gains related to these divestiture activities during the year ended March 31, 2023 were not material. The gains and charges for fiscal 2023 were recorded within "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations. The Company determined that the disposal groups did not meet the criteria for classification as discontinued operations.

On October 31, 2022, the Company completed its previously announced transaction to sell certain of its businesses in the E.U. located in France, Italy, Ireland, Portugal, Belgium, and Slovenia, along with its German headquarters and wound-care business, part of a shared services center in Lithuania, and its ownership stake in a joint venture in the Netherlands ("E.U. disposal group") to the PHOENIX Group. As part of the transaction, the Company received cash proceeds of $892 million and divested net assets of $1.3 billion, including cash of $319 million, derecognized the carrying value of its noncontrolling interest held by minority shareholders of McKesson Europe of $382 million, and released $153 million of net accumulated other comprehensive loss. During the year ended March 31, 2023 the Company recorded net gains of $66 million to remeasure the E.U. disposal group to fair value less costs to sell. The Company's measurement of the fair value of the E.U. disposal group was based on the total consideration received by the Company as outlined in the transaction agreement. Certain components of the total consideration included fair value measurements that fall within Level 3 of the fair value hierarchy.

At March 31, 2025 and 2024, the Company had no assets or liabilities related to European divestiture activities that met the criteria for classification as held for sale. Subsequent to the divestiture activities discussed above, the Company's European operations primarily consist of its retail and distribution businesses in Norway.

Other

For the periods presented, the Company also completed de minimis acquisitions and divestitures within its operating segments. Financial results for the Company's business acquisitions have been included in its consolidated financial statements as of their respective acquisition dates. Purchase prices for business acquisitions have been allocated based on estimated fair values at the respective acquisition dates.

On April 2, 2025, the Company announced the completion of its previously announced acquisition of a controlling interest in PRISM Vision Holdings, LLC ("PRISM Vision"), a leading provider of general ophthalmology and retina management services. The Company acquired an approximate 80% interest in PRISM Vision for approximately $850 million. PRISM Vision physicians retained an approximate 20% interest. The financial results of PRISM Vision will be reported within the Company's U.S. Pharmaceutical segment.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

3. Restructuring, Impairment, and Related Charges, Net

The Company recorded restructuring, impairment, and related charges, net of $344 million, $115 million, and $209 million in fiscal 2025, fiscal 2024, and fiscal 2023, respectively. Of these charges $286 million were included in "Restructuring, impairment, and related charges, net" and $58 million was included in "Cost of sales" in the Consolidated Statement of Operations for the year ended March 31, 2025.

Restructuring Initiatives

During the second quarter of fiscal 2025, the Company approved enterprise-wide initiatives to modernize and accelerate the technology service operating model, which are intended to improve business continuity, compliance, operating efficiency and advance investments to streamline the organization. These initiatives included cost reduction efforts and support other rationalization efforts within Corporate, and the Medical-Surgical Solutions, and U.S. Pharmaceutical segments to help realize long-term sustainable growth. The Company anticipates total charges related to these initiatives of $650 million to $700 million, consisting primarily of employee severance and other employee-related costs as well as facility, exit, and other related costs, including long-lived asset impairments. These programs are anticipated to be substantially complete in fiscal 2028. For the year ended March 31, 2025, the Company recorded charges of $298 million related to the initiatives, which primarily includes severance and other employee-related costs as well as facility exit and other related costs, including long-lived asset impairments.

During the fourth quarter of fiscal 2023, the Company approved a broad set of initiatives to drive operational efficiencies and increase cost optimization efforts, with the intent of simplifying its infrastructure and realizing long-term sustainable growth. These initiatives included headcount reductions, primarily consisting of employee severance and other employee-related costs within the RxTS segment, and the exit or downsizing of certain facilities. The Company recorded charges of $45 million and $60 million for the years ended March 31, 2024 and 2023 related to this program, respectively, primarily consisting of employee severance and other employee-related costs within its RxTS segment, asset impairments and accelerated depreciation, including certain asset impairments primarily within its U.S. Pharmaceutical segment and real estate charges within Corporate, as well as facility and other exit-related costs. This restructuring program was substantially complete in fiscal 2024.

Fiscal 2025

Restructuring, impairment, and related charges, net for the year ended March 31, 2025 consisted of the following:

	Year Ended March 31, 2025					
(In millions)	U.S. Pharmaceutical [1]	Prescription Technology Solutions	Medical-Surgical Solutions [2]	International	Corporate	Total
Severance and employee-related costs, net	$ (2)	$ —	$ 137	$ —	$ 3	$ 138
Exit and other-related costs [3]	3	3	53	—	49	108
Asset impairments and accelerated depreciation	58	9	14	1	16	98
Total	$ 59	$ 12	$ 204	$ 1	$ 68	$ 344

(1) Includes costs related to operational efficiencies and cost optimization efforts described above to support the Company's U.S. Pharmaceutical segment, including an inventory impairment of $58 million within "Cost of sales" in the Consolidated Statement of Operations.

(2) Includes costs related to operational efficiencies and cost optimization efforts described above to support the Company's Medical-Surgical Solutions segment.

(3) Exit and other-related costs consist of accruals for costs to be incurred without future economic benefits, project consulting fees, and other exit costs expensed as incurred.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Fiscal 2024

Restructuring, impairment, and related charges, net for the year ended March 31, 2024 consisted of the following:

	Year Ended March 31, 2024					
(In millions)	U.S. Pharmaceutical	Prescription Technology Solutions [1]	Medical-Surgical Solutions	International	Corporate [1]	Total
Severance and employee-related costs, net	$ 10	$ —	$ (1)	$ 2	$ (1)	$ 10
Exit and other-related costs [2]	3	11	12	9	27	62
Asset impairments and accelerated depreciation	4	—	—	10	29	43
Total	$ 17	$ 11	$ 11	$ 21	$ 55	$ 115

(1) Includes costs related to operational efficiencies and cost optimization efforts described above to support the Company's technology solutions.

(2) Exit and other-related costs consist of accruals for costs to be incurred without future economic benefits, project consulting fees, and other exit costs expensed as incurred.

Fiscal 2023

Restructuring, impairment, and related charges, net for the year ended March 31, 2023 consisted of the following:

	Year Ended March 31, 2023					
(In millions)	U.S. Pharmaceutical [1]	Prescription Technology Solutions [1]	Medical-Surgical Solutions	International	Corporate [1]	Total
Severance and employee-related costs, net	$ 6	$ 23	$ 2	$ 4	$ —	$ 35
Exit and other-related costs [2]	7	7	3	21	64	102
Asset impairments and accelerated depreciation	25	13	5	10	19	72
Total	$ 38	$ 43	$ 10	$ 35	$ 83	$ 209

(1) Includes costs related to operational efficiencies and cost optimization efforts described above to support the Company's technology solutions.

(2) Exit and other-related costs consist of accruals for costs to be incurred without future economic benefits, project consulting fees, and other exit costs expensed as incurred. Corporate includes costs for business transformation and optimization efforts related to the Company's technology organization. The International segment includes costs related to the Company's European divestitures.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The following table summarizes the activity related to the liabilities associated with the Company's restructuring initiatives for the years ended March 31, 2025 and 2024:

(In millions)	U.S. Pharmaceutical	Prescription Technology Solutions	Medical-Surgical Solutions	International	Corporate	Total
Balance, March 31, 2023 [1]	$ 15	$ 26	$ 3	$ 13	$ 35	$ 92
Restructuring, impairment, and related charges, net	17	11	11	21	55	115
Non-cash charges	(4)	—	—	(10)	(29)	(43)
Cash payments	(15)	(32)	(13)	(5)	(40)	(105)
Other [2]	5	—	—	(9)	—	(4)
Balance, March 31, 2024 [3]	18	5	1	10	21	55
Restructuring, impairment, and related charges, net	59	12	204	1	68	344
Non-cash charges	(58)	(9)	(14)	(1)	(16)	(98)
Cash payments	(8)	(4)	(99)	(2)	(51)	(164)
Other [2]	(1)	(3)	(2)	(7)	2	(11)
Balance, March 31, 2025 [4]	$ 10	$ 1	$ 90	$ 1	$ 24	$ 126

(1) As of March 31, 2023, the total reserve balance was $92 million, of which $66 million was recorded in "Other accrued liabilities" and $26 million was recorded in "Other non-current liabilities" in the Company's Consolidated Balance Sheet.

(2) Other primarily includes cumulative translation adjustments as well as adjustments to Canadian retail disposal group reserves within International in fiscal 2025, and transfers to certain other liabilities for the remainder segments.

(3) As of March 31, 2024, the total reserve balance was $55 million, of which $24 million was recorded in "Other accrued liabilities" and $31 million was recorded in "Other non-current liabilities" in the Company's Consolidated Balance Sheet.

(4) As of March 31, 2025, the total reserve balance was $126 million, of which $103 million was recorded in "Other accrued liabilities" and $23 million was recorded in "Other non-current liabilities" in the Company's Consolidated Balance Sheet.

Long-Lived Asset Impairments

Fiscal 2025

There were no material long-lived asset impairments recorded in fiscal 2025.

Fiscal 2024

There were no material long-lived asset impairments recorded in fiscal 2024.

Fiscal 2023

There were no material long-lived asset impairments recorded in fiscal *2023*.

4. Share-Based Compensation

The Company provides share-based compensation to its employees, officers, and non-employee directors, including restricted stock units ("RSUs"), performance-based stock units ("PSUs"), and an employee stock purchase plan ("ESPP") (collectively, "share-based awards"). Most of the share-based awards are granted in the first quarter of each fiscal year.

Share-based compensation expense for the share-based awards is recognized for the portion of awards ultimately expected to vest. The Company estimates the number of share-based awards that will ultimately vest primarily based on historical experience. The estimated forfeiture rate established upon grant is re-assessed throughout the requisite service period and is adjusted when actual forfeitures occur. The actual forfeitures in future reporting periods could be higher or lower than current estimates.

Share-based compensation expense is classified in the Consolidated Statements of Operations in the same manner as cash compensation paid to the Company's employees and included in "Selling, distribution, general, and administrative expenses."

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Impact on Net Income

The components of share-based compensation expense and related tax benefits were as follows:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Restricted stock unit awards [1]	$ 211	$ 168	$ 149
Employee stock purchase plan	15	14	13
Share-based compensation expense	226	182	162
Tax benefit for share-based compensation expense	(85)	(72)	(87)
Share-based compensation expense, net of tax	$ 141	$ 110	$ 75

(1) Includes share-based compensation expense recognized for RSUs and PSUs.

Stock Plans

In April 2022, the Company's stockholders approved the McKesson Corporation 2022 Stock Plan (the "2022 Stock Plan"), which permits the grant of awards in the form of restricted stock, RSUs, PSUs, stock options, and other share-based awards to selected employees, officers, and non-employee directors. As of March 31, 2025, 4.2 million shares remain available for future grant under the 2022 Stock Plan.

Restricted Stock Unit Awards

RSUs entitle the holder to receive a specified number of shares of the Company's common stock which vest over a period of generally three to four years as determined by the Compensation Committee at the time of grant. The fair value of the award is determined based on the price of the Company's common stock on the grant date and the related share-based compensation expense is recognized over the vesting period on a straight-line basis.

Non-employee directors receive an annual grant of RSUs, which vest immediately and are expensed upon grant. The director may elect to receive the underlying shares immediately or defer receipt of the shares if they meet director stock ownership guidelines. The shares will be automatically deferred for those directors who do not meet the director stock ownership guidelines. At March 31, 2025, approximately 33,000 RSUs for the Company's directors were vested.

Performance Stock Unit Awards

PSUs are conditional upon the attainment of market and performance objectives over a specified period. The number of vested PSUs is assessed at the end of a three-year performance period upon attainment of meeting certain earnings per share targets, average return on invested capital, and for certain participants, total shareholder return relative to a peer group of companies. The Company uses the Monte Carlo simulation model to measure the fair value of the total shareholder return portion of the PSUs. The earnings per share portion of the PSUs is measured at the grant date market price. PSUs have a requisite service period of generally three years. Expense is attributed to the requisite service period on a straight-line basis based on the fair value of the PSUs, adjusted for the performance modifier at the end of each reporting period. For PSUs that are designated as equity awards, the fair value is measured at the grant date.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The weighted-average assumptions used in the Monte Carlo valuations were as follows:

	Years Ended March 31,		
	2025	**2024**	**2023**
Expected stock price volatility	21 %	24 %	34 %
Expected dividend yield	0.5 %	0.6 %	0.6 %
Risk-free interest rate	4.5 %	3.9 %	2.7 %
Expected life (in years)	3	3	3

The following table summarizes activity for RSUs and PSUs during fiscal 2025:

(In millions, except per share data)	**Shares**	**Weighted-Average Grant Date Fair Value Per Share**
Nonvested, March 31, 2024	1.4	$ 307.73
Granted	0.4	559.18
Cancelled	(0.1)	419.14
Vested	(0.8)	254.53
Nonvested, March 31, 2025	0.9	$ 434.89

The following table provides data related to RSU and PSU award activity:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Total fair value of shares vested	$ 192	$ 143	$ 200
Total compensation cost, net of estimated forfeitures, related to nonvested restricted stock unit awards not yet recognized, pre-tax	$ 191	$ 205	$ 192
Weighted-average period in years over which restricted stock unit award cost is expected to be recognized	1	2	2

Employee Stock Purchase Plan

The Company has an ESPP under which 23.1 million shares have been authorized for issuance. The ESPP allows eligible employees to purchase shares of the Company's common stock through payroll deductions. The deductions occur over three-month purchase periods and the shares are then purchased at 85% of the market price at the end of each purchase period. Employees are allowed to terminate their participation in the ESPP at any time during the purchase period prior to the purchase of the shares, subject to the Company's insider trading policies and procedures. The 15% discount provided to employees on these shares is included in share-based compensation expense. The shares related to funds outstanding at the end of a quarter are included in the calculation of diluted weighted-average shares outstanding. These amounts have not been significant for all the years presented. The Company recognizes costs for employer matching contributions as ESPP expense over the relevant purchase period. Shares issued under the ESPP were not material in fiscal 2025, fiscal 2024, and fiscal 2023. At March 31, 2025, 3.3 million shares remain available for issuance.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

5. Other Income, Net

Other income, net consists of the following:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Interest income [1]	$ 173	$ 118	$ 107
Equity in earnings, net	9	4	5
Net gains (losses) on investments in equity securities [2]	58	(24)	106
Other, net [3]	(38)	34	279
Total	$ 202	$ 132	$ 497

(1) The increase in interest income for fiscal 2025 compared to fiscal 2024 is primarily due to higher investable cash in fiscal 2025. The increase in fiscal 2024 compared to fiscal 2023 is primarily due to higher interest rates on certain cash balances.

(2) Represents net realized and unrealized gains and losses as well as impairment charges on the Company's investments in equity securities of certain U.S. growth stage companies in the healthcare industry. These net gains and losses primarily relate to mark-to-market adjustments for investments which are measured at fair value based on changes in the observable price of the securities and realized gains on the disposal of certain of these investments. Includes net gains of $101 million related to investments in equity securities of certain U.S. growth stage companies in the healthcare industry, partially offset by a loss of $43 million related to an equity method investment for the year ended March 31, 2025. Included a gain of $142 million for the year ended March 31, 2023 related to the exit of one of the Company's investments in equity securities in July 2022 for proceeds of $179 million. Refer to Financial Note 15, "Fair Value Measurements," for more information on these types of investments.

(3) Other, net for all periods presented includes income recognized from finance charges to customers primarily for late fees.

Other, net for the year ended March 31, 2025 includes charges of $87 million related to the termination of the U.K. pension plan. Refer to Financial Note 13, "Pension Benefits," for more detail.

Other, net for year ended March 31, 2023 includes the following:

- a gain of $126 million related to a cash payment received for the early termination of a tax receivable agreement ("TRA") exercised by Change Healthcare Inc. ("Change") in October 2022. The Company was a party to a TRA entered into as part of the formation of the joint venture with Change, from which McKesson has since exited and in October 2022, Change exercised its right pursuant to the TRA to terminate the agreement; and
- a gain of $97 million recognized from the termination of certain forward-starting fixed interest rate swaps, as discussed in more detail in Financial Note 14, "Hedging Activities."

6. Income Taxes

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Income from continuing operations before income taxes			
U.S.	$ 3,735	$ 2,597	$ 3,308
Foreign	624	1,192	1,322
Income from continuing operations before income taxes	$ 4,359	$ 3,789	$ 4,630

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Income tax expense related to continuing operations consists of the following:

(In millions, except percentages)	Years Ended March 31, 2025	2024	2023
Current			
Federal	$ 552	$ 867	$ 619
State	182	231	126
Foreign	254	134	180
Total current	988	1,232	925
Deferred			
Federal	102	(360)	(46)
State	5	(133)	36
Foreign	(217)	(110)	(10)
Total deferred	(110)	(603)	(20)
Income tax expense	$ 878	$ 629	$ 905
Reported income tax rate	20.1 %	16.6 %	19.5 %

Fluctuations in the Company's reported income tax rates are primarily due to changes in the business mix of earnings between various taxing jurisdictions, including the impact of non-cash pre-tax charges related to the remeasurement of the Canadian retail disposal group to fair value less costs to sell as described in Financial Note 2, "Business Acquisitions and Divestitures," and recognized discrete tax items.

The reconciliation of income tax expense and the amount computed by applying the statutory federal income tax rate of 21.0% to income before income taxes was as follows:

(In millions)	Years Ended March 31, 2025	2024	2023
Income tax expense at federal statutory rate	$ 915	$ 796	$ 972
State income taxes, net of federal tax benefit	145	104	134
Tax effect of foreign operations	(25)	(16)	(85)
Foreign-derived intangible income	(83)	(67)	(60)
Unrecognized tax benefits and settlements	91	116	6
Net tax benefit on intellectual property repatriation and sales	(258)	(104)	—
Canadian disposal transaction loss	140	—	—
Valuation allowance release	—	(157)	—
Share-based compensation	(42)	(37)	(58)
Other, net	(5)	(6)	(4)
Income tax expense	$ 878	$ 629	$ 905

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

During the year ended March 31, 2025, the Company recognized a net discrete tax benefit of $258 million related to the sales of certain intellectual property between McKesson wholly-owned legal entities based in foreign tax jurisdictions. The transferor entities of the intellectual property were not subject to income tax on their transaction. The recipient entities of the intellectual property are entitled to amortize the fair value of the assets for tax purposes. As a result of these transactions, and in accordance with ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, net discrete tax benefits of $44 million and $214 million were recognized in the second and fourth quarters of fiscal 2025, respectively.

During the year ended March 31, 2024, the Company recognized a net discrete tax benefit of $157 million related to the release of a valuation allowance based on management's reassessment of the amount of its deferred tax assets that are more likely than not to be realized.

During the year ended March 31, 2024, the Company also repatriated certain intellectual property between McKesson wholly-owned legal entities that are based in different tax jurisdictions. The transferor entity of the intellectual property was not subject to income tax on this transaction. The recipient entity of the intellectual property is entitled to amortize the fair value of the assets for tax purposes. As a result of this repatriation and in accordance with ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, a net discrete tax benefit of $147 million was recognized in the first quarter of fiscal 2024. In addition, the Company sold certain intellectual property between McKesson wholly-owned legal entities that are based in different tax jurisdictions, where the transferor entity was subject to income tax and the recipient entity is entitled to amortize the fair value of the assets for tax purposes. As a result of this sale, a net discrete tax expense of $43 million was recognized in the fourth quarter of fiscal 2024.

During the year ended March 31, 2023, the Company recognized discrete tax benefits primarily consisting of $115 million related to statute of limitation expirations and tax settlements in various taxing jurisdictions and $58 million related to the tax impact of share-based compensation.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Deferred tax balances consisted of the following:

(In millions)	March 31, 2025	March 31, 2024
Assets		
Receivable allowances	$ 136	$ 244
Opioid-related litigation and claims	680	680
Compensation and benefit-related accruals	287	277
Net operating loss and credit carryforwards	847	751
Lease obligations	423	438
Capitalized research and development cost	68	60
Intangibles	66	5
Other	170	147
Subtotal	2,677	2,602
Less: valuation allowance	(644)	(653)
Total assets	2,033	1,949
Liabilities		
Inventory valuation and other assets	(2,139)	(2,092)
Fixed assets	(72)	(16)
Lease right-of-use assets	(434)	(431)
Other	(50)	(10)
Total liabilities	(2,695)	(2,549)
Net deferred tax liability	$ (662)	$ (600)
Long-term deferred tax asset	$ 367	$ 317
Long-term deferred tax liability	(1,029)	(917)
Net deferred tax liability	$ (662)	$ (600)

The Company assesses the available positive and negative evidence to determine whether deferred tax assets are more likely than not to be realized. As a result of this assessment, valuation allowances have been recorded on certain deferred tax assets in various tax jurisdictions. The valuation allowances were approximately $644 million and $653 million in fiscal 2025 and fiscal 2024, respectively, and primarily relate to net operating and capital losses.

The Company has federal, state, and foreign net operating loss carryforwards of $40 million, $4.1 billion, and $1.3 billion at March 31, 2025, respectively. Federal and state net operating losses will expire at various dates from 2026 through 2045. Substantially all its foreign net operating losses have indefinite lives. In addition, the Company has foreign capital loss carryforwards of $1.3 billion with indefinite lives.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The following table summarizes the activity related to the Company's gross unrecognized tax benefits for the last three fiscal years:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Unrecognized tax benefits at beginning of period	$ 1,463	$ 1,399	$ 1,523
Additions based on tax positions related to prior years	33	10	—
Reductions based on tax positions related to prior years	(43)	(2)	(26)
Additions based on tax positions related to current year	97	64	21
Reductions based on settlements	(13)	(8)	(96)
Reductions based on the lapse of the applicable statutes of limitations	(7)	(2)	(16)
Exchange rate fluctuations	2	2	(7)
Unrecognized tax benefits at end of period	$ 1,532	$ 1,463	$ 1,399

As of March 31, 2025, the Company had $1.5 billion in unrecognized tax benefits, of which $1.4 billion would reduce income tax expense and the effective tax rate, if recognized. The increases in unrecognized tax benefits in both fiscal 2025 and fiscal 2024 primarily relate to additions associated with recurring items.

During the next twelve months, the Company does not anticipate any material reduction in its unrecognized tax benefits based on the information currently available. However, this may change as the Company continues to have ongoing discussions with various taxing authorities throughout the year.

During the fourth quarter of fiscal 2023, the Internal Revenue Service ("IRS") communicated proposed adjustments to taxable income reported in the Company's fiscal 2018 and fiscal 2019 U.S. Federal Corporate Income Tax returns. The adjustments would increase the Company's federal income tax liability in the range of $600 million to $700 million. The Company disagrees with the proposed adjustments and intends to pursue resolution through the administrative process with the IRS Independent Office of Appeals and, if necessary, through judicial remedies. During the first quarter of fiscal 2024, the Company filed a formal protest with the IRS. The Company does not anticipate a final resolution of these matters in the next twelve months. Although the final resolution of these matters is uncertain, the Company believes in the merits of its tax positions and believes that it has adequately reserved for any adjustments to the provision of income taxes that may ultimately result. However, if the IRS prevails in these matters, the assessed tax and interest could have a material adverse effect on the Company's financial position, results of operations, and cash flows in future periods.

The Company reports interest and penalties on income taxes as income tax expense. It recognized income tax expense of $80 million, $84 million, and $31 million in fiscal 2025, fiscal 2024, and fiscal 2023, respectively, representing interest and penalties, in its Consolidated Statements of Operations. As of March 31, 2025 and 2024, the Company accrued cumulatively $302 million and $222 million, respectively, in interest and penalties on unrecognized tax benefits in its Consolidated Balance Sheets.

The Company files income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions, and various foreign jurisdictions. The Company is generally subject to audit by taxing authorities in various U.S. states and in foreign jurisdictions for fiscal 2016 through the current fiscal year.

Undistributed earnings of the Company's foreign operations of approximately $4.0 billion were considered indefinitely reinvested on March 31, 2025. Following the enactment of the 2017 Tax Act, the repatriation of cash to the U.S. is generally no longer taxable for federal income tax purposes. However, the repatriation of cash held outside the U.S. could be subject to applicable foreign withholding taxes and state income taxes. The Company may remit foreign earnings to the U.S. to the extent it is tax efficient to do so. It does not expect the tax impact from remitting these earnings to be material.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

7. Noncontrolling Interests

Noncontrolling Interests

Noncontrolling interests represent third-party equity interests in the Company's consolidated entities primarily related to ClarusONE, Vantage, and SCRI Oncology. After June 15, 2021, noncontrolling interests also represented minority shareholder equity interests in McKesson Europe. The Company's noncontrolling interest in McKesson Europe was included in the divestiture of the E.U. disposal group in October 2022, as discussed in Financial Note 2, "Business Acquisitions and Divestitures."

Noncontrolling interests in the Company's Consolidated Balance Sheets were $380 million and $372 million at March 31, 2025 and 2024, respectively. For the years ended March 31, 2025, 2024, and 2023, the Company allocated a total of $186 million, $158 million, and $162 million of net income to noncontrolling interests, respectively.

Changes in noncontrolling interests for the years ended March 31, 2025, 2024, and 2023 were as follows:

(In millions)	Noncontrolling Interests
Balance, March 31, 2022	$ 480
Net income attributable to noncontrolling interests	162
Other comprehensive income	44
Payments to noncontrolling interests	(150)
Reclassification of recurring compensation to other accrued liabilities	(5)
Formation of SCRI Oncology	225
Derecognition of noncontrolling interests in McKesson Europe	(382)
Other	(7)
Balance, March 31, 2023	367
Net income attributable to noncontrolling interests	158
Payments to noncontrolling interests	(152)
Other	(1)
Balance, March 31, 2024	372
Net income attributable to noncontrolling interests	186
Payments to noncontrolling interests	(178)
Balance, March 31, 2025	$ 380

8. Earnings Per Common Share

Basic earnings per common share is computed by dividing net income by the weighted-average number of common shares outstanding during the reporting period. The computation of diluted earning per common share is similar to that of basic earnings per common share, except that the former reflects the potential dilution that could occur if dilutive securities or other obligations to issue common stock were exercised or converted into common stock. Potentially dilutive securities include outstanding stock options, restricted stock units, and performance-based and other restricted stock units.

Less than one million of potentially dilutive securities for fiscal 2025, fiscal 2024, and fiscal 2023 were excluded from the computation of diluted earnings per common share as they were anti-dilutive.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The computations for basic and diluted earnings or loss per common share were as follows:

(In millions, except per share amounts)	Years Ended March 31, 2025	2024	2023
Income from continuing operations	$ 3,481	$ 3,160	$ 3,725
Net income attributable to noncontrolling interests	(186)	(158)	(162)
Income from continuing operations attributable to McKesson Corporation	3,295	3,002	3,563
Loss from discontinued operations, net of tax	—	—	(3)
Net income attributable to McKesson Corporation	$ 3,295	$ 3,002	$ 3,560
Weighted-average common shares outstanding:			
Basic	127.4	133.2	141.1
Effect of dilutive securities:			
Stock options	—	0.2	0.2
Restricted stock units [1]	0.7	0.7	0.9
Diluted	128.1	134.1	142.2
Earnings (loss) per common share attributable to McKesson Corporation: [2]			
Diluted			
Continuing operations	$ 25.72	$ 22.39	$ 25.05
Discontinued operations	—	—	(0.02)
Total	$ 25.72	$ 22.39	$ 25.03
Basic			
Continuing operations	$ 25.86	$ 22.54	$ 25.25
Discontinued operations	—	—	(0.02)
Total	$ 25.86	$ 22.54	$ 25.23

(1) Includes dilutive effect from restricted stock units and performance-based restricted stock units.

(2) Certain computations may reflect rounding adjustments.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

9. Leases

Lessee

Supplemental balance sheet information related to leases was as follows:

(In millions, except lease term and discount rate)	March 31, 2025	March 31, 2024
Operating leases		
Operating lease right-of-use assets	$ 1,782	$ 1,729
Current portion of operating lease liabilities	$ 258	$ 295
Long-term operating lease liabilities	1,478	1,466
Total operating lease liabilities	$ 1,736	$ 1,761
Finance leases		
Property, plant, and equipment, net	$ 177	$ 165
Current portion of long-term debt	$ 32	$ 30
Long-term debt	163	163
Total finance lease liabilities	$ 195	$ 193
Weighted-average remaining lease term (years)		
Operating leases	8.0	7.0
Finance leases	6.3	7.0
Weighted-average discount rate		
Operating leases	4.11 %	3.62 %
Finance leases	3.27 %	2.98 %

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The components of lease cost were as follows:

(In millions)	Years Ended March 31, 2025	2024	2023
Short-term lease cost	$ 8	$ 14	$ 20
Operating lease cost	418	418	384
Finance lease cost:			
Amortization of right-of-use assets	30	25	24
Interest on lease liabilities	7	5	6
Total finance lease cost	37	30	30
Variable lease cost [1]	139	131	128
Sublease income	(36)	(35)	(33)
Total lease cost [2]	$ 566	$ 558	$ 529

(1) These amounts include payments for maintenance, taxes, payments affected by the consumer price index, and other similar metrics and payments contingent on usage.

(2) These amounts were primarily recorded in "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations.

Supplemental cash flow information related to leases was as follows:

(In millions)	Years Ended March 31, 2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ (404)	$ (339)	$ (338)
Operating cash flows from finance leases	—	(1)	(1)
Financing cash flows from finance leases	(39)	(47)	(29)
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	$ 599	$ 391	$ 462
Finance leases	18	21	17

Maturities of lease liabilities as of March 31, 2025 were as follows:

(In millions)	Operating Leases	Finance Leases	Total
Fiscal 2026	$ 313	$ 37	$ 350
Fiscal 2027	304	38	342
Fiscal 2028	261	35	296
Fiscal 2029	226	32	258
Fiscal 2030	197	26	223
Thereafter	777	49	826
Total lease payments [1]	2,078	217	2,295
Less imputed interest	(342)	(22)	(364)
Present value of lease liabilities	$ 1,736	$ 195	$ 1,931

(1) Total lease payments are not reduced by future minimum sublease income of $224 million, which is due under noncancellable subleases.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

As of March 31, 2025, the Company entered into additional leases primarily for facilities that have not yet commenced with future lease payments of $260 million that are not reflected in the table above. These operating leases will commence in calendar year 2025 with noncancellable lease terms of three to 15 years.

Lessor

The Company leases certain owned equipment, classified as direct financing or sales-type leases, to physician practices. As of March 31, 2025 and 2024, the total lease receivable was $419 million and $365 million, respectively, with a weighted-average remaining lease term of approximately seven years. Interest income from these leases was not material for the years ended March 31, 2025, 2024, and 2023.

10. Goodwill and Intangible Assets, Net

Goodwill

Changes in the carrying amount of goodwill were as follows:

(In millions)	U.S. Pharmaceutical	Prescription Technology Solutions	Medical-Surgical Solutions	International	Corporate	Total
Balance, March 31, 2023	$ 4,050	$ 2,005	$ 2,453	$ 1,439	$ —	$ 9,947
Goodwill acquired	80	19	83	13	—	195
Foreign currency translation adjustments, net	—	—	—	(3)	—	(3)
Other adjustments	(7)	—	—	—	—	(7)
Balance, March 31, 2024	4,123	2,024	2,536	1,449	—	10,132
Goodwill acquired	1	11	—	4	—	16
Disposals [1]	—	—	—	(46)	—	(46)
Foreign currency translation adjustments, net	—	—	—	(80)	—	(80)
Other adjustments	8	(8)	(29)	—	29	—
Balance, March 31, 2025	$ 4,132	$ 2,027	$ 2,507	$ 1,327	$ 29	$ 10,022

(1) Goodwill related to the Canadian retail disposal group discussed in Financial Note 2, "Business Acquisitions and Divestitures,"

Goodwill Impairment Charges

The Company evaluates goodwill for impairment on an annual basis in the first fiscal quarter, and more frequently if indicators for potential impairment exist. Goodwill impairment testing is conducted at the reporting unit level, which is generally defined as an operating segment or one level below an operating segment (also known as a component), for which discrete financial information is available and segment management regularly reviews the operating results of that reporting unit.

The fair value of the reporting units is determined using a combination of an income approach based on a DCF model and a market approach based on appropriate valuation multiples observed for the reporting unit's guideline public companies. Fair value estimates result from a complex series of judgments about future events and uncertainties and relies heavily on estimates and assumptions that have been deemed reasonable by management as of the measurement date. Any material changes in key assumptions, including failure to improve operations of certain retail pharmacy stores, additional government reimbursement reductions, deterioration in the financial markets, an increase in interest rates, or an increase in the cost of equity financing by market participants within the industry, or other unanticipated events and circumstances, may affect such estimates. The discount rates are the weighted-average cost of capital measuring the reporting unit's cost of debt and equity financing weighted by the percentage of debt and percentage of equity in a company's target capital. The unsystematic risk premium is an input factor used in calculating the discount rate that specifically addresses uncertainty related to the reporting unit's future cash flow projections. Fair value assessments of the reporting unit are considered a Level 3 measurement due to the significance of unobservable inputs developed using company-specific information.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The annual impairment testing performed for fiscal 2025, fiscal 2024, and fiscal 2023 did not indicate any impairment of goodwill.

Intangible Assets

Information regarding intangible assets were as follows:

		March 31, 2025			March 31, 2024		
(Dollars in millions)	Weighted-Average Remaining Amortization Period (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount [1]	Accumulated Amortization [1]	Net Carrying Amount
Customer relationships	10	$ 1,475	$ (650)	$ 825	$ 1,830	$ (701)	$ 1,129
Service agreements	9	1,116	(728)	388	1,126	(676)	450
Trademarks and trade names	13	378	(278)	100	759	(395)	364
Technology	9	288	(141)	147	284	(125)	159
Other	7	31	(27)	4	34	(26)	8
Total		$ 3,288	$ (1,824)	$ 1,464	$ 4,033	$ (1,923)	$ 2,110

(1) During the third quarter of fiscal 2024, the Company performed a review of its intangible assets and removed from the balance sheet $1.4 billion of fully amortized gross intangible assets and the corresponding accumulated amortization associated with the assets that no longer provide an economic benefit, are no longer in use, or for which the related contract has expired.

All intangible assets were subject to amortization as of March 31, 2025 and 2024. Amortization of intangible assets of the Canadian retail disposal group previously classified as held for sale and disposed in December 2024 ceased in the second quarter of fiscal 2025. Amortization expense of intangible assets was $226 million, $249 million, and $236 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

Estimated amortization expense of the assets listed in the table above is as follows:

(In millions)	Estimated Amortization Expense
Fiscal 2026	$ 173
Fiscal 2027	168
Fiscal 2028	164
Fiscal 2029	162
Fiscal 2030	157
Thereafter	640

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

11. Debt and Financing Activities

Long-term debt consisted of the following:

	March 31,	
(In millions)	**2025**	**2024**
U.S. Dollar notes [1] [2]		
0.90% Notes due December 3, 2025	500	500
5.25% Notes due February 15, 2026	—	499
1.30% Notes due August 15, 2026	499	499
7.65% Debentures due March 1, 2027	150	150
3.95% Notes due February 16, 2028	343	343
4.90% Notes due July 15, 2028	399	399
4.75% Notes due May 30, 2029	196	196
4.25% Notes due September 15, 2029	500	—
5.10% Notes due July 15, 2033	597	596
6.00% Notes due March 1, 2041	217	218
4.88% Notes due March 15, 2044	255	255
Foreign currency notes [1] [3]		
1.50% Euro Notes due November 17, 2025	649	646
1.63% Euro Notes due October 30, 2026	541	540
3.13% Sterling Notes due February 17, 2029	581	568
Lease and other obligations	227	220
Total debt	5,654	5,629
Less: Current portion	1,191	50
Total long-term debt	$ 4,463	$ 5,579

(1) These notes are unsecured and unsubordinated obligations of the Company.

(2) Interest on these U.S. dollar notes is payable semi-annually.

(3) Interest on these foreign currency notes is payable annually.

Long-Term Debt

The Company's long-term debt includes both U.S. dollar and foreign currency-denominated borrowings. At March 31, 2025 and 2024, $5.7 billion and $5.6 billion, respectively, of total debt was outstanding, of which $1.2 billion and $50 million, respectively, was included under the caption "Current portion of long-term debt" in the Company's Consolidated Balance Sheets.

Public Offerings

On September 10, 2024, the Company completed a public offering of 4.25% Notes due September 15, 2029 in a principal amount of $500 million (the "2029 Notes"). Interest on the 2029 Notes is payable semi-annually on March 15th and September 15th of each year, commencing on March 15, 2025. Proceeds received from the issuance of the 2029 Notes, net of discounts and offering expenses, were $496 million. The Company utilized the net proceeds from the offering of the 2029 Notes together with cash on hand to redeem its $500 million outstanding principal amount of 5.25% Notes due February 15, 2026 (the "2026 Notes"), which became callable on or after February 15, 2024, prior to maturity at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest through the redemption date. The total loss recognized on the debt extinguishment of the 2026 Notes described above for the year ended March 31, 2025 was not material and is included within "Interest expense" in the Company's Consolidated Statements of Operations.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

On June 15, 2023, the Company completed a public offering of 4.90% Notes due July 15, 2028 in a principal amount of $400 million (the "2028 Notes") and a public offering of 5.10% Notes due July 15, 2033 in a principal amount of $600 million (the "2033 Notes" and, together with the 2028 Notes, the "Notes"). Interest on the Notes is payable semi-annually on January 15th and July 15th of each year, commencing on January 15, 2024. Proceeds received from the issuance of the Notes, net of discounts and offering expenses, were $397 million for the 2028 Notes and $592 million for the 2033 Notes. The Company utilized a portion of the net proceeds from the offerings of the Notes to fund the purchase price payable with respect to the portion of the Company's then outstanding 3.80% Notes due March 15, 2024 (the "2024 Notes") that was validly tendered and accepted for purchase pursuant to the Concurrent Tender Offer (as defined below) and to effect the satisfaction and discharge of the remaining portion of the 2024 Notes, all of which is described further below. The remaining net proceeds from the offerings of the Notes was available for general corporate purposes.

On February 15, 2023, the Company completed a public offering of 5.25% Notes due February 15, 2026 (the "February 2026 Notes") in a principal amount of $500 million. Interest on the February 2026 Notes is payable semi-annually on February 15th and August 15th of each year, commencing on August 15, 2023. Proceeds received from this note issuance, net of discounts and offering expenses, were $497 million. The Company utilized the net proceeds from this note issuance to repay existing debt. On or after February 15, 2024, the Company may redeem the February 2026 Notes at its option, in whole or in part, at any time and from time to time, for cash at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest thereon to, but not including, the redemption date.

Each of the 2029 Notes, the 2033 Notes and the 2028 Notes, constitutes a "series," is an unsecured and unsubordinated obligation of the Company and ranks equally with all of the Company's existing, and future unsecured and unsubordinated indebtedness that may be outstanding from time-to-time. Each series is governed by an indenture and officers' certificate that are materially similar to those of other series of notes issued by the Company. Upon at least 10 days' and not more than 60 days' notice to holders of the applicable series of the notes, the Company may redeem such series of the notes for cash in whole, at any time, or in part, from time to time, at redemption prices that include accrued and unpaid interest and a make-whole premium before a specified date, and at par plus accrued and unpaid interest thereafter until maturity, each as specified in the indenture and the officers' certificate. If there were to occur both (a) a change of control of the Company and (b) a downgrade of the applicable series of the notes below an investment grade rating by each of the Ratings Agencies (as defined in the applicable officers' certificate) within a specified period, then the Company would be required to make an offer to purchase that series at a price equal to 101% of the then outstanding principal amount of that series, plus accrued and unpaid interest to, but not including, the date of repurchase. The indenture and the related officers' certificate for each series, subject to the exceptions and in compliance with the conditions as applicable, specify that the Company may not consolidate, merge or sell all or substantially all of its assets, incur liens, or enter into sale-leaseback transactions exceeding specific terms, without the lenders' consent. The indenture also contains customary events of default provisions.

Retirements and Redemption

On March 15, 2023, the Company retired its $360 million outstanding principal amount of 2.85% Notes due 2023 upon maturity. On December 15, 2022, the Company retired its $400 million outstanding principal amount of 2.70% Notes due 2022 upon maturity. All of these notes were repaid or redeemed using cash on hand.

Concurrent Tender Offer of the 2024 Notes

On June 16, 2023, the Company completed a cash tender offer for any and all of its then outstanding 2024 Notes, which was made concurrently with the offerings of the Notes (the "Concurrent Tender Offer"). The Company paid an aggregate consideration of $268 million in the Concurrent Tender Offer to repurchase $271 million principal amount of the 2024 Notes at a repurchase price equal to 98.75% of the principal amount plus accrued and unpaid interest. The repurchase of the 2024 Notes accepted for purchase in the Concurrent Tender Offer was accounted for as a debt extinguishment.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Satisfaction and Discharge of the 2024 Notes

On June 16, 2023, after completing the Concurrent Tender Offer, the Company irrevocably deposited with the trustee under the indenture governing the 2024 Notes (the "2024 Notes Indenture") U.S. government obligations in an amount sufficient to fund the payment of accrued and unpaid interest of the remaining $647 million principal amount of the 2024 Notes as it became due, and of the principal amount of those 2024 Notes on their March 15, 2024 maturity date. The U.S. government obligations were purchased using a portion of the net proceeds from the offerings of the Notes. After the deposit of such funds with the trustee, the Company's obligations under the 2024 Notes Indenture with respect to the 2024 Notes were satisfied and discharged and the transaction was accounted for as a debt extinguishment.

The total gain recognized on the debt extinguishments described above for the year ended March 31, 2024 was $9 million and included within "Interest expense" in the Company's Consolidated Statement of Operations.

Other Information

Scheduled principal payments of long-term debt are:

(In millions)		Payments
Fiscal 2026	$	1,184
Fiscal 2027		1,228
Fiscal 2028		384
Fiscal 2029		1,011
Fiscal 2030		725
Thereafter		1,122
Total	$	5,654

Revolving Credit Facilities

5-Year Facility

On November 7, 2022, the Company entered into a Credit Agreement (the "2022 Credit Facility") which was subsequently amended on November 7,2024 and May 8, 2025, that provides a syndicated $4.0 billion senior unsecured credit facility with a $3.6 billion aggregate sublimit of availability in Canadian dollars, British pound sterling, and Euro. The 2022 Credit Facility was scheduled to mature in November 2027. On November 7, 2024, the maturity date of the 2022 Credit Facility was extended from November 2028 to November 2029. Borrowings under the 2022 Credit Facility bear interest based upon the Term Secured Overnight Financing Rate ("SOFR") for credit extensions denominated in U.S. dollars, the Sterling Overnight Index Average Reference Rate for credit extensions denominated in British pound sterling, the Euro Interbank Offered Rate for credit extensions denominated in Euros, the Canadian Overnight Repo Rate Average for credit extensions denominated in Canadian dollars, a prime rate, or alternative overnight rates, as applicable, plus agreed upon margins. The 2022 Credit Facility contains various customary investment grade covenants, including a financial covenant which obligates the Company to maintain a maximum Total Debt to Consolidated EBITDA ratio, as defined in the 2022 Credit Facility. If the Company does not comply with these covenants, its ability to use the 2022 Credit Facility may be suspended and repayment of any outstanding balances under the 2022 Credit Facility may be required to be repaid. The remaining terms and conditions of the 2022 Credit Facility are substantially similar to those previously in place under the 2020 Credit Facility. The Company can use funds obtained under the 2022 Credit Facility for general corporate purposes. There were no borrowings under the 2022 Credit Facility during the year ended March 31, 2025 and 2024 and no amounts outstanding at March 31, 2025 or March 31, 2024. At March 31, 2025, the Company was in compliance with all covenants under the 2022 Credit Facility.

364-Day Facility

On May 8, 2025, the Company entered into a Credit Agreement (the "364 Day Credit Facility"), that provides a syndicated $1.0 billion senior unsecured credit facility. The 364 Day Credit Facility is scheduled to mature in May 2026.

On or prior to the maturity date, the Company may, at its election and subject to certain customary conditions, convert the outstanding loans into a term loan that is repayable in May 2027.

Borrowings under the 364 Day Credit Facility bear interest based upon SOFR for credit extensions denominated in U.S. Dollars and other relevant underlying benchmarks, plus agreed margins.

The 364 Day Credit Facility contains various customary investment grade covenants, including a financial covenant which obligates the Company to maintain a maximum Total Debt to Consolidated EBITDA ratio, as defined in the 364 Day Credit Facility. If the Company does not comply with these covenants, its ability to use the 364 Day Credit Facility may be suspended and repayment of any outstanding balances under the 364 Day Credit Facility may be required to be repaid. The terms and conditions of the 364 Day Credit Facility are substantially similar to those under the 2022 Credit Facility. The Company can use funds obtained under the 364 Day Credit Facility for general corporate purposes.

Commercial Paper

The Company maintains a commercial paper program to support its working capital requirements and for other general corporate purposes. Under the program, the Company can issue up to $4.0 billion in outstanding commercial paper notes. During the years ended March 31, 2025, 2024, and 2023, the Company borrowed and repaid $15.1 billion, $20.0 billion, and $8.5 billion, respectively, under the program. At March 31, 2025 and 2024, there were no commercial paper notes outstanding. Following the execution of the 364 Day Facility on May 8, 2025, the Company can issue up to $5.0 billion in outstanding commercial paper notes.

12. Variable Interest Entities

The Company evaluates its ownership, contractual, and other interests in entities to determine if they are VIEs if it has a variable interest in those entities, and the nature and extent of those interests. These evaluations are highly complex and involve management judgment and the use of estimates and assumptions based on available historical information, among other factors. Based on its evaluations, if the Company determines it is the primary beneficiary of such VIEs, it consolidates such entities into its financial statements.

Consolidated Variable Interest Entities

The Company consolidates a VIE when it has the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits of the VIE and, as a result, is considered the primary beneficiary of the VIE. The Company consolidates certain single-lessee leasing entities where it, as the lessee, has the majority risk of the leased assets due to its minimum lease payment obligations to these leasing entities. As a result of absorbing this risk, the leases provide the Company with the power to direct the operations of the leased properties and the obligation to absorb losses or the right to receive benefits of the entity. Consolidated VIEs do not have a material impact on the Company's Consolidated Statements of Operations or Consolidated Statements of Cash Flows. Total assets and liabilities included in its Consolidated Balance Sheets for these VIEs were $610 million and $47 million, respectively, at March 31, 2025, and $601 million and $41 million, respectively, at March 31, 2024.

Investments in Unconsolidated Variable Interest Entities

The Company is involved with VIEs which it does not consolidate because it does not have the power to direct the activities that most significantly impact their economic performance and thus is not considered the primary beneficiary of the entities. Its relationships include equity method investments and lending, leasing, contractual, or other relationships with the VIEs. The Company's most significant VIE relationships are with oncology and other specialty practices. Under these practice arrangements, the Company generally owns or leases all of the real estate and equipment used by the practices and manages the practices' administrative functions. The Company's maximum exposure to loss (regardless of probability) as a result of all unconsolidated VIEs was $1.6 billion and $1.5 billion at March 31, 2025 and 2024, respectively, which primarily represents the value of intangible assets related to service agreements, lease and loan receivables, operating ROU assets, and equity investments. This amount excludes the customer loan guarantees discussed in Financial Note 16, "Financial Guarantees and Warranties." The Company believes there is no material loss exposure on these assets or from these relationships.

13. Pension Benefits

The Company maintains a number of qualified and nonqualified defined benefit pension plans and defined contribution plans for eligible employees.

Non-U.S. Defined Benefit Pension Plans

As of March 31, 2025 and 2024, the Company's non-U.S. defined benefit pension plans cover eligible employees located predominantly in Norway and Canada. Benefits for these plans are based primarily on each employee's final salary, with annual adjustments for inflation.

The Company divested certain pension assets and liabilities as part of the Canadian divestiture activities in fiscal 2025 and European divestiture activities in fiscal 2023 which are discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures." During fiscal 2025, changes in the Company pension assets and accumulated other comprehensive loss related to the Canadian divestiture activities were not material. During fiscal 2023, the Company's divested pension liabilities totaling $75 million, pension assets of $49 million and the Company released $17 million of losses from accumulated other comprehensive loss related to divestiture activities.

During the fourth quarter of fiscal 2025, the Company settled the frozen U.K. pension plan ("U.K. Plan") by irrevocably transferring future financial responsibilities for the plan to a third-party insurance provider (the "buy-out"). In connection with the buy-out and settlement of the U.K. Plan, a non-cash pre-tax settlement charge of $87 million was recorded in "Other income, net" in the Company's Consolidated Statements of Operations for the year ended March 31, 2025, consisting of $53 million of pension losses and $34 million of Foreign currency translation adjustments associated with the plan. Excess assets from the U.K. Plan of approximately $7 million are to be reverted to the Company following final wind-up activities and were recognized as a receivable upon settlement.

Defined benefit plan assets and obligations are measured as of the Company's fiscal year-end. The net periodic expense for the Company's pension plans were as follows:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Service cost - benefits earned during the year	$ 2	$ 2	$ 5
Interest cost on projected benefit obligation	7	8	7
Expected return on assets	(7)	(7)	(5)
Amortization of unrecognized actuarial loss and prior service costs	2	2	1
Curtailment/settlement loss (gain)	56	—	(1)
Net periodic pension expense	$ 60	$ 5	$ 7

The projected unit credit method is utilized in measuring net periodic pension expense over the employees' service life for the pension plans. Unrecognized actuarial losses exceeding 10% of the greater of the projected benefit obligation or the market value of assets are amortized straight-line over the average remaining future service period of active employees.

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FINANCIAL NOTES (Continued)

Information regarding the changes in benefit obligations and plan assets for the Company's pension plans was as follows:

(In millions)	Years Ended March 31, 2025	2024
Change in benefit obligations		
Benefit obligation at beginning of period [1]	$ 174	$ 172
Service cost	2	2
Interest cost	7	8
Actuarial loss	2	—
Benefits paid	(8)	(9)
Curtailment/settlement [2]	(96)	—
Divestitures [3]	(6)	—
Foreign exchange impact and other	2	1
Benefit obligation at end of period [1]	$ 77	$ 174
Change in plan assets		
Fair value of plan assets at beginning of period	$ 171	$ 174
Actual return on plan assets	—	(1)
Employer and participant contributions	4	5
Benefits paid	(8)	(9)
Settlement [2]	(96)	—
Divestitures [3]	(6)	—
Foreign exchange impact and other	1	2
Fair value of plan assets at end of period	$ 66	$ 171
Funded status at end of period	$ (11)	$ (3)
Amounts recognized on the balance sheet		
Current assets	$ 7	$ —
Long-term assets	2	18
Current liabilities	(1)	(1)
Long-term liabilities	(19)	(20)
Total	$ (11)	$ (3)

(1) The benefit obligation is the projected benefit obligation.

(2) Relates to the buy-out of the U.K. Plan described above.

(3) Relates to the Canadian divestiture activities discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures."

There was a $2 million actuarial loss in fiscal 2025:

- *Discount rates:* The weighted average discount rate slightly decreased to 4.48% as of March 31, 2025 from 4.55% as of March 31, 2024.
- *Demographic and assumption changes:* The rate of compensation increase increased to 3.47% as of March 31, 2025 from 3.21% as of March 31, 2024.

There was no actuarial gain in fiscal 2024:

- *Discount rates:* The weighted average discount rate increased slightly to 4.55% as of March 31, 2024 from 4.54% as of March 31, 2023.

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FINANCIAL NOTES (Continued)

- *Demographic and assumption changes:* There were offsetting gains and losses in the demographic and assumption changes.

As of March 31, 2025 and 2024, The Company's accumulated benefit obligations were $74 million and $172 million, respectively. Amounts recognized in accumulated other comprehensive loss as of March 31, 2025 and 2024, were $12 million and $58 million, respectively.

Other changes in accumulated other comprehensive loss were as follows:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Net actuarial (gain) loss	$ 9	$ 9	$ (7)
Prior service cost	2	—	1
Amortization of:			
Net actuarial loss	(57)	(2)	(9)
Prior service credit	—	—	2
Foreign exchange impact and other	—	1	(5)
Total recognized in other comprehensive (income) loss	$ (46)	$ 8	$ (18)

In fiscal 2025, the Company recognized $53 million in actuarial losses for the pension plans to stockholders' deficit as a result of the U.K. plan buy-out. In fiscal 2023, the Company recognized $17 million in net actuarial losses for pension plans to stockholders' deficit as a result of the divestitures. Refer to Financial Note 2, "Business Acquisitions and Divestitures," for more information on the Company's divestiture activities.

Projected benefit obligations related to the Company's unfunded plans were $19 million at March 31, 2025 and 2024. Funding obligations for its plans vary based on the laws of each jurisdiction.

Expected benefit payments are based on the same assumptions used to measure the benefit obligations and include estimated future employee service. Expected benefit payments for the Company's pension plans were as follows:

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FINANCIAL NOTES (Continued)

(In millions)	Expired Benefit Payments
Fiscal 2026	$ 4
Fiscal 2027	$ 5
Fiscal 2028	$ 5
Fiscal 2029	$ 5
Fiscal 2030	$ 17
Fiscal 2031 through 2035	$ 22

Expected contributions to be made for the Company's pension plans are $3 million for fiscal 2026.

Weighted-average assumptions used to estimate the net periodic pension expense and the actuarial present value of benefit obligations were as follows:

	Years Ended March 31,		
	2025	2024	2023
Net periodic pension expense			
Discount rates	4.55 %	4.54 %	2.67 %
Rate of increase in compensation	3.21	3.21	3.67
Expected long-term rate of return on plan assets	4.37	4.05	1.63
Benefit obligation			
Discount rates	4.48 %	4.55 %	4.54 %
Rate of increase in compensation	3.47	3.21	3.21

The Company's defined benefit pension plan liabilities are valued using a discount rate based on a yield curve developed from a portfolio of high-quality corporate bonds rated AA or better whose maturities are aligned with the expected benefit payments of its plans. The Company's defined benefit pension plan liabilities are valued using a weighted-average discount rate of 4.48%, which represents a decrease of seven basis points from its fiscal 2024 weighted-average discount rate of 4.55%.

Plan Assets

Investment Strategy: For plan assets, the investment strategies are subject to local regulations and the asset/liability profiles of the plans in each individual country. Plan assets are broadly invested in a manner appropriate to the nature and duration of the expected future retirement benefits payable under the plans. Plan assets are primarily invested in high-quality corporate and government bond funds and equity securities. Assets are properly diversified to avoid excessive reliance on any particular asset, issuer, or group of undertakings so as to avoid accumulations of risk in the portfolio as a whole.

The Company develops the expected long-term rate of return assumption based on the projected performance of the asset classes in which plan assets are invested. The target asset allocation was determined based on the liability and risk tolerance characteristics of the plans and at times may be adjusted to achieve overall investment objectives.

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FINANCIAL NOTES (Continued)

Fair Value Measurements: The fair value hierarchy has three levels based on the reliability of the inputs used to determine fair value. Level 1 refers to fair values determined based on unadjusted quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant other observable inputs and Level 3 includes fair values estimated using significant unobservable inputs. The following tables represent the Company's plan assets as of March 31, 2025 and 2024, using the fair value hierarchy by asset class:

	March 31, 2025				March 31, 2024			
(In millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 7	$ —	$ —	$ 7	$ 7	$ —	$ —	$ 7
Equity securities:								
Equity commingled funds	—	12	—	12	—	20	—	20
Fixed income securities:								
Government securities	1	5	—	6	—	4	—	4
Corporate bonds	—	4	—	4	—	4	—	4
Other:								
Annuity contracts	—	—	—	—	—	—	103	103
Real estate funds and other	—	3	—	3	—	3	—	3
Total	$ 8	$ 24	$ —	$ 32	$ 7	$ 31	$ 103	$ 141
Assets held at NAV practical expedient [(1)]:								
Other				34				30
Total plan assets				$ 66				$ 171

(1) Equity commingled funds, fixed income commingled funds, real estate funds, and other investments for which fair value is measured using the NAV per share as a practical expedient are not leveled within the fair value hierarchy and are included as a reconciling item to total investments.

Cash and cash equivalents - Cash and cash equivalents include money market funds and other commingled funds, which have daily net asset values derived from the underlying securities.

Equity commingled funds - Some equity investments are held in commingled funds, which have daily net asset values derived from quoted prices for the underlying securities in active markets.

Fixed income securities - Fixed income securities consist of bonds and debentures. Inputs to the valuation methodology include quoted prices for similar assets in active markets, and inputs that are observable for the asset, either directly or indirectly, for substantially the full term of the asset.

Annuity contracts - The value of the annuity contracts is reported by the Trustee and is based on a valuation of the remaining contracted cash flow of the contract. Inputs in the valuation include discounted future cash flows.

Real estate funds - The value of the real estate funds is reported by the fund manager and is based on a valuation of the underlying properties. Inputs used in the valuation include items such as cost, discounted future cash flows, independent appraisals, and market based comparable data.

Other - At March 31, 2025 and 2024, this includes $34 million and $30 million, respectively, of plan asset value relating to obligations in Norway for the state-regulated pension plan which is managed by the Norwegian Public Service Pension Fund ("SPK"). According to the terms of the SPK, the plan assets of state regulated plans in Norway must correspond very closely to the pension obligation calculated using the principles codified in Norwegian law. The investment return credited to this account is determined annually based on the performance of long-term government bonds.

The following table presents the changes in the Level 3 plan assets measured on a recurring basis for the years ended March 31, 2025 and 2024:

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FINANCIAL NOTES (Continued)

(In millions)		Level 3
Balance, March 31, 2023	$	110
Return on assets		(7)
Balance, March 31, 2024	$	103
Return on assets		(7)
Settlement		(96)
Balance, March 31, 2025	$	—

Defined Contribution Plans

The Company has a contributory retirement savings plan ("RSP") for U.S. eligible employees. Eligible employees may contribute to the RSP up to 75% of their eligible compensation on a pre-tax or post-tax basis not to exceed IRS limits. The Company makes matching contributions in an amount equal to 100% of the employee's first 3% of pay contributed and 50% for the next 2% of pay contributed. The Company, at the discretion of its Board of Directors (the "Board"), may also make an additional annual matching contribution for each plan year to enable participants to receive a full match based on their annual contribution. The Company also contributed to non-U.S. plans that are available in certain countries. Contribution expenses for the RSP and non-U.S. plans were $128 million, $138 million, and $125 million for the years ended March 31, 2025, 2024, and 2023, respectively.

Postretirement Benefits

The Company maintains a number of postretirement benefit plans, primarily consisting of healthcare and life insurance ("welfare") benefits, for certain eligible U.S. employees. Eligible employees consist of those who retired before March 31, 1999 and those who retired after March 31, 1999, but were an active employee as of that date, after meeting other age-related criteria. It also provides postretirement benefits for certain U.S. executives. Defined benefit plan obligations are measured as of the Company's fiscal year-end. The net periodic credit or expense for the Company's postretirement welfare benefits was not material for the years ended March 31, 2025, 2024, and 2023. The benefit obligation at March 31, 2025 and 2024 was $40 million and $42 million, respectively.

14. Hedging Activities

In the normal course of business, the Company is exposed to interest rate and foreign currency exchange rate fluctuations. At times, the Company limits these risks through the use of derivatives as described below. In accordance with the Company's policy, derivatives are only used for hedging purposes. The Company does not use derivatives for trading or speculative purposes. The Company uses various counterparties for its derivative contracts to minimize the exposure to credit risk but does not anticipate non-performance by these parties.

Foreign Currency Exchange Risk

The Company conducts its business worldwide in U.S. dollars and the functional currencies of its foreign subsidiaries, including Canadian dollars, Euro, and British pounds sterling. Changes in foreign currency exchange rates could have a material adverse impact on the Company's financial results that are reported in U.S. dollars. The Company is also exposed to foreign currency exchange rate risk related to its foreign subsidiaries, including intercompany loans denominated in non-functional currencies. The Company has certain foreign currency exchange rate risk programs that use foreign currency forward contracts and cross-currency swaps. These forward contracts and cross-currency swaps are generally used to offset the potential income statement effects from intercompany loans and other obligations denominated in non-functional currencies. These programs reduce but do not entirely eliminate foreign currency exchange rate risk.

Interest Rate Risk

The Company has exposure to changes in interest rates, and it utilizes risk programs which use interest rate swaps to hedge the changes in debt fair values caused by fluctuations in benchmark interest rates. The Company also enters into forward contracts to hedge the variability of future benchmark interest rates on any planned bond issuances. These programs reduce but do not entirely eliminate interest rate risk.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Non-Derivative Instruments Designated as Hedges

Prior to the divestiture of the E.U. disposal group, the Company's €1.1 billion of Euro-denominated notes were designated as non-derivative net investment hedges. These hedges were utilized to hedge portions of the Company's net investments in non-U.S. subsidiaries against the effect of exchange rate fluctuations on the translation of foreign currency balances to the U.S. dollar. For all notes that were designated as net investment hedges and met effectiveness requirements, the changes in carrying value of the notes attributable to the change in spot rates were recorded as foreign currency translation adjustments in "Accumulated other comprehensive loss" in the Consolidated Statements of Stockholders' Equity (Deficit) where they offset foreign currency translation gains and losses recorded on the Company's net investments. To the extent foreign currency-denominated notes designated as net investment hedges were ineffective, changes in carrying value attributable to the change in spot rates were recorded in earnings.

In connection with the sale of the E.U. disposal group in October 2022, the Company reclassified $112 million of gains from accumulated other comprehensive loss to "Selling, distribution, general, and administrative expenses" in the Consolidated Statement of Operations for the year ended March 31, 2023. This amount related to the €1.1 billion of Euro-denominated notes described above which were de-designated as net investment hedges, along with certain other Euro-denominated notes which were previously accounted for as net investment hedges and matured in prior periods, and was included in the fiscal 2023 and fiscal 2022 calculations of charges to remeasure the assets and liabilities of the disposal group to fair value less costs to sell.

In connection with the sale of the U.K. disposal group in April 2022, the Company reclassified $26 million of gains from accumulated other comprehensive loss to "Selling, distribution, general, and administrative expenses" in the Consolidated Statement of Operations for the year ended March 31, 2023. This amount related to the Company's £450 million of British pound sterling-denominated notes, which were previously accounted for as net investment hedges until de-designated in fiscal 2020, and was included in the fiscal 2022 calculation of charges to remeasure the assets and liabilities of the disposal group to fair value less costs to sell.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Foreign currency gains (losses) from non-derivative instruments included in other comprehensive income in the Consolidated Statements of Comprehensive Income were as follows:

	Years Ended March 31,		
(In millions)	**2025**	**2024**	**2023**
Non-derivatives designated as net investment hedges: [1]			
Euro-denominated notes [2]	$ —	$ —	$ 7

(1) There was no ineffectiveness in these hedges for the year ended March 31, 2023.

(2) Includes amounts reclassified to earnings of $112 million for the year ended March 31, 2023.

Derivative Instruments

At March 31, 2025 and 2024, the notional amounts of the Company's outstanding derivatives were as follows:

			March 31, 2025	March 31, 2024
(In millions)	**Currency**	**Maturity Date** [1]	**Notional**	
Derivatives designated as net investment hedges: [2]				
Cross-currency swaps [3]	CAD	Dec-26 to Mar-27	C$ 6,500	C$ 1,500
Derivatives designated as fair value hedges: [2]				
Cross-currency swaps [3]	GBP	Nov-28	£ 450	£ 450
Cross-currency swaps [3]	EUR	Aug-25 to Jul-26	€ 1,100	€ 1,100
Floating interest rate swaps [4]	USD	Aug-27 to Sep-29	$ 750	$ 1,250
Derivatives designated as cash flow hedges: [2]				
Foreign currency forwards [5]	GBP	Apr-25 to Jul-25	£ 11	£ 39
Interest rate swap locks [6]	USD	Aug-30 to Aug-35	$ 850	$ —

(1) The maturity date reflected is for outstanding derivatives as of March 31, 2025.

(2) There was no ineffectiveness in these hedges for the years ended March 31, 2025, 2024, and 2023.

(3) Represents cross-currency fixed-to-fixed interest rate swaps to mitigate the foreign currency exchange fluctuations on its foreign currency-denominated notes.

(4) Represents fixed-to-floating interest rate swaps to hedge the changes in fair value caused by fluctuations in the benchmark interest rates.

(5) The Company entered into agreements with financial institutions to hedge the variability of foreign currency exchange fluctuations in future cash payments due to a third party in the United Kingdom for capital expenditures.

(6) The Company entered into agreements with financial institutions in the fourth quarter of fiscal 2025 to hedge cash flows associated with interest payments on upcoming financing activities.

Net Investment Hedges

The Company uses cross-currency swaps to hedge portions of the Company's net investments denominated in Canadian dollars against the effect of exchange rate fluctuations on the translation of foreign currency balances to the U.S. dollar. The changes in the fair value of these derivatives attributable to the changes in spot currency exchange rates and differences between spot and forward interest rates are recorded in accumulated other comprehensive loss and offset foreign currency translation gains and losses recorded on the Company's net investments denominated in Canadian dollars. To the extent cross-currency swaps designated as hedges are ineffective, changes in carrying value attributable to the change in spot rates are recorded in earnings.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

In fiscal 2025, the Company expanded the net investment hedging program by entering into new cross-currency swaps and restructuring existing cross-currency swaps as described below. As of March 31, 2025, the outstanding notional amount of cross-currency swaps was C$6.5 billion.

In the first quarter of fiscal 2025, the Company entered into cross-currency swaps designated as net investment hedges with a total notional amount of C$2.5 billion to hedge portions of the Company's net investments denominated in Canadian dollars against the effect of exchange rate fluctuations on the translation of foreign currency balances to the U.S. dollar. These cross-currency swaps mature in April 2025 and June 2026. Further, the Company terminated C$1.5 billion of cross-currency swaps designated as net investment hedges with original maturity dates in November 2024 and extending through March 2025.

In the third quarter of fiscal 2025, the Company entered into cross-currency swaps designated as net investment hedges with a total notional amount of C$6.0 billion. These cross-currency swaps mature in October, November and December 2026. Further, the Company terminated C$5.0 billion of cross-currency swaps designated as net investment hedges with original maturity dates in April 2025, June, October and November 2026.

In the fourth quarter of fiscal 2025, the Company entered into cross-currency swaps designated as net investment hedges with a total notional amount of C$3.0 billion. These cross-currency swaps mature in March 2027.

Fair Value Hedges

The Company uses cross-currency swaps to hedge the changes in the fair value of its foreign currency notes resulting from changes in benchmark interest rates and foreign currency exchange rates. In February 2023, £450 million of cross-currency swaps matured and the Company executed new cross-currency swaps with similar terms to continue to mitigate interest rate and foreign exchange rate risks.

In fiscal 2023, the Company entered into cross-currency fixed-to-fixed interest rate swaps with a total notional amount of €1.1 billion to hedge the changes in the fair value of its underlying Euro-denominated notes resulting from changes in benchmark interest rates and foreign currency exchange rates.

In fiscal 2023, the Company entered into floating interest rate swaps designated as fair value hedges to convert $1.3 billion of its fixed rate debt to floating rate in order to hedge the changes in fair value caused by fluctuations in the benchmark interest rate. In fiscal 2025, $500 million of the $1.3 billion floating interest rate swaps with original maturity dates in February 2026 and callable at any time after February 2024 were terminated. Refer to Financial Note 11, "Debt and Financing Activities," for additional information on the public offering of the 2029 Notes. The changes in the fair value of these derivatives are recorded in "Interest expense" in the Consolidated Statements of Operations.

The changes in the fair value of these derivatives and the offsetting changes in the fair value of the hedged notes are recorded in earnings. Gains from the changes in the Company's fair value hedges recorded in earnings were largely offset by the losses recorded in earnings on the hedged item. For components excluded from the assessment of hedge effectiveness, the initial value of the excluded component is recognized in accumulated other comprehensive income (loss) and then released into earnings over the life of the hedging instrument. The difference between the change in the fair value of the excluded component and the amount amortized into earnings during the period is recorded in other comprehensive income (loss).

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Cash Flow Hedges

From time to time, the Company enters into cross-currency swaps to hedge intercompany loans denominated in nonfunctional currencies to reduce the income statement effects arising from fluctuations in foreign currency exchange rates. The Company also enters into forward contracts to hedge the variability of future benchmark interest rates on any planned bond issuances and to offset the potential income statement effects from obligations denominated in non-functional currencies. The effective portion of changes in the fair value of these hedges is recorded in accumulated other comprehensive loss and reclassified into earnings in the same period in which the hedged transaction affects earnings. Changes in fair values representing hedge ineffectiveness are recognized in current earnings There were no gains or losses reclassified from accumulated other comprehensive loss and recorded in "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations for the years ended March 31, 2025, 2024, and 2023.

In the fourth quarter of fiscal 2025, the Company executed a series of forward-starting interest rate swap locks with notional amounts of $850 million to hedge cash flows associated with interest payments on upcoming financing activities. Refer to Financial Note 11, "Debt and Financing Activities," for information on the Company's debt obligations.

In April 2025, the Company executed forward-starting interest rate swap locks with a total notional amount of $550 million. These swaps, in combination with the swaps executed during the fourth quarter of fiscal 2025, will hedge cash flows associated with interest payments on upcoming financing activities.

In the third quarter of fiscal 2024, the Company entered into foreign currency forward contracts designated as cash flow hedges with a total notional amount of £45 million to hedge the variability of foreign currency exchange fluctuations in future cash payments due to a third party for capital expenditures, and certain of these contracts matured in the fourth quarter of fiscal 2024 and during fiscal 2025.

In fiscal 2023, the Company entered into forward-starting fixed interest rate swaps designated as cash flow hedges, with a combined notional amount of $450 million, and in the first quarter of fiscal 2024 with a notional amount of $50 million, to hedge the variability of future benchmark interest rates on a planned bond issuance. On June 15, 2023, the Company completed a public offering of the 2033 Notes, at which point the $500 million cash flow hedges were terminated and the proceeds are being amortized to interest expense over the life of the 2033 Notes, or 10 years. Refer to Financial Note 11, "Debt and Financing Activities," for additional information on the public offering of the 2033 Notes.

In fiscal 2023, the Company also terminated its $500 million notional forward-starting fixed interest rate swaps and recognized a gain of $97 million within "Other income, net" in the Consolidated Statement of Operations.

Derivatives Not Designated as Hedges

Derivative instruments not designated as hedges are marked-to-market at the end of each accounting period with the change in fair value included in earnings. Changes in the fair values for contracts not designated as hedges were recorded directly into earnings in "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations. Changes in the fair values were not material for the year ended March 31, 2023. The Company did not enter into any derivative instruments not designated as hedges during fiscal 2025 and fiscal 2024.

Other Information on Derivative Instruments

Gains (losses) from derivatives included in other comprehensive income in the Consolidated Statements of Comprehensive Income were as follows:

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

(In millions)	Years Ended March 31, 2025	2024	2023
Derivatives designated as net investment hedges:			
Cross-currency swaps	$ 80	$ 3	$ 28
Derivatives designated as cash flow and other hedges:			
Cross-currency swaps [1]	$ (4)	$ 39	$ (54)
Interest rate swap locks, Foreign currency forwards and Other	(6)	—	—
Fixed interest rate swaps	—	14	(30)

(1) Includes other comprehensive income related to the excluded component of certain fair value hedges.

Information regarding the fair value of derivatives on a gross basis were as follows:

(In millions)	Balance Sheet Caption	March 31, 2025 Fair Value of Derivative Asset	Liability	U.S. Dollar Notional	March 31, 2024 Fair Value of Derivative Asset	Liability	U.S. Dollar Notional
Derivatives designated for hedge accounting:							
Cross-currency swaps (current)	Prepaid expenses and other/Other accrued liabilities	$ 54	$ —	$ 595	$ 13	$ 1	$ 1,122
Cross-currency swaps (non-current)	Other non-current assets/liabilities	66	18	5,550	108	—	1,638
Interest rate swaps (non-current)	Other non-current liabilities	—	18	750	—	35	1,250
Interest Rate Swap Locks	Other non-current liabilities	—	6	850	—	—	—
Foreign currency forwards (current)	Prepaid expenses and other	1	—	14	—	—	35
Foreign currency forwards (non-current)	Other non-current liabilities	—	—	—	—	—	15
Total		$ 121	$ 42		$ 121	$ 36	

Refer to Financial Note 15, "Fair Value Measurements," for more information on these recurring fair value measurements.

15. Fair Value Measurements

The Company measures certain assets and liabilities at fair value in accordance with ASC Topic 820, *Fair Value Measurements and Disclosures*. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - quoted prices in active markets for identical assets or liabilities.

Level 2 - significant other observable market-based inputs.

Level 3 - significant unobservable inputs for which little or no market data exists and requires considerable assumptions that are significant to the fair value measurement.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Cash and cash equivalents at March 31, 2025 and 2024 included investments in money market funds of $1.0 billion and $705 million, respectively, which are reported at fair value. The fair value of money market funds was determined using quoted prices for identical investments in active markets, which are considered to be Level 1 inputs under the fair value measurements and disclosure guidance. The carrying value of all other cash equivalents approximates their fair value due to their relatively short-term nature.

Fair values of the Company's interest rate swaps, cross-currency swaps, and foreign currency forward contracts were determined using observable inputs from available market information, including quoted interest rates, foreign currency exchange rates, and other observable inputs from available market information. These inputs are considered Level 2 under the fair value measurements and disclosure guidance, and may not be representative of actual values that could have been realized or that will be realized in the future. Refer to Financial Note 14, "Hedging Activities," for fair values and other information on the Company's derivatives.

The Company holds investments in equity and debt securities of U.S. growth stage companies that address both current and emerging business challenges in the healthcare industry and which had a carrying value of $103 million and $240 million at March 31, 2025 and 2024, respectively. These investments primarily consist of equity securities without readily determinable fair values and are included in "Other non-current assets" in the Consolidated Balance Sheets. During fiscal 2025, the Company recognized impairment charges and realized gains on the exit of certain investments. During fiscal 2024, the Company recognized impairment charges and unrealized gains on certain investments. During fiscal 2023, the Company recognized impairment charges and realized gains on the exit of certain investments. The Company recognized a net gain of $101 million in fiscal 2025, a net loss of $24 million in fiscal 2024 and a net loss of $36 million in fiscal 2023. These amounts were recorded in "Other income, net" in the Consolidated Statements of Operations. Of the gain recognized in fiscal 2025, $100 million relates to a recapitalization event of one of the Company's investments in equity securities which resulted in an increase to the carrying value of this investment. Proceeds from the sale of a portion of this investment were $92 million. Additionally, during the fourth quarter of fiscal 2025, the Company exited one of its publicly-traded investments, receiving cash of $97 million and recognizing a gain of $44 million for the year ended March 31, 2025 offset by $44 million asset impairments recorded in the fourth quarter of fiscal 2025. The carrying value of publicly traded investments was determined using quoted prices for identical investments in active markets and are considered to be Level 1 inputs.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

In addition to assets and liabilities that are measured at fair value on a recurring basis, the Company's assets and liabilities are also subject to nonrecurring fair value measurements. Generally, assets are recorded at fair value on a nonrecurring basis as a result of impairment charges, including long-lived assets associated with the Company's restructuring initiatives as discussed in more detail in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net," or as a result of charges to remeasure assets classified as held for sale to fair value less costs to sell.

At March 31, 2024, the contingent consideration liability related to the Company's acquisition of RxSS in November 2022 was measured at fair value on a nonrecurring basis. Refer to Financial Note 2, "Business Acquisitions and Divestitures" for more information on these transactions.

The aforementioned investments in equity securities of U.S. growth stage companies include the carrying value of investments without readily determinable fair values, which were determined using a measurement alternative and are recorded at cost less impairment, plus or minus any changes in observable price from orderly transactions of the same or similar security of the same issuer. These inputs related to changes in observable price are considered Level 2 under the fair value measurements and disclosure guidance and may not be representative of actual values that could have been realized or that will be realized in the future. Inputs related to impairments of investments are generally considered Level 3 fair value measurements due to their inherently unobservable nature based on significant assumptions by management and use of company-specific information.

There were no other material assets or liabilities measured at fair value on a nonrecurring basis at March 31, 2025 and 2024.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Other Fair Value Disclosures

At March 31, 2025 and 2024, the carrying amounts of cash, certain cash equivalents, restricted cash, receivables, drafts and accounts payable, and other current liabilities approximated their estimated fair values because of the short-term maturity of these financial instruments.

The Company determines the fair value of commercial paper using quoted prices in active markets for identical instruments, which are considered Level 1 inputs under the fair value measurements and disclosure guidance.

The Company's long-term debt is recorded at amortized cost. The carrying value and fair value of the Company's long-term debt was as follows:

	March 31, 2025		March 31, 2024	
(In millions)	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt, including current maturities	$ 5,654	$ 5,598	$ 5,629	$ 5,488

The estimated fair value of the Company's long-term debt was determined using quoted market prices in a less active market and other observable inputs from available market information, which are considered to be Level 2 inputs, and may not be representative of actual values that could have been realized or that will be realized in the future.

Goodwill

Fair value assessments of the reporting unit and the reporting unit's net assets, which are performed for goodwill impairment tests, are considered a Level 3 measurement due to the significance of unobservable inputs developed using company-specific information. The Company considered a market approach as well as an income approach using a DCF model to determine the fair value of each reporting unit.

Long-lived Assets

The Company utilizes multiple approaches including the DCF model and market approaches for estimating the fair value of intangible assets. The future cash flows used in the analysis are based on internal cash flow projections from its long-range plans and include significant assumptions by management. Accordingly, the fair value assessment of long-lived assets is considered a Level 3 fair value measurement.

The Company measures certain long-lived and intangible assets at fair value on a nonrecurring basis when events occur that indicate an asset group may not be recoverable. If the carrying amount of an asset group is not recoverable, an impairment charge is recorded to reduce the carrying amount by the excess over its fair value. Refer to Financial Note 3, "Restructuring, Impairment, and Related Charges, Net" under the heading "*Long-Lived Asset Impairments"* for more information.

16. Financial Guarantees and Warranties

Financial Guarantees

The Company has agreements with certain of its customers' financial institutions, primarily in its International segment, under which it has guaranteed the repurchase of its customers' inventory or its customers' debt in the event these customers are unable to meet their obligations to those financial institutions. For the Company's inventory repurchase agreements, among other requirements, inventories must be in a resalable condition and any repurchase would be at a discount. The inventory repurchase agreements mostly relate to certain Canadian customers and generally range from one to two years. Customers' debt guarantees generally range from three to five years and are primarily provided to facilitate financing for certain customers. The majority of the Company's customers' debt guarantees are secured by certain assets of the customer. At March 31, 2025, the maximum amounts of inventory repurchase guarantees and customers' debt guarantees were $390 million and $5 million, respectively, of which the Company has not accrued any amounts.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The expirations of these financial guarantees were as follows:

(In millions)	Financial Guarantees Subject to Expiration
Fiscal 2026	$ 111
Fiscal 2027	233
Fiscal 2028	7
Fiscal 2029	3
Fiscal 2030	6
Thereafter	35

At March 31, 2025, the Company's banks and insurance companies have issued $206 million of standby letters of credit and surety bonds, which were issued on the Company's behalf primarily related to its customer contracts and in order to meet the security requirements for statutory licenses and permits, court and fiduciary obligations, pension obligations in Europe, and its workers' compensation and automotive liability programs.

The Company's software license agreements generally include certain provisions for indemnifying customers against liabilities if its software products infringe a third party's intellectual property rights. To date, the Company has not incurred any material costs as a result of such indemnification agreements and has not accrued any liabilities related to such obligations.

In conjunction with certain transactions, primarily divestitures, the Company may provide routine indemnification agreements (such as retention of previously existing environmental, tax, and employee liabilities) whose terms vary in duration and often are not explicitly defined. Where appropriate, obligations for such indemnifications are recorded as liabilities. Because the amounts of these indemnification obligations often are not explicitly stated, the overall maximum amount of these commitments cannot be reasonably estimated. Other than obligations recorded as liabilities at the time of divestiture, the Company has historically not made material payments as a result of these indemnification provisions.

Warranties

In the normal course of business, the Company provides certain warranties and indemnification protection for its products and services. For example, the Company provides warranties that the pharmaceutical and medical-surgical products it distributes are in compliance with the U.S. Food, Drug, and Cosmetic Act and other applicable laws and regulations. It has received the same warranties from its suppliers, which customarily are the manufacturers of the products. In addition, the Company has indemnity obligations to its customers for these products, which have also been provided from its suppliers, either through express agreement or by operation of law. Accrued warranty costs were not material to the Consolidated Balance Sheets as of March 31, 2025 and 2024.

17. Commitments and Contingent Liabilities

In addition to commitments and obligations incurred in the ordinary course of business, the Company is subject to a variety of claims and legal proceedings, including claims from customers and vendors, pending and potential legal actions for damages, governmental investigations, and other matters. The Company is vigorously defending itself against those claims and in those proceedings. Significant developments in those matters are described below. If the Company is unsuccessful in defending, or if it determines to settle, any of these matters, it may be required to pay substantial sums, be subject to injunction and/or be forced to change how it operates its business, which could have a material adverse impact on its financial position or results of operations.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Unless otherwise stated, the Company is unable to reasonably estimate the loss or a range of possible loss for the matters described below. Often, the Company is unable to determine that a loss is probable, or to reasonably estimate the amount of loss or a range of loss, for a claim because of the limited information available and the potential effects of future events and decisions by third parties, such as courts and regulators, that will determine the ultimate resolution of the claim. Many of the matters described are at preliminary stages, raise novel theories of liability, or seek an indeterminate amount of damages. It is not uncommon for claims to remain unresolved over many years. The Company reviews loss contingencies at least quarterly to determine whether the likelihood of loss has changed and whether it can make a reasonable estimate of the loss or range of loss. When the Company determines that a loss from a claim is probable and reasonably estimable, it records a liability for an estimated amount. The Company also provides disclosure when it is reasonably possible that a loss may be incurred or when it is reasonably possible that the amount of a loss will exceed its recorded liability. Amounts included within "Claims and litigation charges, net" in the Consolidated Statements of Operations consist of estimated loss contingencies related to opioid-related litigation matters, as well as any applicable income items or credit adjustments due to subsequent changes in estimates.

Litigation and Claims Involving Distribution of Controlled Substances

The Company and its affiliates have been sued as defendants in many cases asserting claims related to distribution of controlled substances, such as opioids. They have been named as defendants along with other pharmaceutical wholesale distributors, pharmaceutical manufacturers, and retail pharmacies. The plaintiffs in these actions have included state attorneys general, county and municipal governments, school districts, tribal nations, hospitals, health and welfare funds, third-party payors, and individuals. These actions have been filed in state and federal courts throughout the U.S., and in Puerto Rico and Canada. These plaintiffs have sought monetary damages and other forms of relief based on a variety of causes of action, including negligence, public nuisance, unjust enrichment, and civil conspiracy, as well as alleging violations of the Racketeer Influenced and Corrupt Organizations Act ("RICO"), state and federal controlled substances laws, and other statutes. Because of the many uncertainties associated with opioid-related litigation matters, the Company is not able to conclude that a liability is probable or provide a reasonable estimate for the range of ultimate possible loss for opioid-related litigation matters other than those for which an accrual is described below.

State and Local Government Claims

The Company and two other national pharmaceutical distributors (collectively "Distributors") entered into a governmental entities opioid settlement agreement (the "Settlement") and consent judgment with 48 states and their participating subdivisions, as well as the District of Columbia and all eligible territories (the "Settling Governmental Entities"). Approximately 2,300 cases have been dismissed. The Distributors did not admit liability or wrongdoing and do not waive any defenses pursuant to the Settlement. Under the Settlement, the Company has paid the Settling Governmental Entities approximately $2.0 billion as of March 31, 2025, and additionally will pay the Settling Governmental Entities up to approximately $5.9 billion through 2038. A minimum of 85% of the Settlement payments must be used by state and local governmental entities to remediate the opioid epidemic, while the remainder relates to plaintiffs' attorneys' fees and costs and will be paid out through 2030. Pursuant to the Settlement, the Distributors are in the process of establishing a clearinghouse to consolidate their controlled-substance distribution data, which will be available to the settling U.S. states to use as part of their anti-diversion efforts.

Alabama and West Virginia did not participate in the Settlement. Under a separate settlement agreement with Alabama and its subdivisions, the Company has paid approximately $75 million as of March 31, 2025, and additionally will pay approximately $99 million through 2031. The Company previously settled with the state of West Virginia in 2018, so West Virginia and its subdivisions were not eligible to participate in the Settlement. Under a separate settlement agreement, the Company has paid certain West Virginia subdivisions approximately $68 million as of March 31, 2025, and additionally will pay approximately $84 million through 2033. That agreement does not include school districts or the claims of Cabell County and the City of Huntington. After a trial, the claims of Cabell County and the City of Huntington, were decided in the Company's favor on July 4, 2022. Those subdivisions appealed that decision.

Some other state and local governmental subdivisions did not participate in the Settlement, including certain municipal governments, government hospitals, school districts, and government-affiliated third-party payors. The Company contends that those subdivisions' claims are foreclosed by the Settlement or other dispositive defenses, but the subdivisions contend that their claims are not foreclosed.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The City of Baltimore, Maryland, is one such subdivision. A trial of its claims against the Company and another national pharmaceutical distributor began on September 16, 2024 in the Circuit Court of Maryland for Baltimore City, *Mayor and City Council of Baltimore v. Purdue Pharma LP, No. 24-C-18-000515*. Baltimore claims that the defendants' distribution of controlled substances to certain pharmacies in the City of Baltimore and Baltimore County caused a public nuisance. On November 12, 2024, the jury returned a verdict finding the Company liable and assessing approximately $192 million in compensatory damages. A second phase of the trial, in which the city seeks monetary abatement relief, began on December 11, 2024, and the court is currently considering whether to award additional relief. The judgment is not final, and the Company has filed a motion seeking to set aside the verdict. The Company believes it has valid bases to challenge the verdict and is prepared to appeal, if necessary. Because of the many bases to challenge the verdict, both in the trial court and on appeal, the Company has not adjusted its litigation reserve as a result of the jury verdict.

The district attorneys of the City of Philadelphia, Pennsylvania, and Allegheny County, Pennsylvania did not participate in the Settlement and sought to bring separate claims against the Company, notwithstanding the settlement with the state of Pennsylvania and its attorney general. On January 26, 2024, the Commonwealth Court of Pennsylvania ruled that the Pennsylvania attorney general had settled and fully released the claims brought by those district attorneys under Pennsylvania's Unfair Trade Practices and Consumer Protection Law. The district attorneys have appealed that decision to the Supreme Court of Pennsylvania. An accrual for the remaining governmental subdivision claims is reflected in the total estimated liability for opioid-related claims in a manner consistent with how Settlement amounts were allocated to Settling Governmental Entities.

Native American Tribe Claims

The Company also entered into settlement agreements for opioid-related claims of federally recognized Native American tribes. Under those agreements, the Company has paid the settling Native American tribes approximately $112 million as of March 31, 2025, and additionally will pay approximately $84 million through 2027. A minimum of 85% of the total settlement payments must be used by the settling Native American tribes to remediate the opioid epidemic.

Non-Governmental Plaintiff Claims

The Company is also a defendant in hundreds of opioid-related cases brought in the U.S. by private plaintiffs, such as hospitals, health and welfare funds, third-party payors, and individuals. These claims, and those of private entities generally, are not included in the settlement agreements described above. The Company and two other national distributors have reached settlements with representatives of nationwide groups of acute care hospitals and certain third-party payors. The claims of remaining U.S. non-governmental plaintiffs are not included in the charges recorded by the Company (described below).

With respect to the acute care hospitals for the year ended March 31, 2024, the Company recorded a charge of $149 million within "Claims and litigation charges, net" in the Consolidated Statement of Operations to reflect its portion of a settlement with a nationwide class of acute care hospitals, of which $75 million was recorded within Corporate expenses, net, and $74 million was recorded within U.S. Pharmaceutical. The corresponding liability was included within "Other accrued liabilities" in the Consolidated Balance Sheet. On October 30, 2024, the U.S. District Court for the District of New Mexico granted preliminary approval to the proposed settlement, pursuant to which the Company placed approximately $149 million into escrow on November 27, 2024. On March 4, 2025. the Court granted final approval to the settlement, which became effective on April 4, 2025. The escrow payment was presented as restricted cash within "Prepaid expenses and other" in the Company's Consolidated Balance Sheet as of March 31, 2025.

With respect to the third-party payors, for the year ended March 31, 2025, the Company recorded a charge of $114 million within "Claims and litigation charges, net" in the Consolidated Statement of Operations to reflect the Company's portion of the settlement with representatives of a nationwide group of certain third-party payors, of which $57 million was recorded within Corporate expenses, net and U.S. Pharmaceutical, respectively. The corresponding liability was included within "Other accrued liabilities" in the Consolidated Balance Sheet. On January 15, 2025, the U.S. District Court for the Northern District of Ohio overruled objections to the settlement and granted final approval to the settlement, pursuant to which the Company placed approximately $114 million into escrow on February 12, 2025. An insurer that objected to the settlement has appealed, and, as a result of the appeal, the settlement has not become effective.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

The Company's estimated accrued liability for the above-described opioid-related claims of U.S. governmental entities, including Native American tribes, and certain non-governmental plaintiffs, including a settlement with certain third-party payors and a nationwide class of acute care hospitals, was as follows:

(In millions)	March 31, 2025	March 31, 2024
Current litigation liabilities [1]	$ 776	$ 665
Long-term litigation liabilities	5,601	6,113
Total litigation liabilities	$ 6,377	$ 6,778

(1) These amounts, recorded in "Other accrued liabilities" in the Consolidated Balance Sheets, are the amounts estimated to be paid within the next twelve months following each respective period end date.

During the year ended March 31, 2025, 2024, and 2023, the Company made payments totaling $515 million, $544 million, and $1.1 billion, respectively, associated with the Settlement and the separate settlement agreements for opioid-related claims of participating states, subdivisions, and Native American tribes discussed above.

Canadian Plaintiff Claims

The Company and its Canadian affiliate are also defendants in four opioid-related cases pending in Canada. These cases involve the claims of the provincial governments, municipal governments, a group representing indigenous people, as well as one case brought by an individual.

Defense of Opioids Claims

The Company believes it has valid legal defenses in all opioid-related matters, including claims not covered by settlement agreements, and it intends to mount a vigorous defense in such matters. Other than the accruals described above, the Company has not concluded a loss is probable in any of the matters; nor is any possible loss or range of loss reasonably estimable. An adverse judgment or negotiated resolution in any of these matters could have a material adverse impact on the Company's financial position, cash flows or liquidity, or results of operations.

Qui Tam Litigation

On August 8, 2018, the Company was served with a *qui tam* complaint pending in the United States District Court for the District of Massachusetts alleging that the Company violated the federal False Claims Act and various state false claims acts due to the alleged failure of the Company and other defendants to report providers who were engaged in diversion of controlled substances. *United States ex rel. Manchester v. Purdue Pharma, L.P., et al.*, Case No. 1-16-cv-10947. On August 22, 2018, the United States filed a motion to dismiss. The relator died, and on February 25, 2019 the court entered an order staying the matter until a proper party can be substituted, and providing that if no party is substituted within 90 days of February 25, 2019, the case would be dismissed. In April 2019, the widow of the relator filed a motion to substitute their daughter as the relator; the United States and defendants opposed this substitution request. The motion remains pending and the case remains stayed.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

Other Litigation and Claims

On or about April 25, 2018, a second amended *qui tam* complaint filed in the U.S. District Court for the Eastern District of New York was served on McKesson Corporation, McKesson Specialty Care Distribution Corporation, McKesson Specialty Distribution LLC, McKesson Specialty Care Distribution Joint Venture, L.P., Oncology Therapeutics Network Corporation, Oncology Therapeutics Network Joint Venture, L.P., US Oncology, Inc., and US Oncology Specialty, L.P. by Omni Healthcare, Inc. as relator, purportedly on behalf of the United States and 33 cities and states alleging that from 2001 through 2010 the defendants repackaged and sold single-dose syringes of oncology medications in a manner that violated the federal False Claims Act and various state and local false claims statutes, and seeking damages, treble damages, civil penalties, attorneys' fees and costs of suit, all in unspecified amounts. *United States of America ex rel. Omni Healthcare, Inc. v. McKesson Corp., et al.*, 1:12-cv-06440 (E.D.N.Y.). The United States and the other governmental plaintiffs declined to intervene in the suit. In February 2019, the court dismissed all of the defendants except McKesson Corporation and Oncology Therapeutics Network Corp. On or about March 2, 2020, another *qui tam* complaint filed in the U.S. District Court for the Eastern District of New York was served on US Oncology, Inc. by the same relator purportedly on behalf of the United States and 33 cities and states alleging the same misconduct and seeking the same relief. *United States ex rel. Omni Healthcare, Inc. v. US Oncology, Inc.*, 1:19-cv-05125. The United States and the named states declined to intervene in the case. The relator filed an amended complaint on August 19, 2022. On September 8, 2023, US Oncology, Inc.'s motion to dismiss the amended complaint was granted. The dismissal was affirmed by the Court of Appeals for the Second Circuit on November 12, 2024. On March 27, 2025, the relator filed a petition seeking review by the U.S. Supreme Court.

In July 2015, The Great Atlantic & Pacific Tea Company ("A&P"), a former customer of the Company, filed for reorganization in bankruptcy under Chapter 11 of the United States Bankruptcy Code in the Bankruptcy Court for the Southern District of New York. *In re The Great Atlantic & Pacific Tea Company, Inc., et al.*, Case No. 15-23007. A suit filed in 2017 against the Company in this bankruptcy case seeks to recover alleged preferential transfers. *The Official Committee of Unsecured Creditors on behalf of the bankruptcy estate of The Great Atlantic & Pacific Tea Company, Inc., et al. v. McKesson Corporation d/b/a McKesson Drug Co.*, Adv. Proc. No. 17-08264. Trial concluded on July 18, 2024. The outcome of that trial is pending.

On October 17, 2024, the Company was served with a qui tam complaint filed in the United States District Court for the Eastern District of New York by a relator alleging that, from 2010 through at least 2012, the Company submitted false certifications to the government in support of Horizon Clinicals, an electronic health record product. *United States ex rel. James Thompson v. McKesson Corporation*, No. 16-CV-2891. The United States has declined to intervene in the case. The complaint seeks relief under the False Claims Act including damages, treble damages, civil penalties, attorney fees, and costs of suit.

Government Subpoenas and Investigations

From time to time, the Company receives subpoenas or requests for information from various governmental agencies. The Company generally responds to such subpoenas and requests in a cooperative, thorough, and timely manner. These responses sometimes require time and effort and can result in considerable costs being incurred by the Company. Such subpoenas and requests can lead to the assertion of claims or the commencement of civil or criminal legal proceedings against the Company and other members of the healthcare industry, as well as to settlements of claims against the Company. The Company responds to these requests in the ordinary course of business. The following are examples of the type of subpoenas or requests the Company receives from time to time.

In July 2024, the United States Department of Justice served a Civil Investigative Demand issued pursuant to the False Claims Act on the Company seeking documents and information related to administration of copay coupon programs associated with certain Sun Pharmaceutical Industries Inc. drugs.

In March 2025, the United States Department of Justice served a Civil Investigative Demand issued pursuant to the False Claims Act on NDCHealth Corporation, a subsidiary of the Company, seeking documents and information related to cybersecurity requirements in contracts or sub-contracts with the federal government.

McKESSON CORPORATION

FINANCIAL NOTES (Continued)

State Opioid Statutes

In April 2018, the State of New York Opioid Stewardship Act ("OSA") imposed an aggregate $100 million annual surcharge for 2017 and 2018 on all manufacturers and distributors licensed to sell or distribute opioids in New York. In December 2021, the Company paid $26 million for the 2017 OSA surcharge assessment. On May 18, 2022, the Company filed a lawsuit in New York state trial court challenging the constitutionality of the OSA. In November 2022, the Company received a 2018 OSA surcharge assessment of approximately $42 million. On December 14, 2022, the state court ruled that the OSA is constitutional. The Appellate Division subsequently ruled that the 2017 assessment was unconstitutional, but that the 2018 assessment was proper. The Company has paid $42 million for the 2018 OSA surcharge assessment. The Company's OSA challenge was pending before the New York Supreme Court. On March 31, 2025, The State of New York agreed to pay the Company $28 million to settle the matter, subject to the availability of appropriations. The Company has not recorded a receivable for this recovery.

Environmental Matters

Primarily as a result of the operation of the Company's former chemical businesses, which were fully divested by 1987, the Company is involved in various matters pursuant to environmental laws and regulations. The Company has received claims and demands from governmental agencies relating to investigative and remedial actions purportedly required to address environmental conditions alleged to exist at four sites where it, or entities acquired by it, formerly conducted operations and the Company, by administrative order or otherwise, has agreed to take certain actions at those sites, including soil and groundwater remediation.

Based on a determination by the Company's environmental staff, in consultation with outside environmental specialists and counsel, the current estimate of the Company's probable loss associated with the remediation costs for these four sites is $25 million, net of amounts anticipated from third parties. The $25 million is expected to be paid out between April 2025 and March 2055. The Company has accrued $25 million for the estimated probable loss for these environmental matters in its Consolidated Balance Sheet as of March 31, 2025.

The Company has been designated as a Potentially Responsible Party ("PRP") under the Superfund law for environmental assessment and cleanup costs as the result of its alleged disposal of hazardous substances at 14 sites. With respect to these sites, numerous other PRPs have similarly been designated and while the current state of the law potentially imposes joint and several liabilities upon PRPs, as a practical matter, costs of these sites are typically shared with other PRPs. For one such site, the Company was one of multiple recipients of a New Jersey Department of Environmental Protection directive and a separate U.S. Environmental Protection Agency ("EPA") directive concerning natural resources damages to the Passaic River associated with the Company's Newark, New Jersey facility. In March 2016, the EPA selected a preferred remedy for this Lower Passaic River site with an estimated cost of approximately $1.4 billion. In December 2022, the Company entered into a Consent Decree with the EPA that is currently pending approval by the U.S. District Court for the District of New Jersey and would require the Company to pay $3 million, for which the Company maintained an escrow deposit as of March 31, 2025. Accordingly, the Company's estimated probable loss at the remaining 13 sites is approximately $23 million, which has been accrued for in the Consolidated Balance Sheet as of March 31, 2025.

Value Added Tax Assessments

The Company operates in various countries outside the U.S. which collect value added taxes ("VAT"). The determination of the manner in which a VAT applies to the Company's foreign operations is subject to varying interpretations arising from the complex nature of the tax laws. The Company has received assessments for VAT which are in various stages of appeal. The Company disagrees with these assessments and believes that it has a strong legal argument to defend its tax positions. Certain VAT assessments relate to years covered by an indemnification agreement. Due to the complex nature of the tax laws, it is not possible to estimate the outcome of these matters. However, based on currently available information, the Company believes the ultimate outcome of these matters will not have a material adverse effect on its financial position, cash flows or results of operations.

Antitrust Settlements

Numerous lawsuits have been filed against certain pharmaceutical manufacturers alleging that the manufacturer, by itself or in concert with others, took improper actions to delay or prevent generic drugs from entering the market. These lawsuits are sometimes brought as class actions on behalf of those who purchased directly from pharmaceutical manufacturers, including the Company. The Company does not recognize such amounts until received. In certain cases the Company is also named as a plaintiff. Some of these lawsuits have settled in the past with the Company receiving proceeds, including $444 million, $244 million, and $129 million in fiscal 2025, fiscal 2024, and fiscal 2023, respectively, which were included in "Cost of sales" in the Consolidated Statements of Operations.

Other Matters

The Company is involved in various other litigation, governmental proceedings, and claims, not described above, that arise in the normal course of business. While it is not possible to determine the ultimate outcome or the duration of such litigation, governmental proceedings, or claims, the Company believes, based on current knowledge and the advice of counsel, that such litigation, proceedings, and claims will not have a material impact on the Company's financial position or results of operations.

18. Stockholders' Equity (Deficit)

Each share of the Company's outstanding common stock is permitted one vote on proposals presented to stockholders and is entitled to participate equally in any dividends declared by the Board.

In July 2024, the Company's quarterly dividend was raised from $0.62 to $0.71 per share of common stock for dividends declared on or after such date by the Board. The Company declared regular cash dividends of $2.75, $2.40, and $2.09 per share for the years ended March 31, 2025, 2024, and 2023, respectively. The Company anticipates that it will continue to pay quarterly cash dividends in the future. However, the payment and amount of future dividends remain within the discretion of the Board and will depend upon the Company's future earnings, financial condition, capital requirements, legal requirements, and other factors.

Share Repurchase Plans

The Board has authorized the repurchase of common stock. The Company may repurchase common stock from time-to-time through open market transactions, privately negotiated transactions, accelerated share repurchase programs, or by combinations of such methods, any of which may use pre-arranged trading plans that are designed to meet the requirements of Rule 10b5-1(c) of the Securities Exchange Act of 1934 ("Exchange Act"). The timing of any repurchases and the actual number of shares repurchased will depend on a variety of factors, including our stock price, corporate and regulatory requirements, tax implications, restrictions under our debt obligations, other uses for capital, impacts on the value of remaining shares, cash generated from operations, and market and economic conditions.

Effective January 1, 2023, the Company's repurchase of common stock, adjusted for allowable items, are subject to a 1% excise tax as a result of the Inflation Reduction Act of 2022. Excise taxes incurred on share repurchases of an entity's own common stock are direct and incremental costs to purchase treasury stock, and accordingly are included in the total cost basis of the common stock acquired and reflected as a reduction of stockholders' equity within "Treasury shares" in the Company's Consolidated Balance Sheets and Consolidated Statements of Stockholders' Deficit. Excise taxes do not reduce the Company's remaining authorization for the repurchase of common stock. Excise taxes of $26 million and $25 million were accrued for shares repurchased during the year ended March 31, 2025 and 2024, respectively. On October 30, 2024, the company made a payment of $25 million for fiscal 2024 excise taxes previously accrued. As of March 31, 2025 and March 31, 2024, the amount accrued for excise taxes was $26 million and $25 million, respectively, within "Other accrued liabilities" in the Company's Consolidated Balance Sheets.

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FINANCIAL NOTES (Continued)

Information regarding share repurchase activity over the last three fiscal years were as follows:

	Share Repurchases [1]		
(In millions, except price per share)	Total Number of Shares Purchased [2]	Average Price Paid Per Share	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs [3]
Balance, March 31, 2022			$ 3,278
Shares repurchased - February 2022 ASR [4]	0.3	$ 295.16	—
Shares repurchased - May 2022 ASR	3.1	$ 321.05	(1,000)
Share repurchase authorization increase in fiscal 2023			4,000
Shares repurchased - December 2022 ASR	2.6	$ 369.20	(972)
Shares repurchased - Open market [5]	4.7	$ 363.24	(1,693)
Balance, March 31, 2023			3,613
Share repurchase authorization increase in fiscal 2024			6,000
Shares repurchased - Open market	6.9	$ 436.46	(2,998)
Balance, March 31, 2024			6,615
Share repurchase authorization increase in fiscal 2025			4,000
Shares repurchased - Open market	5.8	$ 543.05	(3,146)
Balance, March 31, 2025			$ 7,469

(1) This table does not include the value of equity awards surrendered to satisfy tax withholding obligations or forfeitures of equity awards.

(2) The number of shares purchased reflects rounding adjustments.

(3) The remaining authorization outstanding for repurchases of common stock excludes $26 million and $25 million of excise taxes incurred on share repurchases for the years ended March 31, 2025 and 2024, respectively.

(4) In February 2022, the Company entered into an ASR program with a third-party financial institution to repurchase $1.5 billion shares of common stock. The total number of shares repurchased under this ASR program was 5.1 million shares at an average price per share of $295.16. The Company received 4.8 million shares as the initial share settlement in the fourth quarter of fiscal 2022, and in May 2022, the Company received an additional 0.3 million shares upon the completion of this ASR program.

(5) Of the total dollar value, $27 million was accrued within “Other accrued liabilities” in the Company’s Consolidated Balance Sheet as of March 31, 2023 for share repurchases that were executed in late March 2023 and settled in early April 2023.

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FINANCIAL NOTES (Continued)

Accumulated Other Comprehensive Loss

Information regarding changes in the Company's accumulated other comprehensive loss by component were as follows:

(In millions)	Foreign Currency Translation Adjustments		Unrealized Gains (Losses) on Cash Flow and Other Hedges, Net of Tax [3]	Unrealized Gains (Losses) and Other Components of Benefit Plans, Net of Tax	Total Accumulated Other Comprehensive Loss
	Foreign Currency Translation Adjustments, Net of Tax [1]	Unrealized Gains (Losses) on Net Investment Hedges, Net of Tax [2]			
Balance, March 31, 2022	$ (1,504)	$ 10	$ 27	$ (67)	$ (1,534)
Other comprehensive income (loss) before reclassifications	(329)	112	10	28	(179)
Amounts reclassified to earnings and other [4]	1,027	(136)	(73)	34	852
Other comprehensive income (loss)	698	(24)	(63)	62	673
Less: amounts attributable to noncontrolling and redeemable noncontrolling interests	41	—	—	3	44
Other comprehensive income (loss) attributable to McKesson	657	(24)	(63)	59	629
Balance, March 31, 2023	(847)	(14)	(36)	(8)	(905)
Other comprehensive income (loss) before reclassifications	(9)	2	39	(6)	26
Amounts reclassified to earnings and other	—	—	—	(2)	(2)
Other comprehensive income (loss)	(9)	2	39	(8)	24
Balance, March 31, 2024	(856)	(12)	3	(16)	(881)
Other comprehensive income (loss) before reclassifications	(214)	59	(5)	(16)	(176)
Amounts reclassified to earnings and other [5] [6]	81	—	(2)	46	125
Other comprehensive income (loss)	(133)	59	(7)	30	(51)
Balance, March 31, 2025	$ (989)	$ 47	$ (4)	$ 14	$ (932)

(1) Primarily results from the conversion of non-U.S. dollar financial statements of the Company's operations in Canada and Europe into the Company's reporting currency, U.S. dollars.

(2) Amounts before reclassifications recorded in fiscal 2023 include gains of $7 million related to net investment hedges from Euro-denominated notes. Amounts before reclassifications recorded in fiscal 2025, fiscal 2024, and fiscal 2023 include gains of $80 million, $3 million, and $28 million, respectively, related to net investment hedges from cross-currency swaps. These amounts are net of income tax (expense) of $(21) million, $(1) million, and $(33) million in fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

(3) Amounts before reclassifications recorded in fiscal 2025, fiscal 2024, and fiscal 2023 include gains (losses) of $(4) million, $39 million, and $(54) million, respectively, related to cash flow and other hedges from cross-currency swaps. Amounts before reclassifications recorded in fiscal 2025 include a loss of $(6) million related to cash flow hedges from Interest rate swap locks and foreign currency forwards. Amounts before reclassifications recorded in fiscal 2024, and fiscal 2023 include gains (losses) of $14 million, and $(30) million, respectively, related to cash flow hedges from fixed interest rate swaps. These amounts are net of income tax benefit (expense) of $3 million, $(14) million, and $21 million in fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

(4) Primarily includes adjustments for amounts related to the divestitures of the E.U. disposal group in October 2022, including the impact of amounts previously attributed to the noncontrolling interest in McKesson Europe, and the U.K. disposal group in April 2022, as discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures." These amounts were included in the fiscal 2023 calculations of charges to remeasure the assets and liabilities of the disposal groups to fair value less costs to sell recorded within "Selling, distribution, general, and administrative expenses" in the Consolidated Statements of Operations. Amounts reclassified to earnings and other includes a net income tax impact of $6 million.

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FINANCIAL NOTES (Continued)

(5) Includes adjustments to Foreign Currency Translation Adjustments, Net of Tax for the year ended March 31, 2025 related to the Canadian retail disposal group, as discussed in more detail in Financial Note 2, "Business Acquisitions and Divestitures," These amounts were included in the current and prior periods calculation of charges to remeasure the assets and liabilities held for sale to fair value less costs to sell recorded within "Selling, distribution, general, and administrative expenses" in the Company's Consolidated Statements of Operations, and a reclassification related to the termination of the U.K. pension plan, as discussed in more detail in Financial Note 13, "Pension Benefits."

(6) Adjustments to Unrealized Gains (Losses) and Other Components of Benefit Plans, Net of Tax for the year ended March 31, 2025 include reclassification of losses related to the termination of the U.K. pension plan as discussed in more detail in Financial Note 13, "Pension Benefits.". Amounts reclassified to earnings and other includes a net income tax impact of $11 million.

19. Related Party Balances and Transactions

In fiscal 2025, the U.S pharmaceutical sales to one of the Company's equity method investees totaled $1.1 billion. Trade receivables related to transactions from this investee were $313 million as of March 31, 2025. In fiscal 2024, the Company's investment in this entity was not accounted for under the equity method and, as a result, was not classified as a related party.

20. Segments of Business

The Company reports its financial results in four operating and reportable segments: U.S. Pharmaceutical, RxTS, Medical-Surgical Solutions, and International. The organizational structure also includes Corporate, which consists of income and expenses associated with administrative functions and projects, and the results of certain investments and operations. The factors for determining the segments include the manner in which management evaluates the performance of the Company combined with the nature of the individual business activities. The Company evaluates the performance of its operating segments on a number of measures, including revenues and operating profit (loss) before interest expense and income taxes.

The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The CODM uses operating profit (loss) before interest expense and income taxes to assess performance and allocate resources for each reportable segment during the Company's annual long-term planning process and through quarterly operating reviews focused on each segment's results compared to the budget and rolling forecast. The CODM is regularly provided with budgeted or forecasted expense information for the segment and also uses consolidated expense information. Assets by segment are not a measure used to assess the performance of the Company by the CODM and thus are not reported in our disclosures.

The U.S. Pharmaceutical segment distributes branded, generic, specialty, biosimilar and over-the-counter pharmaceutical drugs, and other healthcare-related products in the U.S. This segment also provides practice management, technology, clinical support, and business solutions to community-based oncology and other specialty practices. In addition, the segment sells financial, operational, and clinical solutions to pharmacies (retail, hospital, alternate sites) and provides consulting, outsourcing, technological, and other services.

The RxTS segment helps solve medication access, affordability, and adherence challenges for patients by working across healthcare to connect patients, pharmacies, providers, pharmacy benefit managers, health plans, and biopharma companies. RxTS serves our biopharma and life sciences partners, delivering innovative solutions that help people get the medicine they need to live healthier lives. RxTS offers technology services, which includes electronic prior authorization, prescription price transparency, benefit insight, and dispensing support services, in addition to third-party logistics and wholesale distribution support designed to benefit stakeholders.

The Medical-Surgical Solutions segment provides medical-surgical supply distribution, logistics, and other services to healthcare providers, including physician offices, surgery centers, nursing homes, hospital reference labs, and home health care agencies. This segment offers national brand medical-surgical products as well as McKesson's own line of high-quality products through a network of distribution centers in the U.S.

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FINANCIAL NOTES (Continued)

The International segment includes the Company's operations in Canada and Norway, bringing together non-U.S.-based drug distribution services, specialty pharmacy, retail, and infusion care services. The Company's Canadian operations deliver medicines, supplies, and information technology solutions throughout Canada and included Rexall Health retail pharmacies. The Company's Norwegian operations provide distribution and services to wholesale and retail customers in Norway where it owns, partners, or franchises with retail pharmacies. During fiscal 2025, the Company completed the previously announced transaction to sell the Canadian retail disposal group. During fiscal 2023, the Company completed the divestitures of the U.K. disposal group in April 2022, and the E.U. disposal group in October 2022. Refer to Financial Note 2, "Business Acquisitions and Divestitures," for more information related to these divestitures.

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FINANCIAL NOTES (Continued)

Financial information relating to the Company's reportable operating segments and reconciliations to the consolidated totals was as follows:

(In millions)	Years Ended March 31, 2025	2024	2023
Segment revenues [1]			
U.S. Pharmaceutical	$ 327,717	$ 278,739	$ 240,616
Prescription Technology Solutions	5,216	4,769	4,387
Medical-Surgical Solutions	11,386	11,313	11,110
International	14,721	14,130	20,598
Corporate	11	—	—
Total revenues	$ 359,051	$ 308,951	$ 276,711
Other segment expense, net [2]			
U.S. Pharmaceutical [3]	$ 323,715	$ 275,953	$ 237,410
Prescription Technology Solutions [4]	4,341	3,934	3,821
Medical-Surgical Solutions [5]	10,613	10,361	9,993
International [6]	14,934	13,811	20,462
Total other expense, net	$ 353,603	$ 304,059	$ 271,686
Segment operating profit (loss)			
U.S. Pharmaceutical	$ 4,002	$ 2,786	$ 3,206
Prescription Technology Solutions	875	835	566
Medical-Surgical Solutions	773	952	1,117
International	(213)	319	136
Subtotal	5,437	4,892	5,025
Corporate expenses, net [7]	(813)	(851)	(147)
Interest expense	(265)	(252)	(248)
Income from continuing operations before income taxes	$ 4,359	$ 3,789	$ 4,630
Segment depreciation and amortization [8]			
U.S. Pharmaceutical	$ 231	$ 229	$ 212
Prescription Technology Solutions	86	84	77
Medical-Surgical Solutions	93	84	80
International	86	117	115
Corporate	140	121	124
Total depreciation and amortization	$ 636	$ 635	$ 608
Segment expenditures for long-lived assets [9]			
U.S. Pharmaceutical	$ 241	$ 193	$ 154
Prescription Technology Solutions	11	31	35
Medical-Surgical Solutions	163	159	117
International	107	75	79
Corporate	337	229	173
Total expenditures for long-lived assets	$ 859	$ 687	$ 558

(1) Revenues from services on a disaggregated basis represent approximately 1% of the U.S. Pharmaceutical segment's total revenues, less than 39% of the RxTS segment's total revenues, less than 1% of the Medical-Surgical Solutions segment's total revenues, and less than 1% of the International segment's total revenues. The International segment reflects foreign revenues. Revenues for the remaining three reportable segments are domestic.

(2) Other segment expense, net includes cost of sales, total operating expenses, as well as other income, net, for the Company's reportable segments.

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FINANCIAL NOTES (Continued)

(3) The Company's U.S. Pharmaceutical other segment expense, net includes the following:

- a credit of $206 million and a provision for bad debts of $725 million for the years ended March 31, 2025 and 2024, respectively, related to the bankruptcy of the Company's customer Rite Aid Corporation (including certain of its subsidiaries, "Rite Aid"). Rite Aid filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code in October 2023. The Company recognized a provision for bad debts of $725 million for the year ended March 31, 2024, which represented the uncollected trade accounts receivable from sales to Rite Aid prior to its bankruptcy petition filing. The credit in fiscal 2025 is due to the Company's reassessment of its initial fiscal 2024 estimates of the previously reserved prepetition balance owed by Rite Aid. The amounts described above were recorded within "Selling, distribution, general, and administrative expenses" in the Company's Consolidated Statements of Operations. Rite Aid's restructuring plan was approved by the court and the company successfully emerged from bankruptcy in August, 2024;
- cash receipts for the Company's share of antitrust legal settlements were $444 million, $244 million, and $129 million for the years ended March 31, 2025, 2024, and 2023, respectively. These gains were recorded within "Cost of sales" in the Company's Consolidated Statements of Operations;
- a charge of $82 million, a credit of $157 million, and a charge of $1 million for the years ended March 31, 2025, 2024, and 2023, respectively, related to the LIFO method of accounting for inventories. These amounts were recorded within "Cost of sales" in the Company's Consolidated Statements of Operations;
- restructuring charges of $59 million for the year ended March 31, 2025 for restructuring initiatives, as discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net;"
- charges of $57 million and $74 million for the years ended March 31, 2025 and 2024, respectively, related to the estimated liability for opioid-related claims, as discussed in Financial Note 17, "Commitments and Contingent Liabilities;"
- a loss of $43 million for the year ended March 31, 2025 related to one of the Company's equity method investments, which was recorded within "Other income, net" in the Company's Consolidated Statement of Operations; and
- a gain of $142 million for the year ended March 31, 2023 related to the exit of one of the Company's investments in equity securities in July 2022 for proceeds of $179 million, which is reflected within "Other income, net" in the Company's Consolidated Statement of Operations.

(4) The Company's RxTS other segment expense, net includes the following:

- gains of $78 million in fiscal 2024 resulting from fair value adjustments of the Company's contingent consideration liability related to the RxSS acquisition, as discussed in Financial Note 2, "Business Acquisitions and Divestitures;" and
- restructuring charges of $43 million in fiscal 2023 primarily for severance and employee-related costs, as well as asset impairments and accelerated depreciation. Refer to Financial Note 3, "Restructuring, Impairment, and Related Charges, Net" for further information.

(5) The Company's Medical-Surgical Solutions other segment expense, net for the year ended March 31, 2025 includes restructuring charges of $204 million for restructuring initiatives, as discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net."

(6) The Company's International other segment expense, net includes the following:

- a charge of $605 million for the year ended March 31, 2025 to remeasure the assets and liabilities of the Canadian retail disposal group to fair value less costs to sell, as discussed in Financial Note 2, "Business Acquisitions and Divestitures;" and
- a charge of $240 million for the year ended March 31, 2023 to remeasure the assets and liabilities of the E.U. disposal group to fair value less costs to sell, as discussed in Financial Note 2, "Business Acquisitions and Divestitures."

(7) Corporate expenses, net, includes the following:

- charges of $87 million related to the termination of the U.K. pension plan;
- a charge of $62 million for the year ended March 31, 2025 related to the effect of accumulated other comprehensive loss components from the Canadian retail disposal group, as discussed in Financial Note 2, "Business Acquisitions and Divestitures;"
- a net gain of $101 million for the year ended March 31, 2025, and net losses of $24 million and $36 million for the years ended March 31, 2024, and 2023, respectively, related to the Company's investments in equity securities of certain U.S. growth stage companies in the healthcare industry, as discussed in Financial Note 15, "Fair Value Measurements;"
- net charges of $51 million and $73 million for the years ended March 31, 2025 and 2024, respectively, and a credit of $8 million for the year ended March 31, 2023, related to the estimated liability for opioid-related claims, as discussed in Financial Note 17, "Commitments and Contingent Liabilities;"
- restructuring charges of $68 million, $55 million, and $83 million for the years ended March 31, 2025, 2024, and 2023, respectively, for restructuring initiatives, as discussed in Financial Note 3, "Restructuring, Impairment, and Related Charges, Net;"
- charges of $14 million, $35 million, and $36 million for the years ended March 31, 2025, 2024, and 2023, respectively, for opioid-related costs, primarily litigation expenses;

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FINANCIAL NOTES (Concluded)

- a gain of $306 million in fiscal 2023 primarily related to the effect of accumulated other comprehensive loss components from the E.U. disposal group, as discussed in Financial Note 2, "Business Acquisitions and Divestitures;"
- a gain of $126 million in fiscal 2023 related to a cash payment received for the early termination of a TRA exercised by Change in October 2022 and was recorded within "Other income, net" in the Consolidated Statement of Operations, as discussed in Financial Note 5, "Other Income, Net;" and
- a gain of $97 million in fiscal 2023 from the termination of certain forward-starting fixed interest rate swaps, as discussed in Financial Note 14, "Hedging Activities."

(8) Amounts primarily consist of amortization of acquired intangible assets purchased in connection with business acquisitions and capitalized software for internal use as well as depreciation and amortization of property, plant, and equipment, net.

(9) Long-lived assets consist of property, plant, and equipment, net and capitalized software.

Long-lived assets by geographic areas were as follows:

(In millions)	March 31, 2025	March 31, 2024
Long-lived assets [1]		
United States	$ 2,877	$ 2,477
Foreign	306	334
Total long-lived assets	$ 3,183	$ 2,811

(1) Long-lived assets consist of property, plant, and equipment, net and capitalized software.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Disclosure Controls and Procedures

Our Chief Executive Officer and our Chief Financial Officer, with the participation of other members of the Company's management, have evaluated the effectiveness of the Company's "disclosure controls and procedures" (as such term is defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report and have concluded that our disclosure controls and procedures are effective based on their evaluation of these controls and procedures as required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15.

Internal Control over Financial Reporting

Management's report on the Company's internal control over financial reporting (as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) and the related report of our independent registered public accounting firm are included in this Annual Report, under the headings, "Management's Annual Report on Internal Control Over Financial Reporting" and "Report of Independent Registered Public Accounting Firm," and are incorporated herein by reference.

Changes in Internal Controls

There was no change in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our fourth quarter of fiscal 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

(a) Entry into a Material Definitive Agreement

364 Day Facility

On May 8, 2025, the Company entered into a Credit Agreement among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A., as an administrative agent, and the other parties thereto.

Under the 364 Day Credit Facility, which is scheduled to mature in May 2026, the Company has a revolving line of credit available of up to $1.0 billion. On or prior to the maturity date of the 364 Day Credit Facility, the Company has the option, subject to certain customary conditions, to convert the outstanding revolving loans into a term loan that is repayable in May 2027. The terms and conditions of the 364 Day Credit Facility are substantially similar to those in place under the Credit Agreement, dated November 7, 2022 (as amended by that certain First Amendment to the Credit Agreement, dated as of November 7, 2024 and that certain Second Amendment to the Credit Agreement, dated as of May 8, 2025), among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A., as administrative agent.

Borrowings under the 364 Day Credit Facility bear interest based upon the SOFR for credit extensions denominated in U.S. Dollars and other relevant underlying benchmarks plus agreed margins. In the case of an event of default under the 364 Day Credit Facility, the lenders may elect, among other things, to declare any unpaid amounts obtained under the 364 Day Credit Facility to be immediately due and payable.

Capitalized terms used but not otherwise defined herein have the meanings ascribed thereto in the 364 Day Credit Facility. A copy of the 364 Day Credit Facility is attached as Exhibit 10.24 to this report and is incorporated herein by reference.

(b) Pre-arranged Trading Plans

On February 7, 2025, Napoleon B. Rutledge Jr, our Senior Vice President and Controller, adopted a Rule 10b5-1 trading arrangement for the sale of up to 2,984 shares of the Company's common stock. The duration of the trading arrangement is until February 12, 2026 or earlier if all transactions under the trading arrangement are completed or if the trading arrangement is otherwise terminated according to its terms. The trading arrangement was entered into during an open trading window period and Mr. Rutledge represented to us that he intended for it to satisfy the requirements for the affirmative defense of Rule 10b5-1(c) of the Exchange Act. The number of shares subject to the arrangement includes shares that may be withheld by the Company to satisfy income tax withholding and remittance obligations in connection with the net settlement of equity awards.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance.

Information about our directors is incorporated by reference from the discussion under the heading "Election of Directors" under Item 1 of our Proxy Statement for the calendar year 2025 Annual Meeting of Shareholders, which will be filed with the SEC within 120 days of the Company's fiscal year end covered by this Annual Report (the "Proxy Statement"). Information about our executive officers is incorporated by reference from the discussion in Part I of this Annual Report under the heading "Information about our Executive Officers." Information about our Audit Committee, including the members of the committee and our Audit Committee Financial Experts, is incorporated by reference from the discussion in Item 1 of the Proxy Statement under the heading "The Board, Committees and Meetings," and in Item 2 of the Proxy Statement under the heading "Audit Committee Report."

Information about the Code of Conduct applicable to all employees, officers, and directors can be found on our website, www.mckesson.com, under the caption "Investors — Governance." Our Corporate Governance Guidelines and current charters for the Audit Committee, Compensation and Talent Committee, Governance and Sustainability Committee, as well as the Compliance Committee and Finance Committee, can be found on the same website, under the same caption.

The Company intends to post on its website required information regarding any amendment to, or waiver from, the Code of Conduct that applies to our Chief Executive Officer, Chief Financial Officer, Controller, and persons performing similar functions within four business days after any such amendment or waiver.

Insider Trading Policies and Procedures

We are committed to fostering a culture of compliance, ethics, and regulatory excellence. In furtherance of that commitment, the Company maintains an insider trading compliance program consisting of multiple integrated policies, procedures, controls, and practices that, together, represent our systematic approach to facilitating the oversight, management, and mitigation of insider trading risks across our organization. The foundation of this program is a framework of insider trading policies and procedures ("Insider Trading Policy Framework") we have adopted applicable to our directors, officers, and employees, as well as the Company itself, which governs the purchase, sale, and other disposition of the securities of the Company and other organizations, including our business partners. We believe the Insider Trading Policy Framework is reasonably designed to promote compliance with insider trading laws, rules, and regulations, and the listing standards applicable to us. Copies of the various policies and procedures comprising our Insider Trading Policy Framework are filed as Exhibits 19.1 through 19.5 to this Annual Report on Form 10-K.

We apply aspects of the Insider Trading Policy Framework commensurate with our assessment of the varying insider trading risks facing the Company and its workforce. The Insider Trading Policy Framework's general policies and procedures, together with the insider trading compliance standards in the Code of Conduct, cover all of our directors and employees and provide broad prohibitions against the illegal and unauthorized use and disclosure of material non-public information ("MNPI"). The Insider Trading Policy Framework also contains supplemental targeted policies and procedures for individuals whose roles and functions present heightened risk of access to, and misuse of, MNPI. These separate policies and procedures subject directors, designated officers for purposes of Section 16 of the Exchange Act, and certain other employees who are

likely to be aware of potential MNPI (collectively, "Designated Insiders") to additional trading restrictions, which may limit trading in the Company's securities to defined trading window periods or upon pre-approval by the Company's securities counsel, or both. The Insider Trading Policy Framework generally permits, however, trading by the Company and its personnel pursuant to a trading plan that is designed to meet the requirements of Rule 10b5-1 of the Exchange Act and the Insider Trading Policy Framework.

The Company reinforces the Insider Trading Policy Framework with similarly-tailored periodic training and compliance reminders. Insider trading compliance is part of our Code of Conduct training that is required for all employees during the onboarding process and on an annual basis thereafter, and we provide supplemental training to Designated Insiders.

The Chief Legal Officer is principally responsible for designing and implementing our insider trading compliance program and risk management strategy. The Chief Legal Officer and other members of our general counsel organization work collaboratively across the enterprise, including in coordination with our global corporate reporting and investor relations functions, to administer the program and otherwise assist senior leadership in monitoring and mitigating our insider trading risks. We review and refresh the program as needed, considering developments in insider trading laws, emerging risk areas, and policy benchmarks.

A committee of our Board periodically reviews our Insider Trading Policy Framework and related compliance and risk management measures to assist the Board in its oversight of the Company's compliance with legal and regulatory requirements and risk management.

Item 11. Executive Compensation.

Information about executive compensation is incorporated by reference from the discussion under the heading "Executive Compensation" in the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information about security ownership of certain beneficial owners and management is incorporated by reference from the discussion under the heading "Principal Shareholders" in the Proxy Statement.

The following table sets forth information as of March 31, 2025 with respect to the plans under which the Company's common stock is authorized for issuance:

Plan Category *(In millions, except per share amounts)*	**Number of securities to be issued upon exercise of outstanding warrants, and rights**	**Weighted-average exercise price of outstanding warrants, and rights** [1]	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)**
Equity compensation plans approved by security holders	1.7 [2]	$ —	7.4 [3]
Equity compensation plans not approved by security holders	—	$ —	—

(1) The weighted-average exercise price set forth in this column is calculated excluding outstanding restricted stock unit awards since recipients are not required to pay an exercise price to receive the shares subject to these awards. All options were exercised in fiscal 2025.

(2) Represents restricted stock unit awards outstanding under the following plans: (i) 1997 Non-Employee Directors' Equity Compensation and Deferral Plan; (ii) the 2005 Stock Plan; (iii) the 2013 Stock Plan; and (iv) the 2022 Stock Plan. This amount also includes 0.8 million shares reserved for the potential of maximum payouts of outstanding performance stock units previously granted under the 2013 Stock Plan.

(3) Represents 3.3 million shares available for purchase under the 2000 Employee Stock Purchase Plan and 4.2 million shares available for grant under the 2022 Stock Plan.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information with respect to certain transactions with directors and management is incorporated by reference from the Proxy Statement under the heading "Related Party Transactions Policy and Transactions with Related Persons." Information regarding Director independence is incorporated by reference from the Proxy Statement under the heading "Director Independence." Additional information regarding certain related party balances and transactions is included in the "Financial Review" section of this Annual Report and Financial Note 19, "Related Party Balances and Transactions" to the consolidated financial statements included in this Annual Report.

Item 14. Principal Accountant Fees and Services.

Information regarding principal accountant fees and services is set forth under the heading "Ratification of Appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for Fiscal Year 2026" in the Proxy Statement is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedule.

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(a)(2) Financial Statement Schedule	
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All other schedules not included have been omitted because of the absence of conditions under which they are required or because the required information, where material, is shown in the financial statements, financial notes, or supplementary financial information.	
(a)(3) Exhibits submitted with this Annual Report on Form 10-K as filed with the SEC and those incorporated by reference to other filings are listed on the Exhibit Index	130

McKESSON CORPORATION

SCHEDULE II

SUPPLEMENTARY CONSOLIDATED FINANCIAL STATEMENT SCHEDULE
VALUATION AND QUALIFYING ACCOUNTS
(In millions)

Description	Balance at Beginning of Year	Additions: Charges (Credits) to Costs and Expenses	Additions: Charges to Other Accounts [3]	Deductions From Allowance Accounts [1]	Balance at End of Year [2]
Year Ended March 31, 2025					
Allowances for credit losses	$ 877	$ (130)	$ (2)	$ (273)	$ 472
Other allowances	54	—	(4)	(2)	48
	$ 931	$ (130)	$ (6)	$ (275)	$ 520
Year Ended March 31, 2024					
Allowances for credit losses	$ 114	$ 819 [4]	$ 5	$ (61)	$ 877
Other allowances	46	—	9	(1)	54
	$ 160	$ 819	$ 14	$ (62)	$ 931
Year Ended March 31, 2023					
Allowances for credit losses	$ 99	$ 45	$ 5	$ (35)	$ 114
Other allowances	52	—	4	(10)	46
	$ 151	$ 45	$ 9	$ (45)	$ 160

		Years Ended March 31, 2025	2024	2023
(1)	Deductions:			
	Written-off	$ (275)	$ (62)	$ (37)
	Credited to other accounts and other	—	—	(8)
	Total	$ (275)	$ (62)	$ (45)
(2)	Amounts shown as deductions from current and non-current receivables (current allowances were $500 million, $921 million, and $158 million at March 31, 2025, 2024, and 2023, respectively)	$ 520	$ 931	$ 160

(3) Primarily represents reclassifications to other balance sheet accounts.

(4) Includes a provision for bad debts recognized of $725 million related to the bankruptcy of the Company's customer Rite Aid Corporation (including certain of its subsidiaries, "Rite Aid"). In October 2023, Rite Aid filed a voluntary petition for reorganization under Chapter 11 of the Bankruptcy Code and this amount represents the uncollected trade accounts receivable balance due from Rite Aid prior to its bankruptcy petition filing.

McKESSON CORPORATION

EXHIBIT INDEX

The agreements included as exhibits to this report are included to provide information regarding their terms and not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. The agreements may contain representations and warranties by each of the parties to the applicable agreement that were made solely for the benefit of the other parties to the applicable agreement. Those representations and warranties:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time.

Exhibits identified under "Incorporated by Reference" in the table below are on file with the SEC and are incorporated by reference as exhibits hereto.

		Incorporated by Reference			
Exhibit Number	**Description**	**Form**	**File Number**	**Exhibit**	**Filing Date**
3.1	Certificate of Incorporation of McKesson Corporation, as amended through July 31, 2024	10-Q	1-13252	3.1	August 7, 2024
3.1.1	Amended and Restated Certificate of Incorporation of the Company, as filed with the Delaware Secretary of State on July 27, 2011.	8-K	1-13252	3.1	August 2, 2011
3.1.2	Certificate of Amendment of Certificate of Incorporation, dated July 31, 2024	10-Q	1-13252	3.1.2	August 7, 2024
3.2	Amended and Restated By-Laws of the Company, as amended April 26, 2023.	8-K	1-13252	3.1	April 28, 2023
4.1	Indenture, dated as of March 11, 1997, by and between the Company, as issuer, and The First National Bank of Chicago, as trustee.	10-K	1-13252	4.4	June 19, 1997
4.2	Officers' Certificate, dated as of March 11, 1997, and related Form of 2027 Note.	S-4	333-30899	4.2	July 8, 1997
4.3	Indenture, dated as of March 5, 2007, by and between the Company, as issuer, and The Bank of New York Trust Company, N.A., as trustee.	8-K	1-13252	4.1	March 5, 2007
4.4	First Supplemental Indenture, dated as of February 28, 2011, to the Indenture, dated as of March 5, 2007, among the Company, as issuer, the Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), and Wells Fargo Bank, National Association, as trustee, and related Form of 2021 Note and Form of 2041 Note.	8-K	1-13252	4.2	February 28, 2011
4.5	Indenture, dated as of December 4, 2012, by and between the Company, as issuer, and Wells Fargo Bank, National Association, as trustee.	8-K	1-13252	4.1	December 4, 2012
4.6	Officers' Certificate, dated as of March 10, 2014, and related Form of 2024 Note, and Form of 2044 Note.	8-K	1-13252	4.2	March 10, 2014
4.7	Officer's Certificate, dated as of February 17, 2017, and related Form of 2021 Euro Note, Form of 2025 Euro Note, and Form of 2029 Sterling Note.	8-K	1-13252	4.1	February 17, 2017
4.8	Officer's Certificate, dated as of February 12, 2018, and related Form of 2026 Euro Note.	8-K	1-13252	4.1	February 13, 2018

McKESSON CORPORATION

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Exhibit	Filing Date
4.9	Officer's Certificate, dated as of February 16, 2018, and related Form of 2028 Note.	8-K	1-13252	4.1	February 21, 2018
4.10	Officer's Certificate, dated as of November 30, 2018, and Form of 2029 Note.	8-K	1-13252	4.1	November 30, 2018
4.11	Officer's Certificate, dated as of December 3, 2020, and related Form of 2025 Note.	8-K	1-13252	4.1	December 3, 2020
4.12	Officer's Certificate, dated as of August 12, 2021, and related Form of 2026 Note.	8-K	1-13252	4.1	August 12, 2021
4.13	Indenture, dated as of February 15, 2023, by and between the Company, as issuer, and U.S. Bank Trust Company, National Association, as trustee.	8-K	1-13252	4.1	February 15, 2023
4.14	Officer's Certificate, dated as of June 15, 2023, and related Form of 2028 Note and Form of 2033 Note.	8-K	1-13252	4.1	June 16, 2023
4.15	Officer's Certificate, dated as of September 10, 2024, and related Form of 2029 Note.	8-K	1-13252	4.1	September 10, 2024
4.16†	Description of the Company's Securities.	—	—	—	—
10.1*	McKesson Corporation Supplemental Profit Sharing Investment Plan, as amended and restated on January 29, 2003.	10-K	1-13252	10.6	June 6, 2003
10.2*	McKesson Corporation Supplemental Retirement Savings Plan, as amended and restated effective July 30, 2019.	10-Q	1-13252	10.2	October 30, 2019
10.3*	McKesson Corporation Deferred Compensation Administration Plan II, as amended and restated as of October 28, 2004, and Amendment No. 1 thereto effective July 25, 2007.	10-K	1-13252	10.7	May 7, 2008
10.4*	McKesson Corporation Deferred Compensation Administration Plan III, as amended and restated effective July 30, 2019.	10-Q	1-13252	10.1	October 30, 2019
10.5*	McKesson Corporation Executive Survivor Benefits Plan, as amended and restated as of January 20, 2010.	8-K	1-13252	10.1	January 25, 2010
10.6*	McKesson Corporation Severance Policy for Executive Employees, as amended and restated April 26, 2022.	10-K	1-13252	10.6	May 9, 2022
10.7*	McKesson Corporation Change in Control Policy for Selected Executive Employees, as amended and restated effective January 28, 2020.	10-K	1-13252	10.8	May 22, 2020
10.8*	McKesson Corporation Management Incentive Plan, as amended and restated April 26, 2022	10-K	1-13252	10.8	May 9, 2022
10.9*	Form of Statement of Terms and Conditions Applicable to Awards Pursuant to the McKesson Corporation Management Incentive Plan, effective April 26, 2022	10-K	1-13252	10.9	May 9, 2022
10.10*	McKesson Corporation 2005 Stock Plan, as amended and restated on July 28, 2010.	10-Q	1-13252	10.4	July 30, 2010
10.11*	Forms of (i) Statement of Terms and Conditions, (ii) Stock Option Grant Notice and (iii), Restricted Stock Unit Agreement, each as applicable to Awards under the McKesson Corporation 2005 Stock Plan.	10-Q	1-13252	10.2	July 26, 2012
10.12*	McKesson Corporation 2013 Stock Plan, effective July 31, 2013.	8-K	1-13252	10.1	August 2, 2013
10.13*	Forms of Statement of Terms and Conditions and Grant Notices Applicable to Awards Pursuant to the McKesson Corporation 2013 Stock Plan.	10-K	1-13252	10.13	May 9, 2022
10.14*	McKesson Corporation 2022 Stock Plan, effective July 22, 2022.	S-8	333-266356	10.1	July 27, 2022

McKESSON CORPORATION

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Exhibit	Filing Date
10.15*	Forms of Statement of Terms and Conditions and Grant Notices Applicable to Awards Pursuant to the McKesson Corporation 2022 Stock Plan.	10-Q	1-13252	10.2	August 3, 2022
10.16*	Form of Director and Officer Indemnification Agreement.	10-K	1-13252	10.27	May 4, 2010
10.17	Tax Matters Agreement, by and between McKesson Corporation, PF2 SpinCo, Inc., Change Healthcare Inc., Change Healthcare LLC and Change Healthcare Holdings, LLC dated as of March 9, 2020.	8-K	1-13252	10.1	March 13, 2020
10.18	Distributor Settlement Agreement related to opioids claims, entered into on February 25, 2022, among the Settling States, the Settling Distributors, and the Participating Subdivisions (as defined therein).	8-K/A	1-6671	10.1	May 3, 2022
10.19	Credit Agreement, dated as of November 7, 2022, among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A., as administrative agent, and the other parties thereto.	8-K	1-13252	10.1	November 7, 2022
10.20*	Form of Statement of Terms and Conditions Applicable to Awards Pursuant to the McKesson Corporation Management Incentive Plan, effective October 23, 2023.	10-Q	1-13252	10.2	November 2, 2023
10.21	Extension Notice Acknowledgement to Credit Agreement, dated as of November 7, 2022, among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A., as administrative agent, and the other parties thereto.	8-K	1-13252	10.1	November 7, 2023
10.22	First Amendment to Credit Agreement dated as of November 7, 2024, to the Credit Agreement dated as of November 7, 2022, among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A. as administrative agent, and other parties thereto.	10-Q	1-13252	10.1	November 7, 2024
10.23†*	Second Amendment to Credit Agreement dated as of May 8, 2025, to the Credit Agreement dated as of November 7, 2022, among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A. as administrative agent, and other parties	—	—	—	—
10.24†*	Credit Agreement, dated as of May 8, 2025, among the Company, as borrower, the lenders party thereto, the letter of credit issuers party thereto, Bank of America, N.A., as administrative agent, and the other parties thereto	—	—	—	—
10.25*	Forms of Statement of Terms and Conditions and Grant Notices Applicable to Awards Pursuant to the McKesson Corporation 2022 Stock Plan, effective April 23, 2024.	10-K	1-13252	10.22	May 8, 2024
10.26†*	Forms of Statement of Terms and Conditions and Grant Notices Applicable to Awards Pursuant to the McKesson Corporation 2022 Stock Plan, effective April 29, 2025.	—	—	—	—

McKESSON CORPORATION

Exhibit Number	Description	Incorporated by Reference			
		Form	File Number	Exhibit	Filing Date
19.1	Insider Trading Policy and Procedure applicable to all directors, officers, and employees.	10-K	1-13252	19.1	May 8, 2024
19.2	Designated Insider Trading Policy and Procedure applicable to all directors and officers, and certain specified employees.	10-K	1-13252	19.2	May 8, 2024
19.3	Section 16 Insider Policy and Procedure applicable to all directors and officers.	10-K	1-13252	19.3	May 8, 2024
19.4	Pre-Arranged Trading Plan Policy and Procedure applicable to all directors, officers, and employees.	10-K	1-13252	19.4	May 8, 2024
19.5	Share Repurchase and Sale Policy applicable to the Company.	10-K	1-13252	19.5	May 8, 2024
21†	List of Significant Subsidiaries of the Registrant.	—	—	—	—
23†	Consent of Independent Registered Public Accounting Firm, Deloitte & Touche LLP.	—	—	—	—
31.1†	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934 and adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	—	—	—	—
31.2†	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934 and adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	—	—	—	—
32††	Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	—	—	—	—
97	McKesson Corporation Financial Restatement Compensation Recoupment Policy, effective October 2, 2023.	10-K	1-13252	97	May 8, 2024
101†	The following materials from the McKesson Corporation Annual Report on Form 10-K for the fiscal year ended March 31, 2025, formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Statements of Operations, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Stockholders' Equity (Deficit), (v) Consolidated Statements of Cash Flows, and (vi) related Financial Notes.	—	—	—	—
104†	Cover Page Interactive Data File (formatted as iXBRL and contained in Exhibit 101).	—	—	—	—

* Management contract or compensation plan or arrangement in which directors and/or executive officers are eligible to participate.

† Filed herewith.

†† Furnished herewith.

Registrant agrees to furnish to the SEC upon request a copy of each instrument defining the rights of security holders with respect to issues of long-term debt of the registrant, the authorized principal amount of which does not exceed 10% of the total assets of the registrant.

Item 16. Form 10-K Summary.

None.

McKESSON CORPORATION

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

McKESSON CORPORATION

May 8, 2025

/s/ Britt J. Vitalone

Britt J. Vitalone
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated:

/s/ Brian S. Tyler

Brian S. Tyler
Chief Executive Officer and Director
(Principal Executive Officer)

/s/ James H. Hinton

James H. Hinton, Director

/s/ Britt J. Vitalone

Britt J. Vitalone
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Donald R. Knauss

Donald R. Knauss, Director

/s/ Napoleon B. Rutledge Jr.

Napoleon B. Rutledge Jr.
Senior Vice President and Controller
(Principal Accounting Officer)

/s/ Bradley E. Lerman

Bradley E. Lerman, Director

/s/ Richard H. Carmona

Richard H. Carmona, M.D., Director

/s/ Maria N. Martinez

Maria N. Martinez, Director

/s/ Dominic J. Caruso

Dominic J. Caruso, Director

/s/ Kevin M. Ozan

Kevin M. Ozan, Director

/s/ W. Roy Dunbar

W. Roy Dunbar, Director

/s/ Kathleen Wilson-Thompson

Kathleen Wilson-Thompson, Director

/s/ Deborah Dunsire

Deborah Dunsire, M.D., Director

May 8, 2025

Exhibit 4.16

DESCRIPTION OF THE COMPANY'S SECURITIES REGISTERED
PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

The following are brief descriptions of (a) the common stock, $0.01 par value per share (the "Common Stock"), (b) the 1.500% Notes due 2025 (the "2025 Notes"), (c) the 1.625% Notes due 2026 (the "2026 Notes"), and (d) the 3.125% Notes due 2029 (the "2029 Notes" and, collectively with the 2025 Notes and the 2026 Notes, the "Notes"), of McKesson Corporation (the "Company," "we," "us," or "our"), which are the only securities of the Company registered pursuant to Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act").

Description of Common Stock

General

The following descriptions of our Common Stock and of certain provisions of Delaware law do not purport to be complete and are subject to and qualified in their entirety by reference to our amended and restated certificate of incorporation ("Certificate of Incorporation"), our amended and restated by-laws ("Bylaws"), and the Delaware General Corporation Law ("DGCL"). Copies of our Certificate of Incorporation and our Bylaws have been filed with the Securities and Exchange Commission ("SEC") and are each incorporated by reference as an exhibit to the Annual Report on Form 10-K, of which this Exhibit is a part.

Our authorized capital stock consists of 900,000,000 shares, of which 800,000,000 shares are Common Stock and 100,000,000 shares are preferred stock, par value $0.01 per share. We may amend from time to time our Certificate of Incorporation to increase the number of authorized shares of Common Stock and/or preferred stock. Any such amendment would require the approval of the holders of a majority of our shares entitled to vote. All of our outstanding shares of Common Stock are fully paid and non-assessable.

Common Stock

Dividend Rights. Subject to the dividend rights of the holders of any outstanding preferred stock, the holders of shares of Common Stock are entitled to receive ratably dividends out of assets legally available therefor at such times and in such amounts as our board of directors (the "Board") may from time to time determine.

Rights Upon Liquidation. Upon liquidation, dissolution or winding up of our affairs, the holders of Common Stock are entitled to share ratably in our assets that are legally available for distribution, after payment of all debts, other liabilities, and any liquidation preferences of outstanding preferred stock.

Conversion, Redemption and Preemptive Rights. Holders of our Common Stock have no conversion, redemption, preemptive, or similar rights.

Voting Rights. Each outstanding share of Common Stock is entitled to one vote on all matters submitted to a vote of stockholders.

Anti-Takeover Effects of Provisions of Our Certificate of Incorporation, Bylaws and Delaware Law

Certificate of Incorporation and Bylaws. Our Certificate of Incorporation and Bylaws contain certain provisions that may be deemed to have an anti-takeover effect and may delay, deter, or prevent a tender offer or takeover attempt that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders. Among other things, these provisions:

- do not authorize cumulative voting;
- require that any action required or permitted to be taken by our stockholders must be effected at a duly called annual or special meeting of stockholders and may be effected in lieu of such meetings only be unanimous written consent;
- provide that only the Chair of the Board, the chief executive officer, or a majority of the directors may call a special meeting of the shareholders, except that a special meeting may be called upon on a written request of stockholders owning at least 15% of the outstanding shares of Common Stock who have held their shares for at least one year and comply with the procedures for calling a special meeting of stockholders as set forth in our Bylaws;
- provide an advance notice procedure with respect to shareholder proposals and shareholder nomination of candidates for election as directors; and
- authorize our Board to establish one or more series of preferred stock without stockholder approval.

Delaware Law. We are subject to the "business combination" statute of the DGCL. In general, that statute prohibits a publicly held Delaware corporation from engaging in a "business combination" with any "interested stockholder" for a period of three years after the date of the transaction in which the person became an "interested stockholder," unless:

(1) such transaction is approved by our Board prior to the date the interested stockholder obtains such status;

(2) upon consummation of such transaction, the "interested stockholder" beneficially owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned by (a) persons who are directors and also officers and (b) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

(3) the "business combination" is approved by our Board and authorized at an annual or special meeting of stockholders by the affirmative vote of at least 66-2/3% of the outstanding voting stock which is not owned by the "interested stockholder."

A "business combination" includes mergers, asset sales, and other transactions resulting in financial benefit to the "interested stockholder." An "interested stockholder" is a person who, together with affiliates and associates, owns (or within three years, did own) beneficially 15% or more of a corporation's voting stock. The statute could prohibit or delay mergers or other takeover or change in control attempts with respect to us and, accordingly, may discourage attempts to acquire us.

Exclusive Forum Provision of our Bylaws

Our amended and restated by-laws provide that, unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for specified legal actions is the Court of Chancery of the State of Delaware or the United States District Court for the District of Delaware if the Court of Chancery does not have or declines to accept jurisdiction (collectively, "Delaware Courts"). Current and former stockholders are deemed to have consented to the personal jurisdiction of the Delaware Courts in connection with any action to enforce that exclusive forum provision and to service of process in any such action.

Section 203 of Delaware General Corporation Law

We are subject to the "business combination" statute of the DGCL. In general, that statute prohibits a publicly held Delaware corporation from engaging in a "business combination" with any "interested stockholder" for a period of three years after the date of the transaction in which the person became an "interested stockholder," unless:

(1) such transaction is approved by our board of directors prior to the date the interested stockholder obtains such status,

(2) upon consummation of such transaction, the "interested stockholder" beneficially owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned by (a) persons who are directors and also officers and (b) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer, or

(3) the "business combination" is approved by our board of directors and authorized at an annual or special meeting of stockholders by the affirmative vote of at least 66-2/3% of the outstanding voting stock which is not owned by the "interested stockholder."

A "business combination" includes mergers, asset sales, and other transactions resulting in financial benefit to the "interested stockholder." An "interested stockholder" is a person who, together with affiliates and associates, owns (or within three years, did own) beneficially 15% or more of a corporation's voting stock. The statute could prohibit or delay mergers or other takeover or change in control attempts with respect to us and, accordingly, may discourage attempts to acquire us.

Certain Effects of Authorized but Unissued Stock

Our authorized but unissued shares of Common Stock and preferred stock may be issued without additional stockholder approval and may be utilized for a variety of corporate purposes, including future offerings to raise additional capital or to facilitate corporate acquisitions.

The issuance of preferred stock could have the effect of delaying or preventing a change in control of us. The issuance of preferred stock could decrease the amount available for distribution to holders of our Common Stock or could adversely affect the rights and powers, including voting rights, of such holders. In certain circumstances, such issuance could have the effect of decreasing the market price of our Common Stock.

One of the effects of the existence of unissued and unreserved Common Stock or preferred stock may be to enable our board of directors to issue shares to persons friendly to current management, which could render more difficult or discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of management. Such additional shares also could be used to dilute the stock ownership of persons seeking to obtain control of us.

Limitation of Liability of Directors

Our amended and restated certificate of incorporation contains a provision that limits the liability of our directors for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by the Delaware General Corporation Law. Such limitation does not, however, affect the liability of a director (1) for any breach of the director's duty of loyalty to us or our stockholders, (2) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (3) in respect of certain unlawful dividend payments or stock redemptions or purchases, and (4) for any transaction from which the director derives an improper personal benefit. The effect of this provision is to eliminate our rights and the rights of our stockholders (through stockholders' derivative suits) to recover monetary damages against a director for breach of the fiduciary duty of care as a director (including breaches resulting from negligent or grossly negligent behavior) except in the situations described in clauses (1) through (4) above. This provision does not limit or eliminate our rights or the rights of our stockholders to seek non-monetary relief such as an injunction or rescission in the event of a breach of a director's duty of care. In addition, our directors and officers have indemnification protection.

Transfer Agent and Registrar

EQ Shareowner Services acts as transfer agent and registrar of our Common Stock.

Listing

Our Common Stock is listed on the New York Stock Exchange under the symbol "MCK".

Description of Notes

General

On February 17, 2017, we issued £450,000,000 aggregate principal amount of 3.125% Notes due 2029 and €600,000,000 aggregate principal amount of 1.500% Notes due 2025, and on February 12, 2018, we issued €500,000,000 aggregate principal amount of 1.625% Notes due 2026. Each series of the Notes was issued pursuant to the Indenture, dated as of December 4, 2012 (the "Indenture") between the Company and Computershare Trust Company, National Association (as successor to Wells Fargo Bank, National Association), as trustee (the "Trustee"), in each case, as supplemented by an Officer's Certificate setting forth certain terms of the applicable series of the Notes (the "Officer's Certificates").

Each series of the Notes is an unsecured and unsubordinated obligation of the Company and ranks equally with all of the Company's existing and future unsecured and unsubordinated indebtedness from time to time outstanding.

The following descriptions of the Indenture, the Officer's Certificates and the Notes do not purport to be complete and are subject to and qualified in their entirety by reference to the Indenture, the Officer's Certificates and the Notes, which have been filed with the SEC and are incorporated by reference herein. Unless otherwise specified, all capitalized and undefined terms in this "Description of Notes" have the meanings specified in the Indenture.

General Terms of the Indenture

We may issue, from time to time, debt securities, in one or more series, that will consist of either our senior debt ("Senior Debt Securities"), our senior subordinated debt ("Senior Subordinated Debt Securities"), our subordinated debt ("Subordinated Debt Securities") or our junior subordinated debt ("Junior Subordinated Debt Securities" and, together with the Senior Subordinated Debt Securities and the Subordinated Debt Securities, the "Subordinated Securities"). The Indenture does not limit the amount of debt securities that we may issue. It provides that we may issue debt securities up to the principal amount that we may authorize and may be in any currency or currency unit designated by us. Except for the limitations on consolidation, merger and sale of all or substantially all of our assets contained in the Indenture, the terms of the Indenture do not contain any covenants or other provisions designed to afford holders of any debt securities protection with respect to our operations, financial condition or transactions involving us.

Consolidation, Merger or Sale. We cannot consolidate or merge with or into, or transfer or lease all or substantially all of our assets to, any person unless (a) we will be the continuing corporation or (b) the successor corporation or person formed by such consolidation or into which we are merged or to which our assets substantially as an entirety are transferred or leased is a corporation, limited liability company or limited partnership organized or existing under the laws of the United States, any state of the United States or the District of Columbia and, if such entity is not a corporation, a co-obligor of the debt securities is a corporation organized or existing under any such laws, and such successor corporation or person, including such co-obligor, if any, expressly assumes our obligations on the debt securities and under the Indenture. In addition, we cannot effect such a transaction unless immediately after giving effect to such transaction, no default or Event of Default under the Indenture shall have occurred and be continuing. Subject to certain exceptions, when the person to whom our assets are transferred or leased has assumed our obligations under the debt securities and the Indenture, we shall be discharged from all our obligations under the debt securities and the Indenture, except in limited circumstances.

This covenant would not apply to any recapitalization transaction, a change of control of the Company or a highly leveraged transaction, unless the transaction or change of control were structured to include a merger or consolidation or transfer or lease of all or substantially all of our assets.

Events of Default. Unless otherwise indicated, the term "Event of Default," when used in the Indenture with respect to the debt securities of any series, means any of the following:

- failure to pay interest for 30 days after the date payment on any debt security of such series is due and payable; provided that an extension of an interest payment period by the Company in accordance with the terms of the debt securities shall not constitute a failure to pay interest;
- failure to pay principal or premium, if any, on any debt security of such series when due, either at maturity, upon any redemption, by declaration or otherwise;
- failure to perform any other covenant in the Indenture or the debt securities of such series ("other covenants") for 90 days after notice that performance was required;
- events in bankruptcy, insolvency or reorganization of the Company; or

- any other Event of Default provided in the applicable resolution of our board of directors or the officers' certificate or supplemental Indenture under which we issue such series of debt securities.

An Event of Default for a particular series of debt securities does not necessarily constitute an Event of Default for any other series of debt securities issued under the Indenture. If an Event of Default relating to the payment of interest, principal or any sinking fund installment involving any series of debt securities has occurred and is continuing, the Trustee or the holders of not less than 25% in aggregate principal amount of the debt securities of each affected series may declare the entire principal of all the debt securities of that series to be due and payable immediately.

If an Event of Default relating to the performance of other covenants occurs and is continuing for a period of 90 days after notice of such, or if any other Event of Default occurs and is continuing involving all of the series of Senior Debt Securities, then the Trustee or the holders of not less than 25% in aggregate principal amount of all of the series of Senior Debt Securities may declare the entire principal amount of all of the series of Senior Debt Securities due and payable immediately.

Similarly, if an Event of Default relating to the performance of other covenants occurs and is continuing for a period of 90 days after notice of such, or if any other Event of Default occurs and is continuing involving all of the series of Subordinated Securities, then the Trustee or the holders of not less than 25% in aggregate principal amount of all of the series of Subordinated Securities may declare the entire principal amount of all of the series of Subordinated Securities due and payable immediately.

If, however, the Event of Default relating to the performance of other covenants or any other Event of Default that has occurred and is continuing is for less than all of the series of Senior Debt Securities or Subordinated Securities, as the case may be, then the Trustee or the holders of not less than 25% in aggregate principal amount of each affected series of the Senior Debt Securities or the Subordinated Securities, as the case may be, may declare the entire principal amount of all debt securities of such affected series due and payable immediately. The holders of not less than a majority in aggregate principal amount of the debt securities of a series may, after satisfying conditions, rescind and annul any of the above-described declarations and consequences involving the series.

If an Event of Default relating to events in bankruptcy, insolvency or reorganization of the Company occurs and is continuing, then the principal amount of all of the debt securities outstanding, and any accrued interest, will automatically become due and payable immediately, without any declaration or other act by the Trustee or any holder.

The Indenture imposes limitations on suits brought by holders of debt securities against us. Except as provided below, no holder of debt securities of any series may institute any action against us under the Indenture unless:

- the holder has previously given to the Trustee written notice of default and continuance of that default;

- the holders of at least 25% in principal amount of the outstanding debt securities of the affected series have requested that the Trustee institute the action;

- the requesting holders have offered the Trustee security or indemnity reasonably satisfactory to it for expenses and liabilities that may be incurred by bringing the action;
- the Trustee has not instituted the action within 60 days of the request; and
- the Trustee has not received inconsistent direction by the holders of a majority in principal amount of the outstanding debt securities of the affected series.

Notwithstanding the foregoing, each holder of debt securities of any series has the right, which is absolute and unconditional, to receive payment of the principal of, and premium and interest, if any, on, such debt securities when due and to institute suit for the enforcement of any such payment, and such rights may not be impaired without the consent of that holder of debt securities.

We will be required to file annually with the Trustee a certificate, signed by an officer of the Company, stating whether or not the officer knows of any default by us in the performance, observance or fulfillment of any condition or covenant of the Indenture.

Modification of the Indenture. The Indenture provides that we and the Trustee may enter into supplemental indentures without the consent of the holders of debt securities to:

- secure any debt securities;
- evidence the assumption by a successor corporation of our obligations;
- add covenants for the protection of the holders of debt securities;
- cure any ambiguity or correct any inconsistency in the Indenture;
- establish the forms or terms of debt securities of any series; and
- evidence and provide for the acceptance of appointment by a successor Trustee.

The Indenture also provides that we and the Trustee may, with the consent of the holders of not less than a majority in aggregate principal amount of debt securities of all series of Senior Debt Securities or Subordinated Securities, as the case may be, then outstanding and affected thereby (voting as one class), add any provisions to, or change in any manner, eliminate or modify in any way the provisions of, the Indenture or modify in any manner the rights of the holders of the debt securities. We and the Trustee may not, however, without the consent of the holder of each outstanding debt security affected thereby:

- extend the final maturity of any debt security;
- reduce the principal amount or premium, if any;
- reduce the rate or extend the time of payment of interest;
- reduce any amount payable on redemption;
- change the currency in which the principal (other than as may be provided otherwise with respect to a series), premium, if any, or interest is payable;

- reduce the amount of the principal of any debt security issued with an original issue discount that is payable upon acceleration or provable in bankruptcy;

- modify any of the subordination provisions or the definition of senior indebtedness applicable to any Subordinated Securities in a manner adverse to the holders of those securities;

- alter provisions of the Indenture relating to the debt securities not denominated in U.S. dollars;

- impair the right to institute suit for the enforcement of any payment on any debt security when due; or

- reduce the percentage of holders of debt securities of any series whose consent is required for any modification of the Indenture.

Certain Covenants

Each Officer's Certificate contains the following covenants.

Definitions. The term "Attributable Debt" shall mean in connection with a sale and lease-back transaction the lesser of (a) the fair value of the assets subject to such transaction, as determined by our Board of Directors, or (b) the present value of the remaining obligations of the lessee for net rental payments during the term of any lease discounted at the rate of interest set forth or implicit in the terms of such lease or, if not practicable to determine such rate, the weighted average interest rate per annum borne by the debt securities of each series outstanding pursuant to the Indenture and subject to limitations on sale and lease-back transaction covenants, compounded semi-annually in either case as determined by our principal accounting or financial officer.

The term "Consolidated Subsidiary" shall mean any Subsidiary (as defined in the Indenture), substantially all the property of which is located, and substantially all the operations of which are conducted, in the United States of America whose financial statements are consolidated with our financial statements in accordance with accounting principles generally accepted in the United States of America.

The term "Exempted Debt" shall mean the sum of the following as of the date of determination: (1) Indebtedness of ours and our Consolidated Subsidiaries incurred after the date of issuance of the notes and secured by liens not permitted by the limitation on liens provisions, and (2) Attributable Debt of ours and our Consolidated Subsidiaries in respect of every sale and lease-back transaction entered into after the date of the issuance of the notes, other than leases permitted by the limitation on sale and lease-back provisions.

The term "Indebtedness" shall mean all items classified as indebtedness on our most recently available consolidated balance sheet, in accordance with accounting principles generally accepted in the United States of America.

The term "Qualified Receivables Transaction" shall mean any transaction or series of transactions entered into by us or any of our Subsidiaries pursuant to which we or any of our Subsidiaries sells, conveys or otherwise transfers to (1) a Receivables Subsidiary (in the case of a transfer by us or any of our Subsidiaries) or (2) any other person (in the case of a transfer by a Receivables Subsidiary), or grants a security interest in, any accounts receivable (whether now existing or arising in the future) or inventory of us or any of our Subsidiaries, and any assets related thereto including, without limitation, all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable or inventory, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable or inventory.

The term "Receivables Subsidiary" shall mean a Subsidiary of ours which engages in no activities other than in connection with the financing of accounts receivable or inventory (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (1) is guaranteed by us or any Subsidiary of ours (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction), (2) is recourse or obligates us or any Subsidiary of ours in any way other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction or (3) subjects any property or asset of ours or any Subsidiary of ours (other than accounts receivable or inventory and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction, (b) with which neither we nor any Subsidiary of ours has any material contract, agreement, arrangement or understanding other than on terms customary for securitization of receivables or inventory and (c) with which neither we nor any Subsidiary of ours has any obligations to maintain or preserve such Subsidiary's financial condition or cause such Subsidiary to achieve certain levels of operating results.

Limitation on Liens. We covenant that, so long as any of the Notes remain outstanding, we will not, and will not permit any Consolidated Subsidiary, to create or assume any Indebtedness for money borrowed which is secured by a mortgage, pledge, security interest or lien ("liens") of or upon any assets, whether now owned or hereafter acquired, of ours or any such Consolidated Subsidiary without equally and ratably securing the notes by a lien ranking equally to and ratably with (or, at our option, senior to) such secured Indebtedness, except that the foregoing restriction shall not apply to:

- liens on assets of any corporation existing at the time such corporation becomes a Consolidated Subsidiary;

- liens on assets existing at the time of acquisition thereof, or to secure the payment of the purchase price of such assets, or to secure indebtedness incurred or guaranteed by us or a Consolidated Subsidiary for the purpose of financing the purchase price of such assets or improvements or construction thereon, which indebtedness is incurred or guaranteed prior to, at the time of or within 360 days after such acquisition, or in the case of real property, completion of such improvement or construction or commencement of full operation of such property, whichever is later;

- liens securing indebtedness owed by any Consolidated Subsidiary to us or another wholly owned Subsidiary;

- liens on any assets of a corporation existing at the time such corporation is merged into or consolidated with us or a Subsidiary or at the time of a purchase, lease or other acquisition of the assets of the corporation or firm as an entirety or substantially as an entirety by us or a Subsidiary;

- liens on any assets of ours or a Consolidated Subsidiary in favor of the United States of America or any state thereof, or in favor of any other country, or political subdivision thereof, to secure certain payments pursuant to any contract or statute or to secure any indebtedness incurred or guaranteed for the purpose of financing all or any part of the purchase price, or, in the case of real property, the cost of construction, of the assets subject to such liens, including, but not limited to, liens incurred in connection with pollution control, industrial revenue or similar financing;

- any extension, renewal or replacement, or successive extensions, renewals or replacements, in whole or in part, of any lien referred to in the foregoing;

- certain statutory liens or other similar liens arising in the ordinary course of our or a Consolidated Subsidiary's business, or certain liens arising out of government contracts;

- certain pledges, deposits or liens made or arising under the worker's compensation or similar legislation or in certain other circumstances;

- certain liens in connection with legal proceedings, including certain liens arising out of judgments or awards;

- liens for certain taxes or assessments, landlord's liens and liens and charges incidental to the conduct of the business or the ownership of our assets or those of a Consolidated Subsidiary, which were not incurred in connection with the borrowing of money and which do not, in our opinion, materially impair the use of such assets in the operation of our business or that of such Consolidated Subsidiary or the value of such assets for the purposes thereof;

- liens relating to accounts receivable of ours or any of our Subsidiaries which have been sold, assigned or otherwise transferred to another Person in a transaction classified as a sale of accounts receivable in accordance with accounting principles generally accepted in the United States of America, to the extent the sale by us or the applicable Subsidiary is deemed to give rise to a lien in favor of the purchaser thereof in such accounts receivable or the proceeds thereof; or

- liens on any assets of ours or any of our Subsidiaries (including Receivables Subsidiaries) incurred in connection with a Qualified Receivables Transaction.

Notwithstanding the above, we or any of our Consolidated Subsidiaries may, without securing the notes, create or assume any Indebtedness which is secured by a lien which would otherwise be subject to the foregoing restrictions; provided that after giving effect thereto the Exempted Debt then outstanding at such time does not exceed 10% of our total assets on a consolidated basis.

Limitation on Sale and Lease-Back Transactions. Sale and lease-back transactions, except such transactions involving leases for less than three years, by us or any Consolidated Subsidiary of any assets are prohibited unless (a) we or such Consolidated Subsidiary would be entitled to incur Indebtedness secured by a lien on the assets to be leased in an amount at least equal to the Attributable Debt in respect of such transaction without equally and ratably securing the notes, or (b) the proceeds of the sale of the assets to be leased are at least equal to their fair market value (as determined by our Board of Directors) and the proceeds are applied to the purchase or acquisition, or, in the case of real property, the construction, of assets or to the retirement of Indebtedness. The foregoing limitation will not apply, if at the time we or any Consolidated Subsidiary enters into such sale and lease-back transaction, and after giving effect thereto, Exempted Debt does not exceed 10% of our total assets on a consolidated basis.

2025 Notes

The 2025 Notes bear interest at the rate of 1.500% per year. Interest on the 2025 Notes is payable on November 17 of each year. The 2025 Notes will mature on November 17, 2025.

We may redeem the 2025 Notes prior to August 17, 2025, the date that is three months before their maturity date, in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price that includes accrued and unpaid interest and a make-whole premium, as specified in the Indenture and the applicable Officer's Certificate.

On or after August 17, 2025, we may redeem the 2025 Notes in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price equal to 100% of the principal amount of such notes, plus accrued and unpaid interest to, but not including, the redemption date.

In addition, we may redeem the 2025 Notes for cash in whole, but not in part, at any time prior to maturity at a price equal to 100% of, plus accrued and unpaid interest, if certain tax events occur, as specified in the applicable Officer's Certificate.

In the event of the occurrence of both (1) a change of control of the Company and (2) a downgrade of a the 2025 Notes below an investment grade rating by each of the Ratings Agencies (as defined in the applicable Officer's Certificate) within a specified period, unless the Company has previously exercised its optional redemption right with respect to the 2025 Notes in whole, the Company will be required to offer to repurchase the 2025 Notes from the holders at a price in cash equal to 101% of the then outstanding principal amount of 2025 Notes, plus accrued and unpaid interest to, but not including, the date of repurchase.

2026 Notes

The 2026 Notes bear interest at the rate of 1.625% per year. Interest on the 2026 Notes is payable on October 30 of each year. The 2025 Notes will mature on October 30, 2026.

We may redeem the 2026 Notes for cash in whole, at any time, or in part, from time to time, prior to maturity, at a redemption price that includes accrued and unpaid interest and a make-whole premium.

In addition, we may redeem the 2026 Notes for cash in whole, but not in part, at any time prior to maturity at a price equal to 100% of, plus accrued and unpaid interest, if certain tax events occur, as specified in the applicable Officer's Certificate.

In the event of the occurrence of both (1) a change of control of the Company and (2) a downgrade of the 2026 Notes below an investment grade rating by each of the Ratings Agencies (as defined in the applicable Officer's Certificate) within a specified period, unless the Company has previously exercised its optional redemption right with respect to the 2026 Notes in whole, the Company will be required to offer to repurchase the 2026 Notes from the holders at a price in cash equal to 101% of the then outstanding principal amount of 2026 Notes, plus accrued and unpaid interest to, but not including, the date of repurchase.

2029 Notes

The 2029 Notes bear interest at the rate of 3.125% per year. Interest on the 2029 Notes is payable on February 17 of each year. The 2029 Notes will mature on February 17, 2029.

We may redeem the 2029 Notes prior to November 17, 2028, the date that is three months before their maturity date in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price that includes accrued and unpaid interest and a make-whole premium, as specified in the Indenture and the applicable Officer's Certificate.

On or after November 17, 2028, we may redeem the 2029 Notes in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price equal to 100% of the principal amount of such notes, plus accrued and unpaid interest to, but not including, the redemption date.

In addition, we may redeem the 2029 Notes for cash in whole, but not in part, at any time prior to maturity at a price equal to 100% of, plus accrued and unpaid interest, if certain tax events occur, as specified in the applicable Officer's Certificate.

In the event of the occurrence of both (1) a change of control of the Company and (2) a downgrade of a the 2029 Notes below an investment grade rating by each of the Ratings Agencies (as defined in the applicable Officer's Certificate) within a specified period, unless the Company has previously exercised its optional redemption right with respect to the 2029 Notes in whole, the Company will be required to offer to repurchase the 2029 Notes from the holders at a price in cash equal to 101% of the then outstanding principal amount of 2029 Notes, plus accrued and unpaid interest to, but not including, the date of repurchase.

Concerning the Trustee

Computershare Trust Company, National Association (as successor to Wells Fargo Bank, National Association) is the Trustee under the Indenture with respect to the Notes. We may maintain deposit accounts or conduct other banking transactions with the Trustee in the ordinary course of business.

Governing Law

The Indenture and Notes are governed by, and construed in accordance with, the laws of the State of New York, including, without limitation, Sections 5-1401 and 5-1402 of the New York General Obligations Law and New York Civil Practice Law and Rules 327(b).

Listing

Our 2025 Notes are listed on the New York Stock Exchange under the symbol “MCK25.” Our 2026 Notes are listed on the New York Stock Exchange under the symbol “MCK26.” Our 2029 Notes are listed on the New York Stock Exchange under the symbol “MCK29.”

Exhibit 10.23
EXECUTION VERSION

This SECOND AMENDMENT TO CREDIT AGREEMENT, dated as of May 8, 2025 (this "***Amendment***"), which amends that certain Credit Agreement, dated as of November 7, 2022 (as amended by that certain First Amendment to Credit Agreement, dated as of November 7, 2024, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "***Credit Agreement***"; the Credit Agreement, as amended by this Amendment, the "***Amended Credit Agreement***") among McKesson Corporation, a Delaware corporation (the "***Company***") and certain of its subsidiaries party thereto from time to time as borrowers (together with the Company, collectively, the "***Borrowers***" and each, a "***Borrower***"), the Lenders party thereto from time to time, Bank of America, N.A., as the administrative agent (the "***Administrative Agent***") and the other parties named therein.

WHEREAS, pursuant to Section 11.01 of the Credit Agreement, the Administrative Agent, the Borrowers, each Lender, each L/C Issuer and each of the Joint Sustainability Coordinators desire to amend the Credit Agreement, subject to the terms and conditions set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1.01 ***Defined Terms***. Capitalized terms used but not otherwise defined herein (including the preliminary statements hereto) have the meanings assigned to them in the Amended Credit Agreement.

Section 2.01 ***Amendments to the Credit Agreement***. Subject to the satisfaction of the conditions set forth in Section 4.01 of this Amendment, effective as of the Second Amendment Effective Date (as defined below), the Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages attached as Exhibit A hereto.

Section 3.01 ***Representations and Warranties***. The Company, on behalf of itself and each other Borrower, represents and warrants (which representations and warranties in the case of any Borrower other than the Company shall be limited to such Borrower and its Subsidiaries and other facts and circumstances known to the Company) to the Administrative Agent and each Lender as of the Second Amendment Effective Date that:

(a) The representations and warranties of the Company and each other Borrower contained in Article V of the Amended Credit Agreement and any other Loan Document are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the Second Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Amendment, the representations and warranties contained in Section 5.08(a) of the Amended Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant Sections 6.01(a) and 6.01(b) of the Credit Agreement, respectively;

(b) (i) the Company has all requisite power and authority to execute, deliver and perform its obligations under this Amendment, (ii) the execution, delivery and performance by the Company of this Amendment (1) are within the Company's corporate or other powers, (2) have been duly authorized by all necessary corporate or other organizational action and (3) do not contravene the terms of the Company's Organization Documents, (iii) this Amendment has been duly executed and delivered by the Company and (iv) this Amendment constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability; and

(c) No Default or Event of Default has occurred and is continuing or will result after giving effect to this Amendment and the transactions contemplated hereby.

Section 4.01 ***Effectiveness***. This Amendment shall become effective on and as of the date (such date, the "***Second Amendment Effective Date***") on which each of the following conditions is satisfied:

(a) The Administrative Agent shall have executed a counterpart hereof and shall have received duly executed counterparts of this Amendment that, when taken together, bear the signatures of each Borrower, each Lender, each L/C Issuer and each of the Joint Sustainability Coordinators;

(b) The Administrative Agent shall have received all expenses for which invoices have been presented (including the reasonable and documented out-of-pocket fees and expenses of legal counsel to the Administrative Agent), on or before the Second Amendment Effective Date; and

(c) The Administrative Agent shall have received, for its own account or account of each Lender, any fees payable in connection with this Amendment.

Section 5.01 ***Effect of this Amendment***. (a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of the Administrative Agent, the L/C Issuers or the Lenders under the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall (i) be deemed to entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement, any other Loan Document or any of the instruments or agreements referred to in any thereof, in similar or different circumstance, (ii) be deemed to be a consent to, or a waiver, modification or forbearance of, any Default or Event of Default, whether or not known to the Administrative Agent, any of the L/C Issuers or any of the Lenders or (iii) prejudice any right or remedy which the Administrative Agent, any of the L/C Issuers or any of the Lenders may now have or have in the future against any Person under or in connection with the Credit Agreement, any of the instruments or agreements referred to therein or any of the transactions contemplated thereby.

(b) On and after the Second Amendment Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import, and each reference to the Credit Agreement in any other Loan Document (and the other documents and instruments delivered pursuant to or in connection therewith), shall be deemed to be a reference to the Amended Credit Agreement. This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement, the Amended Credit Agreement and the other Loan Documents.

(c) Except as expressly provided, nothing herein contained shall be construed as a substitution or novation, or a payment and reborrowing, or a termination, of the Obligations outstanding under the Credit Agreement or instruments guaranteeing or securing the same, which shall remain in full force and effect, except as modified hereby or by instruments executed concurrently herewith.

Section 6.01 ***Modifications***. Neither this Amendment, nor any provision hereof, may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the parties hereto.

Section 7.01 ***Counterparts; Electronic Execution***. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page by telecopier or electronic mail (in a .pdf format) shall be effective as delivery of a manually executed counterpart. Subject to the provisions of Section 11.14 of the Amended Credit Agreement, this Amendment may be in the form of an Electronic Record and may be executed using Electronic Signatures (including facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record.

Section 8.01 ***Governing Law***. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; *PROVIDED* THAT THE ADMINISTRATIVE AGENT, EACH L/C ISSUER AND EACH LENDER SHALL RETAIN ALL RIGHTS

ARISING UNDER FEDERAL LAW. The provisions of Sections 11.16(b) and 11.17 of the Amended Credit Agreement are incorporated herein by reference, *mutatis mutandis*.

Section 9.01 ***Headings***. Section headings used herein are for convenience of reference only, are not part of this Amendment and shall not affect the construction of, or be taken into consideration in interpreting, this Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date first above written.

MCKESSON CORPORATION,
a Delaware corporation,
as a Borrower

By: /s/ Akinjide Falaki
Name: Akinjide Falaki
Title: Senior Vice President and Treasurer

BANK OF AMERICA, N.A.,
as the Administrative Agent

By: /s/ Kyle D. Harding
Name: Kyle D. Harding
Title: Vice President

BANK OF AMERICA, N.A.,
as a Lender and an L/C Issuer

By: /s/ Joseph L. Corah
Name: Joseph L. Corah
Title: Managing Director

JPMORGAN CHASE BANK, N.A.,
as a Lender and an L/C Issuer

By: /s/ Shivam Joshi
Name: Shivam Joshi
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender and an L/C Issuer

By: /s/ Andrea S. Chen
Name: Andrea S. Chen
Title: Managing Director

BARCLAYS BANK PLC,
as a Lender and an L/C Issuer

By: /s/ Ronnie Glenn
Name: Ronnie Glenn
Title: Director

CITIBANK, N.A.,
as a Lender and an L/C Issuer

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

GOLDMAN SACHS BANK USA,
as a Lender and an L/C Issuer

By: /s/ Priyankush Goswami
Name: Priyankush Goswami
Title: Authorized Signatory

BNP PARIBAS,
as a Lender and a Joint Sustainability Coordinator

By: /s/ John Bosco
Name: John Bosco
Title: Managing Director

By: /s/ Claudia Zarate
Name: Claudia Zarate
Title: Managing Director

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By: /s/ Ming K. Chu
Name: Ming K. Chu
Title: Director

By: /s/ Marko Lukin
Name: Marko Lukin
Title: Vice President

HSBC BANK USA, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Virginia Cosenza
Name: Virginia Cosenza
Senior Vice President
Title: #23310

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Alexander Jodry
Name: Alexander Jodry
Title: Vice President

THE BANK OF NOVA SCOTIA,
as a Lender

By:	/s/ Robb Gass
Name:	Robb Gass
Title:	Managing Director

THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
as a Lender

By: /s/ Mike Tkach
Name: Mike Tkach
Title: Authorized Signatory

TRUIST BANK,
as a Lender

By: /s/ Alexandra Korchmar
Name: Alexandra Korchmar
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Maria Massimino
Name: Maria Massimino
Title: Senior Vice President

ING BANK N.V., DUBLIN BRANCH,
as a Lender

By:	/s/Robert O'Donoghue
Name:	Robert O'Donoghue
Title:	Managing Director

By:	/s/Louis Gough
Name:	Louis Gough
Title:	Director

ING CAPITAL LLC,
as a Joint Sustainability Coordinator

By:	/s/Stephen Farrelly
Name:	Stephen Farrelly
Title:	Managing Director

By:	/s/Tim Van Den Berg
Name:	Tim Van Den Berg
Title:	Director

SOCIETE GENERALE,
as a Lender

By: /s/Shelley Yu
Name: Shelley Yu
Title: Director

UNICREDIT BANK GMBH, NEW YORK BRANCH,
as a Lender

By: /s/Mario Ferrante
Name: Mario Ferrante
Title: Managing Director

By: /s/Laura Shelmerdine
Name: Laura Shelmerdine
Title: Director

Exhibit A

Amended Credit Agreement

See attached.

Published Deal CUSIP: 58155CAN4
Revolver CUSIP: 58155CAP9

CREDIT AGREEMENT

Dated as of November 7, 2022

among

MCKESSON CORPORATION
and
~~**MCKESSON CORPORATION**~~
~~and~~
CERTAIN SUBSIDIARIES
~~**as Borrowers**~~,
as the Borrowers,

BANK OF AMERICA, N.A.,
as the Administrative Agent,

JPMORGAN CHASE BANK, N.A.
~~and~~
and
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Co-Syndication Agents,

BARCLAYS BANK PLC,
~~**BARCLAYS BANK PLC,**~~
CITIBANK, N.A.
~~and~~

~~**GOLDMAN SACHS BANK USA,**~~
~~as Co-Documentation Agents~~
and
GOLDMAN SACHS BANK USA,
as Co-Documentation Agents

and

The Other Lenders and L/C Issuers Party Hereto

BOFA SECURITIES, INC.,
BARCLAYS BANK PLC,
CITIBANK, N.A.,
GOLDMAN SACHS BANK USA,
JPMORGAN CHASE BANK, N.A.
~~and~~
and
WELLS FARGO SECURITIES, LLC,
as Joint Lead Arrangers and Joint Book Runners

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J-3 Form of U.S. Tax Compliance Certificate (Foreign Participants That Are Partnerships)
J-4 Form of U.S. Tax Compliance Certificate (Foreign Lenders That Are Partnerships)
K Form of Letter of Credit Report

CREDIT AGREEMENT

This CREDIT AGREEMENT (this "Agreement") is entered into as of November 7, 2022, among MCKESSON CORPORATION, a Delaware corporation (the "Company"), ~~any~~each Designated Borrower (as defined below) ~~or any Subsidiary of the Company that has executed and delivered~~ to the ~~Administrative Agent a joinder agreement in the form of Exhibit F hereto~~, to the extent such wholly-owned Domestic Subsidiary (as defined below) becomes a party to this Agreement pursuant to Section 7.02(d), ~~as applicable (~~the Additional Borrower (as defined below; the Additional Borrower, together with the Company and ~~any~~the Designated ~~Borrower~~Borrowers, the "Borrowers" and each a "Borrower"), each lender from time to time party hereto (collectively, the "Lenders" and each individually, a "Lender"), each L/C Issuer from time to time party hereto and BANK OF AMERICA, N.A., as the Administrative Agent.

The Borrowers have requested that the Lenders make available, for the purposes specified in this Agreement, a revolving credit facility, and the Lenders are willing to make available to the Borrowers such revolving credit facility upon the terms and subject to the conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

Article I
DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement (including the introductory clauses hereto), the following terms shall have the meanings set forth below:

"364-Day Revolving Credit Agreement" means that certain 364-Day Revolving Credit Agreement, dated as of the Second Amendment Effective Date (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time), entered into among the Company, each of the Subsidiaries of the Company party thereto, as a borrower, each lender from time to time party thereto and Bank of America, as the administrative agent, evidencing a 364-day revolving credit facility in an aggregate initial principal amount of $1,000,000,000.

"Acquired Debt Default" means an event of default under a Relevant Obligation of a Person which becomes a Subsidiary after the date hereof, which event of default occurs by reason of the change of control of such Person by virtue of the transaction pursuant to which it becomes a Subsidiary. For avoidance of doubt, an event of default under another Relevant Obligation of the Company or a Subsidiary by virtue of a cross default to an event of default described in the preceding sentence is not an Acquired Debt Default.

"Acquisition Indebtedness" means any Indebtedness of the Company or any Subsidiary that has been incurred for the purpose of financing, in whole or in part, a Material Acquisition and any related transactions (including for the purpose of refinancing or replacing all or a portion of any related bridge facilities or any pre-existing Indebtedness of the Persons or assets to be acquired); provided that either (a) the release of the proceeds thereof to the Company or the applicable Subsidiary is contingent upon the substantially simultaneous consummation of such Material Acquisition (and, if the definitive agreement for such Material Acquisition is terminated prior to the consummation of such Material Acquisition, or if such Material Acquisition is otherwise not consummated by the date specified in the definitive documentation evidencing, governing the rights of the holders of or otherwise relating to such Indebtedness, then, in each case, such proceeds are, and pursuant to the terms of such definitive documentation are required

to be, promptly applied to satisfy and discharge all obligations of the Company and its Subsidiaries in respect of such Indebtedness) or (b) such Indebtedness contains a "special mandatory redemption" provision (or a similar provision) pursuant to which such Indebtedness is, and pursuant to such "special mandatory redemption" (or similar) provision is required to be, redeemed or otherwise satisfied and discharged if such Material Acquisition is not consummated by the date specified in the definitive documentation evidencing, governing the rights of the holders of or otherwise relating to such Indebtedness (and, if the definitive agreement for such Material Acquisition is terminated prior to the consummation of such Material Acquisition or such Material Acquisition is otherwise not consummated by the date so specified, such Indebtedness is, and pursuant to such "special mandatory redemption" (or similar) provision is required to be, redeemed or otherwise satisfied and discharged pursuant to the definitive documentation evidencing, governing the rights of the holders of or otherwise relating to such Indebtedness).

"Act" has the meaning specified in Section 11.19.

"Additional Borrower" has the meaning specified in Section 7.02(d).

"Additional Commitment Lender" has the meaning specified in Section 2.17.

"Administrative Agent" means Bank of America (or any of its designated branch offices or affiliates) in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means, with respect to any currency, the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 with respect to such currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify the Borrowers and the Lenders.

"Administrative Questionnaire" means, with respect to any currency, an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Agent" means the Administrative Agent.

"Agent Parties" has the meaning specified in Section 11.02(c).

~~"Agent" means the Administrative Agent.~~

~~"Agreed Currency" means Dollars or any Alternative Currency, as applicable.~~

"Aggregate Commitments" means the aggregate Commitments of all the Lenders. The Aggregate Commitments as of the Closing Date are equal to $4,000,000,000.

"Agreed Currency" means Dollars or any Alternative Currency, as applicable.

"Agreement" means this Credit Agreement.

"Agreement Currency" has the meaning specified in Section 11.20.

"Alternative Currency" means each of the following currencies: Euro, Sterling, and Canadian Dollars.

"Alternative Currency Equivalent" means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, by reference to Bloomberg (or such other publicly available service for displaying exchange rates), to be the exchange rate for the purchase of such Alternative Currency with Dollars at approximately 11:00 a.m. on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided that if no such rate is available, the "Alternative Currency Equivalent" shall be determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, using any reasonable method of determination its deems appropriate in its sole discretion (and such determination shall be conclusive absent manifest error).

"Alternative Currency Sublimit" means an amount equal $3,600,000,000.00. The Alternative Currency Sublimit is part of, and not in addition to, the Aggregate Commitments.

"Anti-Money Laundering Laws" means laws and regulations related to terrorism financing or money laundering, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56), and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act", 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Applicable Authority" means (a) with respect to Term SOFR, the Term SOFR Administrator or any Governmental Authority having jurisdiction over the Administrative Agent or the Term SOFR Administrator with respect to its publication of Term SOFR, in each case acting in such capacity and (b) with respect to any Alternative Currency, the applicable administrator for the Relevant Rate for such Alternative Currency or any Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of the applicable Relevant Rate, in each case acting in such capacity.

"Applicable Rate" means, from time to time, the rate, expressed in basis points per annum, corresponding to the applicable Debt Rating as set forth below:

Pricing Level	**Debt Ratings S&P/Moody's/Fitch**	**Facility Fee**	**Eurocurrency Rate Loans and Letters of Credit**	**Base Rate Loans**
1	Greater than or equal to A/A2/A	6.5	68.5	0
2	A-/A3/A-	7.5	80.0	0
3	BBB+/Baa1/BBB+	9.0	91.0	0
4	BBB/Baa2/BBB	11.0	101.5	1.5
5	Less than or equal to BBB-/Baa3/BBB-	15.0	110.0	10.0

"Debt Rating" means, as of any date of determination, the available ratings as determined by S&P, Moody's and/or Fitch (collectively, the "Debt Ratings") of the Company's non-credit-enhanced, senior unsecured long-term debt; provided that (1) if the Company shall maintain a Debt Rating from all three of S&P, Moody's and Fitch and there is a difference in such Debt Ratings, (a) if there is a Debt Rating differential of (i)

one Pricing Level between the highest and lowest Debt Ratings or (ii) more than one Pricing Level between the highest and lowest Debt Ratings, with two Debt Ratings that are equivalent and the third Debt Rating lower, in each case, the higher Pricing Level shall apply and (b) otherwise, one Pricing Level below the Pricing Level corresponding to the highest of the three Debt Ratings shall apply, (2) if the Company shall maintain Debt Ratings from only two of S&P, Moody's and Fitch, (a) if there is a split in Debt Ratings of more than one Pricing Level, the Pricing Level that is one Pricing Level lower than the higher of the Company's two Debt Ratings shall apply and (b) otherwise, the higher of such two Debt Ratings shall apply, (3) if the Company shall maintain Debt Ratings from only one of S&P, Moody's and Fitch, then that single Debt Rating shall apply or (4) if the Company shall maintain Debt Ratings from none of S&P, Moody's and Fitch, then the Applicable Rate shall be based on Pricing Level 5.

Initially, the Applicable Rate shall be determined based upon the Debt Rating specified in the certificate delivered pursuant to Section 4.01(a)(vi). Thereafter, each change in the Applicable Rate shall be effective during the period commencing on the effective date of such change in the Debt Rating and ending on the date immediately preceding the effective date of the next such change.

"Applicable Time" means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

"Applicant Borrower" shall have the meaning specified in Section 2.16(a).

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arrangers" means BofA Securities, Inc., Barclays Bank PLC, Citibank, N.A., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A. and Wells Fargo Securities, LLC, each in its capacity as joint lead arranger and joint book runner.

"Assignment and Assumption" means an Assignment and Assumption substantially in the form of Exhibit D.

"Attorney Costs" means and includes all reasonable, documented and invoiced out-of-pocket fees, expenses and disbursements of any ~~law firm or other external counsel and, without duplication, the reasonable allocated cost of internal legal services and all reasonable expenses and disbursements of internal~~external counsel; provided that no fees, expenses or disbursements shall qualify as Attorney Costs unless written evidence, prepared in reasonable detail, substantiating such fees, expenses and disbursements is available to the Company upon request.

"Attributable Indebtedness" means, on any date, (a) in respect of any capital or finance lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital or finance lease.

"Audited Financial Statements" means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended March 31, 2022, and the related consolidated statements of operations, shareholders' equity and cash flows for such fiscal year of the Company and its Subsidiaries, including the notes thereto.

"Authorization" has the meaning specified in Section 5.03.

"Auto-Extension Letter of Credit" has the meaning specified in Section 2.03(b)(iii).

"Availability Period" means the period from and including the date hereof to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Commitments pursuant to Section 2.06, and (c) the date of termination of the Commitment of each Lender to make Loans and of the obligation of the of the L/C Issuers to make L/C Credit Extensions pursuant to Section 8.02.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, rule, regulation or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank of America" means Bank of America, N.A. and its successors.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate," and (c) ~~Term SOFR~~the Eurocurrency Rate plus 1%; and if the Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03~~ hereof~~, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

"Base Rate Committed Loan" means a Committed Loan that is a Base Rate Loan.

"Base Rate Loan" means a Loan made to a Borrower that is a U.S. Person that bears interest based on the Base Rate. All Base Rate Loans shall be denominated in Dollars.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Beneficiary" means, in relation to a Letter of Credit, from time to time, the initial beneficiary, a transferee beneficiary, a successor beneficiary, a nominated bank, a negotiating bank or a confirming bank with respect to such Letter of Credit, as applicable.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Borrower" and "Borrowers" each have the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrower Notice" has the meaning specified in Section 7.02(d).

"Borrowing" means a Committed Borrowing.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office with respect to Obligations denominated in Dollars is located and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day that is also a U.S. Government Securities Business Day;

(b) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency Rate Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Sterling, also excludes any day on which banks are closed for general business in London because such day is a Saturday, Sunday or a legal holiday under the laws of the United Kingdom;

(d) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in a currency other than Dollars ~~or~~, Euro or Sterling, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the ~~London or other~~ applicable offshore interbank market for such currency; and

(e) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

"Canadian Dollars" and "Cdn.$" each means the lawful money of Canada.

"Cash ~~Collateralize~~Collateral" has the meaning specified in Section 2.03(g).

"Cash ~~Collateral~~Collateralize" has the meaning specified in Section 2.03(g).

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Change of Control" means an event or series of events by which (a) with respect to the Company, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of 51% or more of the equity securities of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right) (provided that "Change of Control" shall not include any such acquisition which occurs as part of a transaction consisting of (x) the Company becoming a wholly owned subsidiary of a holding company and (y) the holders of the voting stock of such holding company immediately following such transaction are substantially the same as the holders of the Company's voting stock immediately prior to such transaction) and (b) with respect to the ~~Domestic Subsidiary that becomes a~~Additional Borrower~~ pursuant to Section 7.02(d)~~, any "person" or "group" other than the Company becomes the "beneficial owner", directly or indirectly, of any equity securities of ~~such Domestic Subsidiary~~the Additional Borrower entitled to vote for members of the board of directors or equivalent governing body of ~~such Domestic Subsidiary~~the Additional Borrower on a fully-diluted basis.

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 11.01, which date is November 7, 2022.

"Code" means the Internal Revenue Code of 1986.

"Commitment" means, as to each Lender, its obligation to (a) make Committed Loans to the Borrowers pursuant to ARTICLE II or (b) purchase participations in L/C Obligations, in an aggregate principal amount at any one time outstanding not to exceed the Dollar amount set forth opposite such Lender's name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The Commitment for any Lender that has an Affiliate is a single value for such Lender and its Affiliate taken together.

"Committed Borrowing" means a borrowing consisting of simultaneous Committed Loans of the same Type, in the same currency and, in the case of Eurocurrency Rate Loans (other than Eurocurrency Rate Loans denominated in Sterling), having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

"Committed Loan" has the meaning specified in Section 2.01.

"Committed Loan Notice" means a notice of (a) a Committed Borrowing, (b) a conversion of Committed Loans from one Type to the other, or (c) a continuation of

Eurocurrency Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the applicable Borrower.

"Communication" means this Agreement, any other Loan Document and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to any Loan Document.

"Company" has the meaning specified in the introductory clause hereto.

"Compliance Certificate" means a certificate substantially in the form of Exhibit C.

"Conforming Changes" means, with respect to the use, administration of or any conventions associated with Term SOFR, SONIA, Term CORRA, EURIBOR or any proposed Successor Rate for an Agreed Currency, as applicable any conforming changes to the definition of "Base Rate," the definition of "Term SOFR," the definition of "SONIA," the definition of "Term CORRA," the definition of "EURIBOR," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definition of "Business Day" and the definition of "U.S. Government Securities Business Day," timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods and the day basis for calculating interest for any Agreed Currency) as may be appropriate, in the discretion of the Administrative Agent in consultation with the Company, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice for such Agreed Currency (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate for such Agreed Currency exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period plus (a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of (i) consolidated interest expense for such period, (ii) consolidated income tax expense for such period, (iii) all amounts attributable to depreciation and amortization for such period, (iv) all non-cash charges or expenses (including non-cash share-based compensation expenses) for such period, excluding any non-cash charge or expense that represents an accrual for a cash expense to be taken in a future period or amortization of a prepaid cash expense, (v) all restructuring, integration, and other costs and expenses for such period that relate to any acquisition, merger, consolidation, amalgamation, joint venture investment, divestiture or other business combination or related transactions not prohibited hereunder, (vi) all LIFO inventory-related non-cash expense adjustments for such period, (vii) non-cash impairment charges for such period, (viii) all net charges with respect to litigation for such period, (ix) all losses, charges and expenses attributable to the early extinguishment or conversion of Indebtedness (including deferred financing expenses written off or forgiven and premiums paid), (x) all losses on sales of assets outside the ordinary course of business for such period and (xi) all other extraordinary, non-recurring or unusual non-cash charges or losses for such period (including, for the avoidance of doubt, any non-cash charges in respect of any claims or litigation in excess of $1,000,000,000.00 that the Company excluded from its "Adjusted Earnings (Non-GAAP)" for the fiscal quarter ended December 31, 2020, as reported in a current report on Form 8-K reporting operating results for such period), and minus (b) without duplication and to the extent

included in determining such Consolidated Net Income, the sum of (i) consolidated interest tax benefit for such period, (ii)(A) all non-cash gains for such period and (B) all extraordinary, non-recurring or unusual non-cash gains for such period, (iii) all LIFO inventory-related non-cash credit for such period, (iv) all litigation recovery gains for such period and (v) all gains on sales of assets outside of the ordinary course of business for such period. In the event that the Company or any Subsidiary shall have completed a Material Acquisition or a Material Disposition during any relevant period, Consolidated EBITDA shall be determined for such period on a pro forma basis as if such Material Acquisition or Material Disposition, and any related incurrence or repayment of Indebtedness, had occurred at the beginning of such period.

"Consolidated Net Income" means, for any period, the net income (or loss) of the Company and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income (or loss) of any Person (other than the Company) that is not a Subsidiary, except to the extent of the amount of dividends or other distributions actually paid to the Company or any of its Subsidiaries during such period, (b) the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary or is merged into, amalgamated with or consolidated with the Company or any Subsidiary or the date that such Person's assets are acquired by the Company or any Subsidiary and (c) the income (or loss) of, and any amounts referred to in clause (a) above paid to, any Subsidiary that is not wholly owned by the Company to the extent such income (or loss) or such amounts are attributable to the non-controlling interest in such Subsidiary.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" has the meaning specified in the definition of "Affiliate."

~~"Core Components" means core components to the Sustainability Linked Loan Principles, being: 'Selection of KPIs', 'Calibration of SPTs', 'Loan Characteristics', 'Reporting' and 'Verification', each as more particularly described in the Sustainability Linked Loan Principles.~~

"CORRA" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

"Covered Entity" means any of the following: (a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b), (b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b) or (c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Debt Rating" has the meaning specified in the definition of "Applicable Rate."

"Debtor Relief Laws" means the Bankruptcy Code of the United States and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (a) the Base Rate plus (b) the Applicable Rate, if any, applicable to Base Rate Loans plus (c) 2% per annum; provided, however that, with

respect to a Eurocurrency Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum, in each case to the fullest extent permitted by applicable Laws.

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender" means, subject to Section 2.18, any Lender that (i) has failed to fund any portion of the Committed Loans or participations in L/C Obligations required to be funded by it hereunder within two (2) Business Days of the date required to be funded by it hereunder, unless such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (which conditions precedent, together with the applicable default, if any, shall be specifically identified in such writing) has not been satisfied, (ii) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, unless the subject of a good faith dispute, (iii) has notified any Borrower, the Administrative Agent or any other Lender in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder (unless such writing or public statement relates to such Lenders' obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with the applicable default, if any, shall be specifically identified in such writing or public statement) cannot be satisfied) or generally under other agreements in which it commits to extend credit, (iv) has failed, within three (3) Business Days after written request by the Administrative Agent, to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (iv) upon receipt of such written confirmation by the Administrative Agent) or (v) has, or has a direct or indirect parent company that has, (w) become the subject of an Insolvency Proceeding, (x) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, ~~or~~ (y) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment (provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender) or (z) has become the subject of a Bail-In Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (i) through (v) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.18) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the ~~Borrower~~Company, each L/C Issuer and each other Lender promptly following such determination.

"Designated Borrower" means any consolidated Subsidiary of the Company that becomes eligible to receive Loans hereunder pursuant to Section 2.16.

"Designated Borrower Effective Date" has the meaning specified in Section 2.16(a).

"Designated Borrower Jurisdiction" means the United States, any state thereof or the District of Columbia, Canada, United Kingdom, Germany, Ireland, Luxembourg, The Netherlands or other jurisdictions approved by each Lender.

"Designated Borrower Notice" shall have the meaning specified in Section 2.16(a).

"Designated Borrower Request and Assumption Agreement" shall have the meaning specified in Section 2.16(a).

"Designated Foreign Borrower" shall have the meaning specified in Section 2.16.

"Designated Jurisdiction" means any country or territory that itself is the subject of any comprehensive territorial Sanctions~~, currently, Cuba, Crimea region of Ukraine, Iran, North Korea, Syria, the~~ (as of the Second Amendment Effective Date, the Crimea, so-called Donetsk People's Republic, so-called Luhansk People's Republic, and the ~~so-called Donetsk People's Republic and~~ non-government controlled areas of the Kherson and Zaporizhzhia ~~Regions~~regions of Ukraine, Cuba, Iran, North Korea, and Syria).

"Designated Lender" shall have the meaning specified in Section 2.16(f).

"Disqualified Institution" means at any time any Person that is a competitor of the Company or an affiliate of a competitor of the Company, in each case as so identified on a list provided by the Company to the Administrative Agent on or after the date hereof. The Company may update such list from time to time with any competitor of the Company or any affiliate of a competitor of the Company by providing written notice to the Administrative Agent.

"Dollar", "US$" and "$" mean lawful money of the United States.

"Dollar Equivalent" means, ~~at~~for any amount, at the time of determination thereof, (a) ~~as to any~~if such amount ~~denominated~~is expressed in Dollars, ~~the~~such amount ~~thereof as such time~~, ~~and~~ (b) ~~as to any amount denominated in any~~if such amount is expressed in an Alternative Currency, the equivalent ~~amount thereof in~~of such amount in Dollars determined by using the rate of exchange for the purchase of Dollars with the Alternative Currency last provided (either by publication or otherwise provided to the Administrative Agent or the applicable L/C Issuer, as applicable) by the applicable Bloomberg source (or such other publicly available source for displaying exchange rates) on date that is two (2) Business Days immediately preceding the date of determination (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the Administrative Agent or the applicable L/C Issuer, as ~~the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency~~applicable, using any method of determination it deems appropriate in its sole discretion) and (c) if such amount is denominated in any other currency, the equivalent of such amount in Dollars as determined by the Administrative Agent or the applicable L/C Issuer, as applicable, using any method of determination it deems appropriate in its sole discretion. Any determination by the Administrative Agent or an L/C Issuer pursuant to clauses (b) or (c) above shall be conclusive absent manifest error.

"Domestic Subsidiary" means each Subsidiary that is not a Foreign Subsidiary or a FSHCO.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Electronic Copy" has the specified in Section 11.14.

"Electronic Record" has the meaning assigned to it by 15 USC §7006, as it may be amended from time to time.

"Electronic Signature" has the ~~meanings~~meaning assigned to it by 15 USC §7006, as it may be amended from time to time.

"Eligible Assignee" has the meaning specified in Section 11.06(g).

"Environmental Laws" means any and all federal, state, provincial, municipal, local, and foreign statutes, laws (including common law), regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution or the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines or penalties), of the Company or any of its Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials or (d) the release or threatened release of any Hazardous Materials into the environment.

"Equity Interests" of any Person mean any and all shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interests in (however designated) equity of such Person, including any preferred stock, any limited or general partnership interest and any limited liability company membership interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Company within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Company or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Company or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent or in endangered or critical status; (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Company or any ERISA Affiliate.

~~"ESG" has the meaning specified in Section 2.19.~~

~~"ESG Amendment" has the meaning specified in Section 2.19.~~

~~"ESG Applicable Rate Adjustments" has the meaning specified in Section 2.19.~~

~~"ESG Pricing Provisions" has the meaning specified in Section 2.19.~~

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"EURIBOR" has the meaning specified in the definition of "Eurocurrency Rate."

"Euro" and "€" mean the single currency of the Participating Member States.

"Eurocurrency Rate" means, with respect to any Credit Extension:

(f) for any rate calculation with respect to a Eurocurrency Rate Loan on any date:

(i) denominated in Dollars, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided that if the rate is not published prior to 5:00 p.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto~~, in each case, plus the SOFR Adjustment~~ ("Term SOFR")~~.~~;

(ii) denominated in Sterling, the rate per annum equal to the Sterling Overnight Index Average Reference Rate published on the fifth Business Day preceding such date on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) ("SONIA"); provided however that if such determination date is not a Business Day, SONIA means such rate that applied on the first Business Day immediately prior thereto~~.~~;

(iii) denominated in Euros, the rate per annum equal to the Euro Interbank Offered Rate ("EURIBOR"), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the day that is two TARGET Days preceding the first day of such Interest Period with a term equivalent to such Interest Period; or

(iv) denominated in Canadian Dollars, the rate per annum equal to the forward-looking term rate based on CORRA ("Term CORRA", as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the "Term CORRA Rate") two Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that, to the extent such market practice is not administratively feasible for the Administrative Agent, then such other day as otherwise reasonably determined by the Administrative Agent) plus the Term CORRA Adjustment for such Interest Period;

(g) for any rate calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate with a term of one month commencing that day;

provided that to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative

Agent; and if the Eurocurrency Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Eurocurrency Rate Loan" means a Committed Loan that bears interest at the Eurocurrency Rate calculated at a rate based on clause (a) of the definition of "Eurocurrency Rate". Eurocurrency Rate Loans may be denominated in Dollars (if based on clause (a)(i) of such definition) or in an Alternative Currency (if based on clauses (a)(ii) through (a)(iv) of such definition). All Committed Loans denominated in an Alternative Currency must be Eurocurrency Rate Loans.

"Event of Default" has the meaning specified in Section 8.01.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Company under Section 11.15) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing Letters of Credit" means those letters of credit issued prior to the date hereof for the account of the Company or one of its Subsidiaries, as identified by the applicable L/C Issuer to the Administrative Agent in a writing confirmed by the Company on or prior to the date hereof.

"Existing Maturity Date" has the meaning specified in Section 2.17.

"Existing Revolving Credit Agreement" means that certain Credit Agreement dated as of September 25, 2019 among the Company, any designated borrower, each lender from time to time party thereto, Bank of America, N.A., as administrative agent, and the L/C issuers party thereto, as amended to date.

"Extending Lender" has the meaning specified in Section 2.17.

"Extension Date" has the meaning specified in Section 2.17.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Rate" means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the

Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fee Letter" means~~, collectively,~~ each of (a) the letter agreement, dated October 12, 2022, between the Company and Bank of America and (b) any fee letter agreement entered into among the Company and any of the Arrangers in connection with this Agreement.

"Fitch" means Fitch Ratings Inc., and any successor thereto.

"Foreign Designated Borrower Sublimit" means an amount equal to the lesser of the Aggregate Commitments and $3,600,000,000. The Foreign Designated Borrower Sublimit is part of, and not in addition to, the Aggregate Commitments.

"Foreign Lender" means, with respect to any Borrower, (a) if such Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if such Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Subsidiary" means any Subsidiary that (a) is a "controlled foreign corporation" within the meaning of the Code or (b) is a "disregarded as an entity separate from its owner" within the meaning of Treasury Regulation Section 301.7701-3 and is a direct Subsidiary of a "controlled foreign corporation" within the meaning of the Code.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

~~"FSHCO" means any Subsidiary (i) that is organized under the laws of the United States, any state thereof or the District of Columbia and (ii) substantially all of the assets of which constitute the Equity Interests of Foreign Subsidiaries.~~

"Fronting Exposure" means, at any time there is a Defaulting Lender, such Defaulting Lender's Pro Rata Share of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"FSHCO" means any Subsidiary (i) that is organized under the laws of the United States, any state thereof or the District of Columbia and (ii) substantially all of the assets of which constitute the Equity Interests of Foreign Subsidiaries.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied; provided that, to the extent related to McKesson Europe, "GAAP" means either the foregoing or IFRS, consistently applied.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra national bodies such as the European Union or the European Central Bank).

"Granting Lender" has the meaning specified in Section 11.06(h).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranty" means, collectively, (a) a document substantially in the form of Exhibit I and (b) each other guaranty and guaranty supplement delivered pursuant to Section 2.16(b) or Section 7.02(d).

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law due to their toxic or deleterious nature.

"HMT" has the meaning set forth in the definition of "Sanction(s)".

"IFRS" has the meaning set forth in Section 1.03(c).

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following:

(h) all obligations of such Person for borrowed money;

(i) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business);

(j) all non-contingent reimbursement or payment obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, shipside bonds, surety bonds and similar instruments;

(k) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(l) capital or finance leases and Synthetic Lease Obligations;

(m) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to property acquired by

the Person (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property); and

(n) all indebtedness referred to in clauses (a) through (f) above (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person, whether or not such indebtedness shall have been assumed by such Person or is limited in recourse.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any capital or finance lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Liabilities" has the meaning set forth in Section 11.04.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"~~Indemnitees~~Indemnitee" has the meaning set forth in Section 11.04.

"Insolvency Proceeding" means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors; undertaken under any Debtor Relief Law.

"Interest Payment Date" means, (a) as to any Eurocurrency Rate Loan that bears interest at a rate based on clause (a)(ii) of the definition of "Eurocurrency Rate", the last Business Day of each March, June, September and December to occur during any period in which such Loan is outstanding and the Maturity Date~~,~~; (b) as to any Eurocurrency Rate Loan that bears interest at a rate based on clause (a)(i), (a)(iii) or (a)(iv) of the definition of "Eurocurrency Rate", the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (c) as to any Base Rate Loan, (i) the tenth calendar day following the end of each calendar quarter and (ii) the Maturity Date.

"Interest Period" means, as to each Eurocurrency Rate Loan~~,~~ (other than a Eurocurrency Rate Loan denominated in Sterling), the period commencing on the date such Eurocurrency Rate Loan is disbursed or converted to or continued as a Eurocurrency Rate Loan and ending on the date one, three or six months thereafter (or in the case of a Eurocurrency Rate Loan denominated in Canadian Dollars, one or three months thereafter) (in each case, subject to availability for the interest rate applicable to the relevant currency), as selected by the applicable Borrower in its Committed Loan Notice; provided that:

(o) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(p) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of

such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(q) no Interest Period shall extend beyond the Maturity Date.

"IRS" means the United States Internal Revenue Service.

"ISP" means~~, with respect to any Letter of Credit, the "~~ the International Standby Practices~~ 1998" published by the Institute of~~, International ~~Banking Law & Practice, Inc.~~Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time~~ of issuance~~).

"Issuer Documents" means with respect to any Letter of Credit, the Letter Credit Application, and any other document, agreement and instrument entered into by the applicable L/C Issuer and the applicable Borrower (or any Subsidiary) or in favor of such L/C Issuer and relating to any such Letter of Credit.

~~"Joint Sustainability Coordinators" means ING Capital LLC and BNP Paribas, each in its capacity as such.~~

"Joinder Agreement" has the meaning specified in Section 7.02(d).

"~~KPI~~Judgment Currency" has the meaning specified in Section ~~2.19~~11.20.

"Laws" means, collectively, all international, foreign, federal, state, provincial, municipal and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"L/C Advance" means, with respect to each Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Pro Rata Share. All L/C Advances shall be denominated in Dollars.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing. All L/C Borrowings shall be denominated in Dollars.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the renewal or increase of the amount thereof.

"L/C Issuer" means each of Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., Wells Fargo Bank, National Association, Goldman Sachs Bank USA and JPMorgan Chase Bank, N.A., in each case, in its capacity as issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder and each Lender that shall have become an L/C Issuer hereunder as provided in Section 2.03(n). If there is more than one L/C Issuer at any given time, the term L/C Issuer shall refer to the relevant L/C Issuers(s).

"L/C Obligations" means, as at any date of determination, the aggregate undrawn amount of all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.07. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of

Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lender" and "Lenders" each has the meaning specified in the introductory paragraph hereto and, as the context requires, includes each L/C Issuer.

"Lender Party" means each Lender and each L/C Issuer.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Company and the Administrative Agent which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

"Letter of Credit" means (a) any letter of credit issued hereunder and (b) each of the Existing Letters of Credit. A Letter of Credit may be a commercial letter of credit or a standby letter of credit and may be issued in Dollars or in an Alternative Currency; provided that (i) Barclays Bank PLC and Goldman Sachs Bank USA shall only be required to issue standby Letters of Credit and (ii) Letters of Credit denominated in Alternative Currencies shall be issued by Bank of America, N.A.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable L/C Issuer.

"Letter of Credit Expiration Date" means the day that is five Business Days prior to the Maturity Date then in effect.

"Letter of Credit Sublimit" means an amount equal to $175,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Commitments.

"Leverage Ratio" means, on any date of determination, the ratio of (a) Total Debt as of such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters of the Company immediately last ended as of such date of determination.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, and any financing lease having substantially the same economic effect as any of the foregoing); provided that "Lien" shall not include (i) the interest of a lessor under an operating lease or (ii) the sale of accounts receivable.

"Loan" means an extension of credit by a Lender to a Borrower under ARTICLE II in the form of a Committed Loan.

"Loan Documents" means this Agreement, any Guaranty, any joinder agreement delivered pursuant to Section 2.16 (including any Designated Borrower Notice or any Designated Borrower Request and Assumption Agreement) or Section 7.02(d) (including the Joinder Agreement), any Notes, Letter of Credit Applications and Letters of Credit and ~~the~~any Fee Letter.

"Loan Parties" means, collectively, the Borrowers.

"Local Time" means with respect to a Loan, Borrowing or Letter of Credit denominated in (a) Dollars, New York City time, (b) Sterling or Euros, London time and (c) Canadian Dollars, Toronto time.

"Margin Stock" means "margin stock" as such term is defined in Regulation T, U or X of the FRB.

"Master Agreement" has the meaning set forth in the definition of "Swap Contract."

"Material Acquisition" means any acquisition, or a series of related acquisitions, of (a) Equity Interests in any Person if, after giving effect thereto, such Person will become a Subsidiary or (b) assets comprising all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of) any Person; provided that the aggregate consideration therefor exceeds US$500,000,000.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties or condition (financial or otherwise) of the Company and its Subsidiaries taken as a whole; (b) a material impairment of the ability of any Borrower to perform its obligations under any Loan Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Borrower of any Loan Document to which it is a party.

"Material Disposition" means any sale, transfer or other disposition, or a series of related sales, transfers or other dispositions, of (a) all or substantially all the issued and outstanding Equity Interests in any Person that are owned by the Company and its Subsidiaries or (b) assets comprising all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of) any Person; provided that the aggregate consideration therefor exceeds US$500,000,000.

"Material Subsidiary" means, at any time, (a)(i) any Subsidiary that is a Borrower hereunder and (ii) any Subsidiary that is a "Borrower" (under, and as defined in, the 364-Day Revolving Credit Agreement) and (b) any other Subsidiary having at such time 10% or more of the Company's consolidated total (gross) revenues for the preceding four fiscal quarter period, as of the last day of the preceding fiscal quarter based upon the Company's most recent annual or quarterly financial statements delivered to the Administrative Agent under Section 6.01.

"Maturity Date" means the later of (a) November 7, 2029 or (b) if the term of this Agreement is extended pursuant to Section 2.17, such extended termination date as determined pursuant to such Section; provided, however that, in each case, if such date is not a Business Day, the next preceding Business Day; provided, further that with respect to any Non-Extending Lender, the Maturity Date of such Non-Extending Lender's Commitment shall be the Existing Maturity Date notwithstanding the extension of Commitments by any other Lender pursuant to Section 2.17.

"Maximum Rate" has the meaning specified in Section 11.09.

"McKesson Europe" means McKesson Europe AG, a stock corporation organized under the laws of Germany.

"Moody's" means Moody's Investors Service, Inc., and any successor thereto.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Company or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Net Worth" means the shareholders' equity of the Company and its consolidated Subsidiaries on any date of determination as set forth on the consolidated balance sheet of the Company and its Subsidiaries most recently delivered to the Administrative Agent on or prior to such date of determination pursuant to Section 6.01.

"Non-Extending Lender" has the meaning specified in Section 2.17(b).

"Non-Extension Notice Date" has the meaning specified in Section 2.03(b)(iii).

"Non-SOFR Successor Rate" has the meaning specified in Section 3.03(c).

"Note" means a promissory note executed by a Borrower in favor of a Lender pursuant to Section 2.11, substantially in the form of Exhibit B with respect to Loans.

"Notice Date" has the meaning specified in Section 2.17.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Organization Documents" means, with respect to (a) any corporation, the certificate or articles of incorporation and the bylaws, (b) any limited liability company, the certificate of formation and limited liability company agreement or operating agreement, (c) any partnership, the certificate of formation and partnership agreement, and (d) any organization incorporated or formed in any non-U.S. jurisdiction, constitutive documents with respect to such organization that are equivalent or comparable to the foregoing, as may be applicable.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section ~~3.06~~11.15).

"Outstanding Amount" means (a) with respect to Committed Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Committed Loans occurring on such date and (b) with respect to any L/C Obligations on any date, the Dollar Equivalent amount of the aggregate outstanding amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements of outstanding unpaid drawings under any Letters of Credit or any reductions in the maximum amount available for drawing under Letters of Credit taking effect on such date (in each case expressed in Dollars in the Dollar Equivalent amount thereof in case of Letters of Credit denominated in an Alternative Currency).

"Overnight Rate" means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent or the applicable L/C Issuer, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in an Alternative Currency, the rate of interest per annum at which overnight deposits in the applicable Alternative Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of Bank of America in the applicable offshore interbank market for such currency to major banks in such interbank market.

"Participant" has the meaning specified in Section 11.06(d)(i).

"Participant Register" has the meaning specified in Section 11.06(d)(ii).

"Participating Member State" means any member state of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Plan" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Company or any ERISA Affiliate or to which the Company or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five plan years.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

~~"PF2 JV" means PF2 NewCo LLC, a Delaware limited liability company, formed on June 17, 2016.~~

"Plan" means any "employee benefit plan" (as such term is defined in Section 3(3) of ERISA) established by any Borrower or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, any ERISA Affiliate.

"Platform" has the meaning specified in Section 6.02.

"Pro Rata Share" means, with respect to each Lender at any time, a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Commitment of such Lender at such time and the denominator of which is the amount of the Aggregate Commitments at such time; provided that if the Commitment of each Lender to make Loans and the obligation of any L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02 or if the Aggregate Commitments have expired or otherwise been terminated, then the Pro Rata Share of each Lender shall be determined based on the Pro Rata Share of such Lender immediately prior to such expiration or termination and after giving effect to any subsequent assignments made pursuant to the terms hereof. The initial Pro Rata Share of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Protesting Lender" has the meaning set forth in Section 2.16.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Lender" has the meaning specified in Section 6.02.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"Qualified Receivables Transaction" means any transaction or series of transactions entered into by the Company or any of its Subsidiaries pursuant to which the Company or any of its Subsidiaries sells, conveys or otherwise transfers to (i) a Receivables Subsidiary (in the case of a transfer by the Company or any of its Subsidiaries) and (ii) any other Person (in the case of a transfer by a Receivables Subsidiary), or grants a security interest in ~~(all of the following constituting "Receivables Program Assets")~~, any accounts receivable (whether now existing or arising in the future) of the Company or any of its Subsidiaries, and any assets related thereto including, without limitation, all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable.

~~"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).~~

"Rate Determination Date" means two (2) Business Days prior to the commencement of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, then "Rate Determination Date" means such other day as otherwise reasonably determined by the Administrative Agent).

"Receivables Subsidiary" means a Subsidiary of the Company which engages in no activities other than in connection with the financing of accounts receivable or inventory (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Company or any Subsidiary of the Company (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction), (ii) is recourse or obligates the Company or any Subsidiary of the Company in any way other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction or (iii) subjects any property or asset of the Company or any Subsidiary of the Company (other than accounts receivable or inventory and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction, (b) with which neither the Company nor any Subsidiary of the Company has any material contract, agreement, arrangement or understanding other than on terms customary for securitization of receivables or inventory and (c) with which neither the Company nor any Subsidiary of the Company has any obligations to maintain or preserve such Subsidiary's financial condition or cause such Subsidiary to achieve certain levels of operating results. CGSF Funding Corporation, a Delaware corporation, shall be deemed a Receivables Subsidiary.

"Recipient" means the Administrative Agent, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Register" has the meaning set forth in Section 11.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, consultants, service providers and representatives of such Person and of such Person's Affiliates.

"Relevant Obligation" has the meaning set forth in Section 8.01(e).

"Relevant Rate" means with respect to any Credit Extension denominated in (a) Dollars, Term SOFR, (b) Canadian Dollars, the Term CORRA Rate, (c) Sterling, the SONIA ~~Rate~~ and (d) Euro, the EURIBOR ~~Rate~~.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Request for Credit Extension" means (a) with respect to a Committed Borrowing, conversion or continuation of Committed Loans, a Committed Loan Notice and (b) with respect to an L/C Credit Extension, a Letter of Credit Application.

"Required Lenders" means, as of any date of determination, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders; provided that the Total Credit Exposures held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders; provided, further that, the amount of any Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the L/C Issuer, in making such determination.

"Requirement of Law" means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination, decree or order of an arbitrator or of a Governmental Authority, in each case applicable to or binding upon the Person or any of its property or to which the Person or any of its property is subject, including but not limited to any Environmental Law.

"Rescindable Amount" has the meaning specified in Section 2.12(b)(ii).

"Resignation Effective Date" has the meaning specified in Section 9.06.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Response Deadline" has the meaning specified in Section 2.17.

"Responsible Officer" means the chief executive officer, president, chief financial officer, corporate vice president or the treasurer of a Loan Party and, solely for purposes of notices given pursuant to ~~Article~~ARTICLE II, any other officer, employee or other designated representative of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Revaluation Date" means (a) with respect to any Loan, each of the following: (i) each date of a Borrowing of a Eurocurrency Rate Loan denominated in an Alternative Currency, (ii) with respect to a Eurocurrency Rate Loan denominated in Sterling, each Interest Payment Date, (iii) each date of a continuation of a Eurocurrency Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (~~iii~~iv) such additional dates as the Administrative Agent shall determine or the Required Lenders shall require; and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance and/or extension of a Letter of Credit

denominated in an Alternative Currency, (ii) each date of an amendment of any ~~such~~ Letter of Credit denominated in an Alternative Currency having the effect of increasing the amount thereof, (iii) each date of any payment by the L/C Issuer under any Letter of Credit denominated in an Alternative Currency, and (iv) such additional dates as the Administrative Agent or the applicable L/C Issuer shall determine or the Required Lenders shall require.

"Revolving Credit Exposure" means, as to any Lender at any time, the aggregate Outstanding Amount at such time of its Committed Loans and the aggregate Outstanding Amount of such Lender's participation in L/C Obligations at such time.

"S&P" means ~~Standard & Poor's Financial Services LLC, a subsidiary~~S&P Global Ratings, a division of S&P Global Inc., and any successor ~~thereto~~to its rating agency business.

~~"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.~~

~~"SPC" has the meaning specified in Section 11.06(h).~~

"Same Day Funds" means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Administrative Agent or the L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

"Sanction(s)" means any ~~sanction~~sanctions or restrictive measures enacted, administered, imposed or enforced by the United States Government (including without limitation, OFAC and the U.S. Department of State), the United Nations Security Council, the European Union, His Majesty's Treasury ("HMT"), Canada or the Hong Kong Monetary Authority.

"Scheduled Unavailability Date" has the meaning specified in Section 3.03(c)(ii).

~~"SOFR Adjustment" means 0% for an Interest Period of one-month's duration and 0.10% per annum for an Interest Period of three-months' duration or six-month's duration.~~

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Second Amendment Effective Date" means May 8, 2025.

"SOFR" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"SONIA" has the meaning specified in the definition of "Eurocurrency Rate."

"SPC" has the meaning specified in Section 11.06(h).

"Specified L/C Sublimit" means, with respect to any L/C Issuer, (i) in the case of Bank of America, $25,000,000, (ii) in the case of Barclays Bank PLC, $25,000,000, (iii) in the case of Citibank, N.A., $25,000,000, (iv) in the case of Wells Fargo Bank, National Association, $25,000,000, (v) in the case of Goldman Sachs Bank USA, $25,000,000 or (vi) in the case of JPMorgan Chase Bank, N.A., $25,000,000 in each case, such other amount as specified in the agreement pursuant to which such person becomes an L/C Issuer hereunder or, in each case, as each of the foregoing amounts may be decreased or increased from time to time with the written consent of the Company and the L/C Issuers (provided that any increase in the Specified L/C Sublimit with respect to any L/C Issuer shall require the consent of only the Company and such

L/C Issuer). Any successor L/C Issuer appointed pursuant to Section 2.03(p) or (q) shall assume the Specified L/C Sublimit of such replaced or resigning L/C Issuer, as applicable.

~~"Spot Rate" for a currency means the rate determined by the Administrative Agent or the applicable L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. Local Time on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent or the applicable L/C Issuer may obtain such spot rate from another financial institution designated by the Administrative Agent or the L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided, further that the applicable L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.~~

"Sterling" and "£" mean the lawful currency of the United Kingdom.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company, unlimited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person~~; provided, for the avoidance of doubt, that, for so long as the Company does not have the power to elect a majority of the board of directors or other governing body of PF2 JV, neither PF2 JV nor any of its subsidiaries shall constitute a Subsidiary of the Company for purposes of this Agreement~~. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Company.

"Successor" has the meaning specified in Section 7.02(e).

"Successor Rate" has the meaning specified in Section 3.03(c).

~~"Sustainability Linked Loan Principles" means the Sustainability Linked Loan Principles as most recently published by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association, as may be amended from time to time.~~

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind (other than Eligible ASRs, as defined below), and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement relating to any of the foregoing (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement (other than Eligible ASRs). "Eligible ASR" shall mean any accelerated share repurchase documented under a Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

~~"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.~~

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"TARGET Day" means any day on which ~~TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement)~~T2 is open for the settlement of payments in Euro.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term CORRA" has the meaning set forth in the definition of "Eurocurrency Rate".

"Term CORRA Adjustment" means (i) 0.29547% (29.547 basis points) for an Interest Period of one-month's duration and (ii) 0.32138% (32.138 basis points) for an Interest Period of three-months' duration.

"Term CORRA Rate" has the meaning set forth in the definition of "Eurocurrency Rate".

"Term SOFR" has the meaning specified in the definition of "Eurocurrency Rate".

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (or any successor administrator satisfactory to the Administrative Agent).

"Term SOFR Scheduled Unavailability Date" has the meaning specified in Section 3.03(b)(ii).

"Term SOFR Screen Rate" means the forward-looking SOFR term rate administered by the Term SOFR Administrator and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

"Term SOFR Successor Rate" has the meaning specified in Section 3.03(c).

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments and Revolving Credit Exposure of such Lender at such time.

"Total Debt" means, on any date of determination, the difference of (a) all Indebtedness of the Company and its Subsidiaries determined on a consolidated basis on such date, minus (b) Indebtedness of any Receivables Subsidiary incurred in connection with a Qualified Receivables Transaction as of such date.

"Total Outstandings" means, as of any date of determination, the aggregate Outstanding Amount of all Loans and all L/C Obligations as of such date.

"Trade Date" has the meaning set forth in Section 11.06(b).

"Type" means with respect to a Committed Loan, its character as a Base Rate Loan or a Eurocurrency Rate Loan.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended ~~form~~from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning set forth in Section 2.03(c)(i).

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning set forth in Section 3.01(e)(ii)(B)(III).

"Wholly-Owned Subsidiary" means any Subsidiary in which (other than directors' qualifying shares required by law) 100% of the capital stock of each class or other interests having ordinary voting power, and 100% of the capital stock of every other class or other interests, in each case, at the time as of which any determination is being made, is owned, beneficially and of record, by the Company, or by one or more of the other Wholly-Owned Subsidiaries, or both.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.02 Other Interpretive Provisions

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) (i) The words "herein," "hereto," "hereof" and "hereunder" and words of similar import when used in any Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof.

(i) Article, Section, Exhibit and Schedule references are to the Loan Document in which such reference appears.

(ii) The term "including" is by way of example and not limitation.

(iii) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(c) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including".

(d) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(e) Any reference herein to a merger, ~~transfer,~~ consolidation, amalgamation~~, consolidation~~, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, ~~transfer,~~ consolidation, amalgamation, ~~consolidation,~~ assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

1.03 Accounting Terms.

(a) All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Company or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Company shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Company shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) If the Company shall elect as of the end of any financial reporting period to prepare financial statements in accordance with International Financial Reporting Standards, as published by the International Accounting Standards Board ("IFRS"), rather than GAAP, then, following delivery to Administrative Agent of a completed Compliance Certificate attaching the information required to be delivered for such financial reporting period, the parties hereto shall use their best efforts to amend (in a manner mutually satisfactory to Lenders and Borrowers) the thresholds or methods of calculation of any financial ratio or requirement set forth in any Loan Document such that compliance therewith is neither more nor less burdensome (as determined by the Required Lenders in their sole discretion) to Borrowers as a result of such conversion to IFRS and, thereafter, all references in the Loan Documents to GAAP shall be deemed references to IFRS.

(d) All references herein to consolidated financial statements of the ~~Borrower~~Company and its Subsidiaries or to the determination of any amount for the ~~Borrower~~Company and its Subsidiaries on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that ~~such Borrower~~the Company is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary as defined herein.

1.04 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 References to Agreements and Laws. Unless otherwise expressly provided herein, (a) references to Organization Documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

1.06 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Central time (daylight or standard, as applicable).

1.07 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

1.08 Exchange Rates; Currency Equivalents; Licensing.

(a) The Administrative Agent or the applicable L/C Issuer, as applicable, shall determine ~~the Spot Rates as of each Revaluation Date to be used for calculating~~ Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies. Such ~~Spot Rates~~Dollar Equivalents shall become effective as of such Revaluation Date and shall be the ~~Spot Rates employed in converting any~~Dollar Equivalent of such amounts ~~between the applicable currencies~~ until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent or the applicable L/C Issuer, as applicable.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Eurocurrency Rate Loan, the issuance, amendment or extension of a Letter of Credit or any assignment, any required minimum or multiple amount, is expressed in Dollars, but such Borrowing, Eurocurrency Rate Loan or Letter of Credit or any such assignment is denominated in an Alternative Currency, such amount ~~expressed in Dollars shall be deemed to be an amount expressed in the applicable~~shall be the relevant Alternative Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or the applicable L/C Issuer, as the case may be.

(c) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to ~~the rates in the definition of "Eurocurrency Rate"~~any reference rate referred to herein or with respect to any ~~comparable or successor rate thereto.~~rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rate (including any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

(d) By agreeing to make Loans under this Agreement, each Lender is confirming it has all licenses, permits and approvals necessary for use of the reference rates referred to herein as provided for in this Agreement and it will comply with, preserve, renew and keep in full force and effect such licenses, permits and approvals for use of such rates under this Agreement.

1.09 Change of Currency.

(a) Each obligation of the Borrowers to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption. If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the ~~London~~applicable interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Committed Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Committed Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to

reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

Article II
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Committed Loans.

Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "Committed Loan") to the Borrowers in Dollars or in one or more Alternative Currencies from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment; provided, however, that after giving effect to any Borrowing, (i) the Total Outstandings shall not exceed the Aggregate Commitments, (ii) the Total Outstandings denominated in Alternative Currencies shall not exceed the Alternative Currency Sublimit, (iii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Commitment and (iv) the Total Outstandings of Designated Borrowers that are Foreign Subsidiaries of the Company shall not exceed the Foreign Designated Borrower Sublimit. Within the limits of each Lender's Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow under this Section 2.01, prepay under Section 2.05, and reborrow under this Section 2.01. Committed Loans may be Base Rate Loans or Eurocurrency Rate Loans, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Committed Loans.

(a) Each Committed Borrowing, each conversion of Committed Loans from one Type to the other, and each continuation of Eurocurrency Rate Loans shall be made upon the applicable Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Committed Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Committed Loan Notice. Each Committed Loan Notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurocurrency Rate Loans denominated in Dollars or of any conversion of Eurocurrency Rate Loans denominated in Dollars to Base Rate Committed Loans, (ii) four Business Days prior to the requested date of any Borrowing or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies and (iii) on the requested date of any Borrowing of Base Rate Committed Loans. Each telephonic notice by a Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the applicable Borrower. Each Borrowing, conversion or continuation of Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof. Except as provided in Section 2.03(c), each Committed Loan Notice (whether telephonic or written) shall specify (i) whether the applicable Borrower is requesting a Borrowing, a conversion of Committed Loans from one Type to the other, or a continuation of Eurocurrency Rate Loans, (ii) the identity of the applicable Borrower and the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Committed Loans to be borrowed, converted or continued, (iv) the Type of Committed Loans to be borrowed or to which existing Committed Loans are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto and (vi) the requested currency of such Borrowing. If the applicable Borrower fails to specify a currency in a Committed Loan Notice requesting a Borrowing, then the Committed Loan so requested shall be made in Dollars. If ~~the~~a Borrower fails to specify a Type of Committed Loan in a Committed Loan Notice or if ~~the~~a Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Committed Loans shall be made as, or converted to, Base Rate Loans; provided, however, that in the case of a failure to

timely request a continuation of Committed Loans denominated in an Alternative Currency (other than, for the avoidance of doubt, Committed Loans denominated in Sterling), such Loans shall be continued as Eurocurrency Rate Loans in their original currency with an Interest Period of one month. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurocurrency Rate Loans. If ~~the~~a Borrower requests a Borrowing of, conversion to, or continuation of Eurocurrency Rate Loans (other than, for the avoidance of doubt, Eurocurrency Rate Loans denominated in Sterling) in any such Committed Loan Notice, but fails to specify an Interest Period, they will be deemed to have specified an Interest Period of one month. No Committed Loan may be converted to or continued as a Loan denominated in a different currency but instead must be prepaid in the original currency of such Committed Loan and reborrowed in the other currency.

(b) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount (and currency) of its Pro Rata Share of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the applicable Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans, or continuation of Committed Loans denominated in an Alternative Currency, in each case described in Section 2.02(a). In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office not later than 1:00 p.m. in the case of any Committed Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Committed Loan in an Alternative Currency, in each case on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.03 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Agent shall make all funds so received available to the applicable Borrower in like funds as received by the Agent either by (i) crediting the account of the such Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Agent by the applicable Borrower; provided, however, that if, on the date the Committed Loan Notice with respect to such Borrowing is given by a Borrower, there are unpaid amounts due in respect of L/C Borrowings outstanding, then the proceeds of such Borrowing shall be applied, first to the payment in full of any such unpaid amounts and L/C Borrowings, and second, to the applicable Borrower as provided above.

(c) Except as otherwise provided herein, each applicable Eurocurrency Rate Loan (other than, for the avoidance of doubt, a Eurocurrency Rate Loan denominated in Sterling) may be continued or converted only on the last day of an Interest Period for such Eurocurrency Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurocurrency Rate Loans (whether in Dollars or any Alternative Currency) without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the then outstanding Eurocurrency Rate Loans denominated in an Alternative Currency be prepaid, or redenominated into Dollars in the amount of the Dollar Equivalent thereof, on the last day of the then current Interest Period with respect thereto.

(d) The Administrative Agent shall promptly notify the Borrowers and the Lenders of the interest rate applicable to any Interest Period for Eurocurrency Rate Loans (or, in the case of Eurocurrency Rate Loans denominated in Sterling, the interest rate applicable thereto) upon determination of such interest rate. The determination of the Eurocurrency Rate by the Administrative Agent shall be conclusive in the absence of manifest error. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrowers and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Committed Loans from one Type to the other, and all continuations of Committed Loans as the same Type, there shall not be more than ten Interest Periods in effect at any time with respect to Committed Loans.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the date hereof until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars or one or more Alternative Currencies for the account of the Borrowers or certain Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with Section 2.03(b), and (2) to honor drafts under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of the Borrowers; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit (i) the Total Outstandings shall not exceed the Aggregate Commitments, (ii) the Total Outstandings denominated in Alternative Currencies shall not exceed the Alternative Currency Sublimit, (iii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Commitment, (iv) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit, (v) with respect to the applicable L/C Issuer, the stated amount of all outstanding Letters of Credit issued by such L/C Issuer shall not exceed the applicable Specified L/C Sublimit of such L/C Issuer then in effect and (vi) in the case of the Lender acting as the L/C Issuer with respect to such Letter of Credit (whether directly or through an Affiliate), unless such Lender shall agree otherwise in its sole discretion, such Lender's Revolving Credit Exposure plus (without duplication) the aggregate face amount of outstanding Letters of Credit issued by such L/C Issuer shall not exceed such Lender's Commitment. Within the foregoing limits, and subject to the terms and conditions hereof, each Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly each Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) An L/C Issuer shall be under no obligation to issue any Letter of Credit

if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing such Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the date hereof, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the date hereof and which such L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of such L/C Issuer applicable to letters of credit and letter of credit applicants generally;

(C) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Required Lenders have approved such expiry date;

(D) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless arrangements have been made to cash

collateralize such Letter of Credit on or before such Letter of Credit Expiration Date or all the Lenders have approved such expiry date;

(E) such Letter of Credit is in an initial amount less than $100,000, in the case of a commercial Letter of Credit, or $500,000, in the case of a standby Letter of Credit, or is to be denominated in a currency other than Dollars or an Alternative Currency; provided that the $500,000 minimum amount relating to a standby Letter of Credit shall not be applicable if the applicable Borrower pays to such L/C Issuer in respect of such Letter of Credit an additional issuance fee in an amount to be agreed between such Borrower and such L/C Issuer from time to time; or

(F) a default of any Lender's obligations to fund under Section 2.03(c) exists or any Lender is at such time a Defaulting Lender hereunder, unless (i) the applicable Borrower shall have Cash Collateralized an amount equal to such Lender's Pro Rata Share of the full amount of such Letter of Credit, provided that the Cash Collateral in respect of such Lender's Pro Rata Share shall be released to such Borrower promptly upon request after the effective date of the replacement of such Lender in accordance with Section 11.15, or (ii) such L/C Issuer has otherwise entered into satisfactory arrangements with such Borrower or such Lender to eliminate such L/C Issuer's actual or potential Fronting Exposure.

(iii) An L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the Beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(iv) On and after the date hereof, the Existing Letters of Credit shall be deemed for all purposes, including for purposes of the fees and charges to be collected pursuant to this Section 2.03 for periods on and after the date hereof, and reimbursement of costs and expenses to the extent provided herein, to be Letters of Credit outstanding under this Agreement and entitled to the benefits of this Agreement and the other Loan Documents, and shall be governed by the applications and agreements pertaining thereto and by this Agreement; provided, however, that, notwithstanding any other provision of this Agreement, no fees with respect to the initial issuance of the Existing Letters of Credit shall be due hereunder.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the applicable Borrower delivered to the L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of such Borrower. Such Letter of Credit Application must be received by the L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least three Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the Beneficiary thereof; (E) the documents to be presented by such Beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such Beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; (H) the proposed currency and (I) such other matters as the L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit,

such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the L/C Issuer may require. Additionally, the applicable Borrower shall furnish to the L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the applicable Borrower and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in ARTICLE IV shall not then be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the applicable Borrower (or the applicable Subsidiary) or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer's usual and customary business practices.

Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Pro Rata Share times the amount of such Letter of Credit.

(iii) If the applicable Borrower so requests in any applicable Letter of Credit Application, the L/C Issuer shall issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the Beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued; provided, further that the L/C issuer shall not exercise its right to prevent any such renewal unless the L/C Issuer determines that it would have no obligation at such time to issue such Letter of Credit in its renewed form under the terms of this Agreement. Unless otherwise directed by the L/C Issuer, the applicable Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or the applicable Borrower that one or more of the applicable conditions specified in Section 4.03 is not then satisfied, and in each such case directing the L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the Beneficiary thereof, the

L/C Issuer will also deliver to the applicable Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the Beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall notify the applicable Borrower and the Administrative Agent thereof; provided that any failure to give or delay in giving such notice shall not relieve the applicable Borrower of its obligation to reimburse such L/C Issuer with respect to any such disbursement. In the case of a Letter of Credit denominated in an Alternative Currency, the applicable Borrower shall reimburse the L/C Issuer in such Alternative Currency, unless (A) the L/C Issuer (at its option) shall have specified in such notice that it will require reimbursement in Dollars, or (B) in the absence of any such requirement for reimbursement in Dollars, the applicable Borrower shall have notified the L/C Issuer promptly following receipt of the notice of drawing that applicable Borrower will reimburse the L/C Issuer in Dollars. In the case of any such reimbursement in Dollars of a drawing under a Letter of Credit denominated in an Alternative Currency, the L/C Issuer shall notify the applicable Borrower of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Not later than 12:00 noon Local Time on the Business Day following the date of any payment by the L/C Issuer under a Letter of Credit to be reimbursed in Dollars, or the Applicable Time (to be specified by the L/C Issuer to the applicable Borrower prior to such date of payment) on the date of any payment by the L/C Issuer under a Letter of Credit to be reimbursed in an Alternative Currency (each such date, an "Honor Date"), such Borrower shall reimburse the L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing. In the event that (A) a drawing denominated in an Alternative Currency is to be reimbursed in Dollars pursuant to the second sentence in this Section 2.03(c)(i) and (B) the Dollar amount paid by the applicable Borrower, whether on or after the Honor Date, shall not be adequate on the date of that payment to purchase in accordance with normal banking procedures a sum denominated in the Alternative Currency equal to the drawing, the applicable Borrower agrees, as a separate and independent obligation, to indemnify the L/C Issuer for the loss resulting from its inability on that date to purchase the Alternative Currency in the full amount of the drawing. If the applicable Borrower fails to so reimburse the L/C Issuer by such time, the Administrative Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (expressed in Dollars in the amount of the Dollar Equivalent thereof in the case of a Letter of Credit denominated in an Alternative Currency) (the "Unreimbursed Amount"), and the amount of such Lender's Pro Rata Share thereof. In such event, the applicable Borrower shall be deemed to have requested a Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Aggregate Commitments and the conditions set forth in Section 4.03 (other than the delivery of a Committed Loan Notice). Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available to the Administrative Agent for the account of the L/C Issuer at the Administrative Agent's Office for Dollar denominated payments in an amount equal to its Pro Rata Share of the Unreimbursed Amount not later than 1:00 p.m. Local Time on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Committed Loan to the applicable Borrower in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer in Dollars.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Borrowing of Base Rate Loans because the conditions set forth in Section 4.03 cannot be satisfied or for any other reason, the applicable Borrower shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Lender's payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Lender funds its Committed Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Pro Rata Share of such amount shall be solely for the account of the L/C Issuer.

(v) Each Lender's obligation to make Committed Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the L/C Issuer, the applicable Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Committed Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.03 (other than delivery by the applicable Borrower of a Committed Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the applicable Borrower to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), the L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by the L/C Issuer in connection with the foregoing. A certificate of the L/C Issuer submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the applicable Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Pro Rata Share thereof (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's L/C Advance was outstanding) in Dollars and in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the

circumstances described in Section 11.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the L/C Issuer its Pro Rata Share thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the applicable Borrower to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the applicable Borrower or any Subsidiary may have at any time against any Beneficiary or any transferee of such Letter of Credit (or any Person for whom any such Beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any Beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(v) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to the Company or any Subsidiary or in the relevant currency markets generally; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the applicable Borrower or any Subsidiary.

The applicable Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Company's instructions or other irregularity, the Company will immediately notify the L/C Issuer. Each Borrower shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and each Borrower agrees that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the

Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. Each Borrower hereby assumes all risks of the acts or omissions of any Beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the applicable Borrower's pursuing such rights and remedies as it may have against the Beneficiary or transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (vi) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the applicable Borrower may have a claim against the L/C Issuer, and the L/C Issuer may be liable to such Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by such Borrower which such Borrower proves were caused by, as determined by a court of competent jurisdiction by final and nonappealable judgment, the L/C Issuer's willful misconduct or gross negligence or the L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the Beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) Cash Collateral. Upon the request of the Administrative Agent, (i) if the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the applicable Borrowers shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations. Sections 2.03(a)(ii)(F), 2.05, 2.18(a)(v) and 8.02(c) set forth certain additional requirements to deliver Cash Collateral hereunder. For purposes of this Sections 2.03, 2.05, 2.18(a)(v) and Section 8.02(c), "Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the L/C Issuer and the Lenders, as collateral for the L/C Obligations, as applicable, cash or deposit account balances pursuant to documentation in form and substance satisfactory to the Administrative Agent and the L/C Issuer (which documents are hereby consented to by the Lenders). Derivatives of such term have corresponding meanings. Each Borrower hereby grants to the Administrative Agent for the benefit of the L/C Issuer and the Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Cash Collateral shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America. For purposes of this Section 2.03, "Cash Collateral" means the cash and deposit account balances pledged and deposited with or delivered to the Agent, pursuant to a requirement to Cash Collateralize the L/C Obligations. Additionally, if the Administrative Agent notifies the Company at any time that the Outstanding Amount of all L/C Obligations at such time exceeds the Letter of Credit Sublimit then in effect, then, within two Business Days after receipt of such notice, the Company shall provide Cash Collateral for the Outstanding Amount of the L/C Obligations in an amount not less than the amount by which the Outstanding Amount of all L/C Obligations exceeds the Letter of Credit Sublimit.

(h) Applicability of ISP and UCP. Unless otherwise expressly agreed by the L/C Issuer and the applicable Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), (i) the rules of the ISP, with the exception of Rule 5.09 thereof, shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform

Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance shall apply to each commercial Letter of Credit.

(i) Letter of Credit Fees. The applicable Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Pro Rata Share a letter of credit fee for each Letter of Credit equal to the Applicable Rate times the daily maximum amount available to be drawn under such Letter of Credit (whether or not such maximum amount is then in effect under such Letter of Credit). Such letter of credit fees shall be computed on a quarterly basis in arrears. Such letter of credit fees shall be due and payable on the tenth calendar day following the end of each calendar quarter, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. If there is any change in the Applicable Rate during any quarter, the daily maximum amount of each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(j) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The applicable Borrower shall pay directly to the L/C Issuer for its own account a fronting fee with respect to each Letter of Credit in an amount equal to 0.125 % per annum times the daily maximum amount available to be drawn under such Letter of Credit. Such fronting fees shall be computed on a quarterly basis in arrears. Such fronting fees shall be due and payable on the first Business Day after the end of each calendar quarter, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.07. In addition, the applicable Borrower shall pay directly to the L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges (including reasonable out-of-pocket expenses relating to issuances, amendments, renewals, extensions and any demands for payment), of the L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(k) Conflict with Issuer Document. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(l) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the applicable Borrower shall be obligated to reimburse the L/C Issuer hereunder for any and all drawings under such Letter of Credit and to make any Cash Collateral deposits required hereunder. The Company hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Company, and that the Company's business derives substantial benefits from the businesses of such Subsidiaries.

(m) Reports to Administrative Agent. The L/C Issuer shall deliver to the Administrative Agent, upon each calendar month end, a report setting forth for such period the daily aggregate amount available to be drawn under the Letters of Credit that were outstanding during such month.

(n) Designation of L/C Issuer. The Company may, at any time and from time to time, upon notice to the Administrative Agent, designate as an L/C Issuer one or more Lenders that agree to serve in such capacity as provided below. The acceptance by a Lender of an appointment as an L/C Issuer hereunder shall be evidenced by an agreement, which shall be in form and substance reasonably satisfactory to such L/C Issuer, executed by each Borrower, the Administrative Agent and such designated Lender and, from and after the effective date of such agreement, as the case may be, (x) such Lender shall have all the rights and obligations of an L/C Issuer under this Agreement and (y) references herein to the term "L/C Issuer" shall be deemed to include such Lender in its capacity as an issuer of Letters of Credit hereunder.

(o) Letter of Credit Reports. On (i) the last Business Day of each calendar month, and (ii) each date that an L/C Credit Extension occurs with respect to any Letter of Credit, the L/C Issuer shall deliver to the Administrative Agent a written report in the form of Exhibit K hereto, appropriately completed with the information for every Letter of Credit issued by the L/C Issuer that is outstanding hereunder.

(p) Replacement of an L/C Issuer. An L/C Issuer may be replaced at any time by written agreement among the Company, the Administrative Agent, the replaced L/C Issuer and the successor L/C Issuer. The Administrative Agent shall notify the Lenders of any such replacement of an L/C Issuer. From and after the effective date of any such replacement, (x) the successor L/C Issuer shall have all the rights and obligations of the L/C Issuer being replaced under this Agreement with respect to Letters of Credit to be issued thereafter and (y) references herein to the term "L/C Issuer" shall be deemed to refer to such successor or to any previous L/C Issuer, or to such successor and all current and previous L/C Issuers, as the context shall require. After the replacement of an L/C Issuer hereunder, the replaced L/C Issuer shall remain a party hereto and shall continue to have all the rights and obligations of an L/C Issuer under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(q) Resignation of an L/C Issuer. Notwithstanding anything to the contrary contained herein, any L/C Issuer may, upon 30 days' notice to the Administrative Agent, the Company and the Lenders, resign as an L/C Issuer. In the event of any such resignation as an L/C Issuer, the Company shall be entitled to appoint from among the Lenders a successor L/C Issuer willing to accept its appointment as successor L/C Issuer hereunder; provided, that no failure by the Company to appoint any such successor shall affect the resignation of the applicable L/C Issuer as an L/C Issuer. If the applicable L/C Issuer resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit issued by it and outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Committed Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). Upon the appointment of a successor L/C Issuer, (x) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the resigning L/C Issuer and (y) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the applicable resigning L/C Issuer to effectively assume the obligations of the applicable resigning L/C Issuer with respect to such Letters of Credit.

2.04 [Reserved].

2.05 Prepayments.

(a) Any Borrower may, upon notice (in a form acceptable by the Administrative Agent) to the Agent, at any time or from time to time voluntarily prepay Committed Loans~~, as the case may be,~~ in whole or in part without premium or penalty; provided that (i) such notice must be received by the Agent not later than 9:00 a.m.~~, in the case of a prepayment of Loans,~~ (A) three Business Days prior to any date of prepayment of Eurocurrency Rate Loans denominated in Dollars, (B) four Business Days prior to any date of prepayment of Eurocurrency Rate Loans denominated in Alternative Currencies and (C) on the date of prepayment of Base Rate Committed Loans; and (ii) any prepayment of Committed Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof or, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) and currency of Committed Loans to be prepaid. The Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Pro Rata Share of such prepayment. If such notice is given by a Borrower, such Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurocurrency Rate Loan shall be accompanied by all accrued interest thereon, together with any additional amounts

required pursuant to Section 3.05. Each such prepayment shall be applied to the Committed Loans of the Lenders in accordance with their respective Pro Rata Shares.

(b) If for any reason (other than a change in exchange rates, in which case clause (d) shall apply) the Total Outstandings at any time exceed the Aggregate Commitments then in effect, the applicable Borrower shall immediately prepay Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, however, that the Borrowers shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(b) unless after the prepayment in full of the Committed Loans the Total Outstandings exceed the Aggregate Commitments then in effect.

(c) [Reserved].

(d) (i) If the Administrative Agent notifies the Company at any time that the Outstanding Amount of all Loans denominated in Alternative Currencies at such time exceeds the Alternative Currency Sublimit then in effect, then, within two Business Days after receipt of such notice, the Borrowers shall prepay Loans and/or Cash Collateralize L/C Obligations in an aggregate amount sufficient to reduce such Outstanding Amount as of such date of payment to an amount not to exceed the Alternative Currency Sublimit then in effect.

(i) If at any time, solely as a result of fluctuations in currency exchange rates, the sum of the aggregate principal amount of all of the Revolving Credit Exposures exceeds the Aggregate Commitments, the applicable Borrower shall (x) immediately repay Loans or (y) Cash Collateralize L/C Obligations in an account with the Administrative Agent pursuant to and within the time period required by Section 2.03(g), in the case of each of clauses (x) and (y) in an aggregate principal amount sufficient to cause the aggregate amount of all Revolving Credit Exposure to be less than or equal to the Aggregate Commitments.

2.06 Termination or Reduction of Commitments. The Company may, upon notice to the Agent, terminate the Aggregate Commitments, or from time to time permanently reduce the Aggregate Commitments; provided that (i) any such notice shall be received by the Agent not later than 9:00 a.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $10,000,000 or any whole multiple of $1,000,000 in excess thereof, (iii) the Company shall not terminate or reduce the Aggregate Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Outstandings would exceed the Aggregate Commitments, and (iv) if, after giving effect to any reduction of the Aggregate Commitments, the Alternative Currency Sublimit, the Letter of Credit Sublimit or the Foreign Designated Borrower Sublimit exceeds the amount of the Aggregate Commitments, such sublimit shall be automatically reduced by the amount of such excess. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Commitments. Any reduction of the Aggregate Commitments shall be applied to the Commitment of each Lender, according to its Pro Rata Share. All facility fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans. Each Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of its Committed Loans outstanding on such date.

2.08 Interest.

(a) Subject to the provisions of Section 2.08(b), (i) each Eurocurrency Rate ~~Committed~~ Loan (other than a Eurocurrency Rate Loan denominated in Sterling) shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Rate for such Interest Period plus the Applicable Rate ~~and~~, (ii) each Eurocurrency Rate Loan denominated in Sterling shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the applicable

Eurocurrency Rate plus the Applicable Rate and (iii) each Base Rate Committed Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) If any amount payable by a Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall, upon the request of the Required Lenders (provided no such request shall be required in the case of an Event of Default under Section 8.01(f)(iii) or 8.01(g)) thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. Furthermore, upon the request of the Required Lenders, while any Event of Default exists, the Borrowers shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees. In addition to certain fees described in Sections 2.03(i) and 2.03(j):

(a) Facility Fee. The Company shall pay to the Administrative Agent for the account of each Lender in accordance with its Pro Rata Share, a facility fee payable in Dollars on the tenth calendar day following the end of each calendar quarter, which shall be equal to the Applicable Rate times the actual daily amount of the Aggregate Commitments (or, if the Aggregate Commitments have terminated, on the Outstanding Amount of all Committed Loans and L/C Obligations), regardless of usage. The facility fee shall accrue at all times during the Availability Period (and thereafter so long as any Committed Loans or L/C Obligations remain outstanding), including at any time during which one or more of the conditions in ARTICLE IV are not met, and shall be due and payable quarterly in arrears on each date specified above following the end of each calendar quarter, commencing with the first such date to occur after the date hereof, and on the last day of the Availability Period (and, if applicable, thereafter on demand). The facility fee shall be calculated on a calendar quarter basis in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees. (i) The Company shall pay to the Arrangers and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee ~~Letter~~Letters. Such fees shall be fully earned when paid and, except to the extent expressly otherwise agreed, shall not be refundable for any reason whatsoever.

(i) The Borrowers shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and, except to the extent expressly otherwise agreed, shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees. All computations of interest for Base Rate Loans ~~when the~~(including Base Rate ~~is~~Loans determined by ~~Bank of America's "prime rate"~~reference to the Eurocurrency Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All ~~other~~ computations of ~~fees and~~ interest for Eurocurrency Rate Loans denominated in Sterling or Canadian Dollars shall be made on the basis of a year of 365 days and actual days elapsed. All other computations of fees and interest (including for Eurocurrency Rate Loans denominated in Dollars or Euros) shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid

than if computed on the basis of a 365-day year) ~~or, in the case of interest in respect of other Loans denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice~~. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.11 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such matters, the accounts and records of the Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Agent, the applicable Borrower shall execute and deliver to such Lender (through the Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach ~~Schedules~~schedules to its Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in Section 2.11(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally.

(a) All payments to be made by the Borrowers shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in an Alternative Currency, all payments by the Borrowers hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in Dollars and in Same Day Funds not later than 12:00 p.m. on the date specified herein. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder with respect to principal and interest on Loans denominated in an Alternative Currency shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in such Alternative Currency and in Same Day Funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States or such other address as the Administrative Agent specifies from time to time. If, for any reason, any Borrower is prohibited by any Law from making any required payment hereunder in an Alternative Currency, such Borrower shall make such payment in Dollars in the Dollar Equivalent amount of the Alternative Currency payment amount. The Agent will promptly distribute to each Lender its Pro Rata Share (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by an Agent after the applicable time specified in this Section 2.12(a) shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by a

Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Unless the Agent shall have received notice from a Lender prior to (a) the proposed date of any Borrowing of Eurocurrency Rate Loans or (b) two hours prior to the proposed time of any Borrowing of Base Rate Loans that such Lender will not make available to the Agent such Lender's share of such Borrowing, the Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Agent, then such Lender and the applicable Borrower severally agree to pay to the Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Agent, at (A) in the case of a payment to be made by such Lender, a rate per annum equal to the applicable Overnight Rate from time to time in effect plus any administrative, processing or similar fees customarily charged by the Agent in connection with the foregoing, and (B) in the case of a payment to be made by any Borrower, the interest rate applicable to the applicable Borrowing. If the applicable Borrower and such Lender shall pay such interest to the Agent for the same or an overlapping period, the Agent shall promptly remit to the applicable Borrower the amount of such interest paid by the applicable Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Agent, then the amount so paid shall constitute such Lender's Committed Loan included in such Borrowing. Any payment by the applicable Borrower shall be without prejudice to any claim the applicable Borrower may have against a Lender that shall have failed to make such payment to the Agent.

(i) Unless the Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Agent for the account of the Lenders or the L/C Issuers hereunder that the applicable Borrower will not make such payment, the Agent may assume that the applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the L/C Issuers, as the case may be, the amount due. ~~In such event, if~~With respect to any payment that the Agent makes for the account of the Lenders or any L/C Issuer hereunder as to which the Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the "Rescindable Amount"): (A) the applicable Borrower has not in fact made such payment~~,~~; (B) the Agent has made a payment in excess of the amount so paid by the applicable Borrower (whether or not then owed); or (C) the Agent has for any reason otherwise erroneously made such payment; then each of the Lenders or the applicable L/C Issuers~~, as the case may be,~~ severally agrees to repay to the Agent forthwith on demand the ~~amount~~Rescindable Amount so distributed to such Lender or such L/C Issuer, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Agent, at rate per annum equal to the applicable Overnight Rate from time to time in effect.

A notice of the Agent to any Lender or the applicable Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) If any Lender makes available to the Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this ARTICLE II, and such funds are not made available to the applicable Borrower by the Agent because the conditions to the applicable Credit Extension set forth in ARTICLE IV are not satisfied or waived in accordance with the terms hereof, the Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) The obligations of the Lenders hereunder to make Committed Loans, to fund participations in Letters of Credit and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Committed Loan, to fund any such participation, to make any such purchase or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Committed Loan, fund any participation or to make any purchase or payment.

(e) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments. If, other than as expressly provided elsewhere herein, any Lender shall obtain on account of the Committed Loans made by it, or the participations in L/C Obligations held by it, any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (a) notify the Administrative Agent of such fact, and (b) purchase from the other Lenders such participations in the Committed Loans made by them and/or such subparticipations in the participations in L/C Obligations held by them, as the case may be, as shall be necessary to cause such purchasing Lender to share the excess payment in respect of such Committed Loans, or such participations, as the case may be, pro rata with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the purchasing Lender in its discretion), such purchase shall to that extent be rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (i) the amount of such paying Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered, without further interest thereon. Each Borrower agrees that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off, but subject to Section 11.08) with respect to such participation as fully as if such Lender were the direct creditor of such Borrower in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.13 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.13 shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased. The provisions of this Section 2.13 shall not be construed to apply to (x) any payment made by or on behalf of any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or a Disqualified Institution), (y) the application of Cash Collateral as provided in accordance with the provisions of this Agreement or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations to any assignee or participant, other than an assignment to the Company or any Subsidiary thereof (as to which the provisions of this Section 2.13 shall apply).

2.14 [Reserved].

2.15 Increase in Commitments.

(a) Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Company may from time to time, request an increase in the Aggregate Commitments (which increase may take the form of additional Commitments, new

term loan tranches or any combination of the foregoing) by an aggregate amount (for all such requests) not exceeding $1,000,000,000. At the time of sending such notice (such notice, for the avoidance of doubt, shall be required regardless of whether such increase takes the form of additional Commitments, new term loan tranches or a combination of the foregoing), the Company (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the Lenders). Each Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Commitment or to provide any commitment with respect to the new term loan tranche(s), as applicable (and, for the avoidance of doubt, no such Lender shall have an obligation to so agree), and, if so, whether by an amount equal to, greater than, or less than its Pro Rata Share of such requested increase or, in the case of a commitment in respect of a new term loan tranche, the amount of such commitment. Any Lender not responding within such time period shall be deemed to have declined to increase its Commitment or to provide any commitment with respect to the new term loan tranche(s), as applicable. The Administrative Agent shall notify the Company and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, the Company may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement in form and substance satisfactory to the Administrative Agent and its counsel. Notwithstanding the foregoing provisions of this Section 2.15(a), during the first 90 days following the date hereof, the Company may invite Eligible Assignees to become Lenders under this Agreement in connection with a requested increase without first providing any Lender with the opportunity to increase its Commitment as provided above.

(b) If the Aggregate Commitments are increased in accordance with this Section 2.15, the Administrative Agent and the Company shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Company and the Lenders of the final allocation of such increase and the Increase Effective Date. As a condition precedent to such increase, the Company shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Increase Effective Date signed by a Responsible Officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (ii) in the case of the Company, certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in ARTICLE V and the other Loan Documents are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) as of such earlier date, and except that, for purposes of this Section 2.15, (1) the representation and warranty contained in Section 5.08(a) shall be deemed to refer to the most recent statements furnished pursuant to Section 6.01(a) and 6.01(b), respectively, and (2) the reference to "the date hereof" in Section 5.08(b) shall be deemed to refer to the Increase Effective Date and (B) no Default exists. The Company shall prepay any Committed Loans outstanding on the Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Committed Loans ratable with any revised Pro Rata Shares arising from any nonratable increase in the Commitments under this Section 2.15.

(c) In the event of an increase in Commitments pursuant to this Section 2.15, the provisions of this Section 2.15 shall govern any conflicts with provisions in Sections 2.13 or 11.01.

(d) To the extent that the increase of the Aggregate Commitments shall take the form of a term loan tranche, this Agreement shall be amended, in form and in substance satisfactory to the Administrative Agent and the Company to include such terms as are customary for a term loan commitment, including but not limited to the following:

(i) the final maturity of any such term loan tranche shall not be earlier than the Existing Maturity Date at the time of establishment of such term loan tranche; and

(ii) except as otherwise agreed by the lenders providing the relevant term loan tranche in connection with any acquisition, investments and repayments, repurchases and redemptions of indebtedness not prohibited by the terms of this Agreement, (A) no Event of Default shall exist immediately prior to or after giving effect to such new term loan tranche and (B) the representations and warranties of the Loan Parties set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of the initial borrowing under such term loan tranche with the same effect as though such representations and warranties had been made on and as of such date; provided that to the extent that any representation and warranty specifically refers to a given date or period, it shall be true and correct in all material respects as of such date or for such period; provided, further, that any representation or warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates.

2.16 Designation of Borrowers.

(a) The Company may at any time, upon not less than 15 Business Days' notice from the Company to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), designate any consolidated Subsidiary of the Company that is organized in a Designated Borrower Jurisdiction and that is engaged in a line of business that is substantially similar to those lines of businesses conducted by the Company and its Subsidiaries on the date hereof (an "Applicant Borrower") as a Designated Borrower to receive Loans hereunder by delivering to the Administrative Agent (which shall promptly deliver counterparts thereof to each Lender) a duly executed notice and agreement in substantially the form of Exhibit E-1 (a "Designated Borrower Request and Assumption Agreement"). The parties hereto acknowledge and agree that prior to any Applicant Borrower becoming entitled to utilize the credit facilities provided for herein the Administrative Agent and the Lenders shall have received such "know your customer" information, Beneficial Ownership Certification, supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, in form, content and scope reasonably satisfactory to the Administrative Agent, as may be required by the Administrative Agent or the Required Lenders (or in the case of "know your customer" information and Beneficial Ownership Certification, each Lender) in their sole discretion, including, without limitation, with respect to an Applicant Borrower that is organized under the laws of Germany, evidence satisfactory to the Administrative Agent that such Applicant Borrower (i) is an entity incorporated under the laws of the Federal Republic of Germany as a limited liability company (*Gesellschaft mit beschränkter Haftung*) and (ii) satisfies asset, revenue, and minimum employee tests required under the laws of Germany to permit a U.S. Lender to lend to such Applicant Borrower and Notes signed by such new Borrowers to the extent any Lenders so require. If the Administrative Agent and the Required Lenders agree that an Applicant Borrower shall be entitled to receive Loans hereunder, then promptly following receipt of all such requested "know your customer" information, Beneficial Ownership Certification, resolutions, incumbency certificates, opinions of counsel and other documents or information, the Administrative Agent shall send a notice in substantially the form of Exhibit E-2 (a "Designated Borrower Notice") to the Company and the Lenders specifying the effective date upon which the Applicant Borrower shall constitute a Designated Borrower for purposes hereof (the "Designated Borrower Effective Date"), whereupon each of the Lenders agrees to permit such Designated Borrower to receive Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that such Designated Borrower otherwise shall be a Borrower for all purposes of this Agreement; provided that no Committed Loan Notice or Letter of Credit Application may be submitted by or on behalf of such Designated Borrower until the date five Business Days after the Designated Borrower Effective Date applicable to such Designated Borrower.

(b) The Obligations of the Company ~~and~~, each Designated Borrower that is a Domestic Subsidiary and the Additional Borrower (if applicable) shall be joint and several in nature. The Obligations of all Designated Borrowers that are Foreign Subsidiaries shall be several in nature. The Company shall execute a Guaranty in respect of any Designated Borrower prior to or on the Designated Borrower Effective Date applicable to such Designated Borrower. Any Designated Borrower that is a Domestic Subsidiary shall execute a Guaranty in respect of the Company's ~~and~~, any other Designated Borrower's and the Additional Borrower's (if applicable) Obligations hereunder prior to or on the Designated Borrower Effective Date applicable to such Designated Borrower. In the case the Company designates a Designated Borrower, the Company ~~and~~, each Designated Borrower that is a Domestic Subsidiary and the Additional Borrower (if applicable) shall execute and deliver to the Administrative Agent a reaffirmation agreement in form and substance reasonably satisfactory to the Administrative Agent in respect of such Person's Guaranty prior to or on the Designated Borrower Effective Date applicable to such Designated Borrower so designated by the Company.

(c) Each Subsidiary of the Company that becomes a "Designated Borrower" pursuant to this Section 2.16 hereby irrevocably appoints the Company as its agent for all purposes relevant to this Agreement and each of the other Loan Documents, including (i) the giving and receipt of notices, (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto, and (iii) the receipt of the proceeds of any Loans made by the Lenders to any such Designated Borrower hereunder. Any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to each Designated Borrower.

(d) The Company may from time to time, upon not less than 15 Business Days' notice from the Company to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), terminate a Designated Borrower's status as such, provided that there are no outstanding Loans payable by such Designated Borrower, or other amounts payable by such Designated Borrower on account of any Loans made to it, as of the effective date of such termination. The Administrative Agent will promptly notify the Lenders of any such termination of a Designated Borrower's status.

(e) Notwithstanding the foregoing, with respect to any Designated Borrower not organized under the laws of the United States or any State thereof (a "Designated Foreign Borrower"), no Lender shall be required to make Loans to such Designated Foreign Borrower and no L/C Issuer shall be required to issue or amend any Letter of Credit for such Designated Foreign Borrower in the event that the making of such Loans or issuance or amendment of such Letter of Credit would reasonably be expected to (a) breach or violate any internal policy of such Lender or L/C Issuer or any law or regulation to which such Lender or L/C Issuer is subject, or would be upon the making of such Loan or issuance or amendment of such Letter of Credit or (b) result in materially adverse tax consequences to such Lender (any such Lender, a "Protesting Lender"); provided that (i) any Protesting Lender, which is relying solely on such internal policies as the basis for not making Loans or issuing or amending Letters of Credit may do so only if such internal policies are being applied by such Protesting Lender to all similarly situated borrowers seeking loans, letters of credit or other extensions of credit from or with respect to such jurisdiction; and (ii) each Protesting Lender shall use reasonable efforts to designate (or identify) a different lending office for funding or booking its Loans to such Designated Foreign Borrower or issuing or amending Letters of Credit for the account of such Designated Foreign Borrower or to assign (or identify for purposes of assignment of) its rights and obligations hereunder to make its Loans to, or issue or amend Letters of Credit for the account of, such Designated Foreign Borrower to another of its offices, branches or affiliates, if, in the good faith judgment of such Protesting Lender, such designation or assignment would permit it to make Loans to such Designated Foreign Borrower or issue or amend Letters of Credit for the account

of such Designated Foreign Borrower and would not otherwise be materially disadvantageous to such Protesting Lender, as applicable (and the Company and the relevant Designated Foreign Borrower shall agree to pay all reasonable out-of-pocket costs and expenses incurred by such Lender or L/C Issuer in connection with any such designation or assignment). As soon as practicable (but in any event not more than five Business Days) after receipt of notice from the Company or the Administrative Agent of the Company's intent to designate a Designated Foreign Borrower, any Protesting Lender shall notify the Company and the Administrative Agent in writing of its inability to lend to such Designated Foreign Borrower. The Company shall, effective on or before the date that such Designated Foreign Borrower shall have the right to borrow hereunder, either (A) with respect to each Protesting Lender, replace such Protesting Lender with Lenders willing (in their sole discretion) to increase their existing Commitments, or other financial institutions willing (in their sole discretion) to become Lenders and extend new commitments, on terms consistent with Section 11.15, or (B) cancel its request to designate such Designated Foreign Borrower as a "Designated Borrower".

(f) Notwithstanding anything to the contrary set forth in this Agreement, each Lender at its option may make any Credit Extension or otherwise perform its obligations hereunder through such Lender's Lending Office (each, a "Designated Lender"); provided that any exercise of such option shall not affect the obligation of each Borrower to repay any Credit Extension in accordance with the terms of this Agreement. Any Designated Lender shall be considered a Lender; provided that designation of a Designated Lender is for administrative convenience only and does not expand the scope of liabilities or obligations of any Lender or Designated Lender beyond those of the Lender designating such Person as a Designated Lender as provided in this Agreement.

2.17 Extension of Maturity Date.

(a) Requests for Extension. The Company may, by notice to the Administrative Agent, at any time request that each Lender and L/C Issuer, extend the Maturity Date then in effect (the "Existing Maturity Date"), for a period of one year from such Existing Maturity Date; provided that (i) no more than three such requests may be made during the term of this Agreement and (ii) no such request may be submitted on or after the date that is 65 days prior to the Existing Maturity Date. The Administrative Agent shall promptly notify each Lender and L/C Issuer of the Company's request for such extension (the date such notice is given being referred to herein as the "Notice Date" and the proposed date of effectiveness of such extension being referred to herein at the "Extension Date").

(b) Lender Elections to Extend. Each Lender and L/C Issuer, in each case, acting in its sole discretion, shall, by notice to the Administrative Agent given not later than 10 days following the Notice Date (the "Response Deadline"), advise the Administrative Agent whether or not such Lender or L/C Issuer agrees to such extension (each such Lender or L/C Issuer that determines not to so extend its Commitment being referred to as a "Non-Extending Lender"). Any Lender or L/C Issuer that does not so advise the Administrative Agent on or before the Response Deadline shall be deemed to be a Non-Extending Lender. The election of any Lender or L/C Issuer to agree to such extension of the Maturity Date shall not obligate any other Lender to so agree.

(c) Notification by Administrative Agent. The Administrative Agent shall notify the Company of each Lender's and L/C Issuer's determination under this Section 2.17 within five Business Days after the Response Deadline.

(d) Additional Commitment Lenders. The Company shall have the right on or before the related Extension Date to replace each Non-Extending Lender with, and add as "Lender" and/or "L/C Issuer", as applicable, under this Agreement in place thereof, one or more Eligible Assignees (each, an "Additional Commitment Lender") as provided in Section 11.06, provided that each such Additional Commitment Lender shall enter into an Assignment and Assumption Agreement pursuant to which such Additional Commitment Lender shall undertake a

Commitment (and, if any such Additional Commitment Lender is already a Lender, its Commitment shall be in addition to such Lender's Commitment hereunder on such date).

(e) Minimum Extension Requirement. If (and only if) the total of the Commitments of the Lenders (including L/C Issuers) that have agreed to so extend the Maturity Date (each, an "Extending Lender") and the Commitments of the Additional Commitment Lenders shall be more than 51% of the aggregate amount of the Commitments in effect immediately prior to the related Extension Date, then, effective as of the related Extension Date (but subject to the prior satisfaction of the conditions set forth in clause (f) below), the Maturity Date of this Agreement and the Maturity Date with respect to the Commitments of each Extending Lender and of each Additional Commitment Lender shall be extended to the date falling one year after the Existing Maturity Date (except that, if such date is not a Business Day, such Maturity Date as so extended shall be the next preceding Business Day) and each Additional Commitment Lender shall thereupon become a "Lender" and/or "L/C Issuer", as applicable, for all purposes of this Agreement. Notwithstanding anything herein to the contrary, the Commitment of each Non-Extending Lender shall remain in full force and effect until and shall terminate on the Existing Maturity Date for such Non-Extending Lender, unless such Non-Extending Lender is replaced prior to the related Extension Date by an Additional Commitment Lender as provided in clause (d) above.

(f) Conditions to Effectiveness of Extensions. Notwithstanding the foregoing, the extension of the Maturity Date pursuant to this Section shall not be effective with respect to any Lender or L/C Issuer unless:

(i) no Default shall exist, or would result from such extension;

(ii) the representations and warranties contained in ~~this Agreement or~~ARTICLE V and any other Loan Document~~, or which are contained in any document furnished at any time under or in connection herewith or therewith,~~ shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the date of such extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) as of such earlier date, and except that for purposes of this condition, the representations and warranties contained in Section 5.08(a) shall be deemed to refer to the most recent statements furnished pursuant Sections 6.01(a) and 6.01(b), respectively;

(iii) as of such Extension Date, with respect to such extension no Material Adverse Effect has occurred since the date of the most recently delivered audited financial statements pursuant to Section 6.01(a); and

(iv) the chief financial officer or treasurer of the Company shall have delivered to the Administrative Agent a certificate, dated such Extension Date with respect to such extension, as to the matters referred to in clauses (i) through (iii) above.

(g) Payment of Non-Extending Lenders. On the Maturity Date of any Non-Extending Lender, the Company shall repay any outstanding Loans and L/C Advances, accrued interest and fees thereon and other amounts payable to such Non-Extending Lender hereunder and under the other Loan Documents (and pay any additional amounts required pursuant to Sections 2.09 and 3.05).

(h) Conflicting Provisions. This Section shall supersede any provisions in Section 11.01 to the contrary.

2.18 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 11.01.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to ~~Article~~ARTICLE VIII or otherwise, and including any amounts made available to the Agent by that Defaulting Lender pursuant to Section 11.08), will be applied at such time or times as may be determined by the Agent as follows: FIRST, to the payment of any amounts owing by that Defaulting Lender to the Agent hereunder; SECOND, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to any L/C Issuer hereunder; THIRD, if so determined by Administrative Agent or requested by any L/C Issuer, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Letter of Credit; FOURTH, as the Company may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Administrative Agent; FIFTH, if so determined by Administrative Agent and the Company and subject to Section 2.03(g), to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; SIXTH, to the payment of any amounts owing to the Lenders or any L/C Issuer as a result of any judgment of a court of competent jurisdiction obtained by any Lender or such L/C Issuer against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; SEVENTH, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and EIGHTH, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (1) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (2) such Loans or L/C Borrowings were made at a time when the conditions set forth in Section 4.03 were satisfied or waived, such payment will be applied solely to pay the Loans of, and L/C Borrowings owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Borrowings owed to, that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.18(a)(ii) will be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. A Defaulting Lender (x) shall be entitled to receive any facility fee pursuant to Section 2.09(a) for any period during which that Lender is a Defaulting Lender only to extent allocable to the sum of (1) the Outstanding Amount of the Committed Loans funded by it and (2) its Pro Rata Share of the stated amount of Letters of Credit for which it has provided Cash Collateral (and the Borrowers shall (A) be required to pay to each L/C Issuer the amount of such fee allocable to its Fronting Exposure arising from that Defaulting Lender and (B) not be required to pay the remaining amount of such fee that otherwise would have been required to have been paid to that Defaulting Lender) and (y) shall be limited in its right to receive letter of credit fees as provided in Section 2.03(i). Each Defaulting Lender shall be entitled to receive letter of credit fees for any period during which that Lender is a Defaulting Lender only to

the extent allocable to its Pro Rata Share of the stated amount of Letters of Credit for which it has provided Cash Collateral. With respect to any facility fee or letter of credit fee not required to be paid to any Defaulting Lender, the Borrowers shall (x) pay to each non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such non-Defaulting Lender pursuant to clause (iv) below, (y) pay to each L/C Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Pro Rata Shares to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations shall be reallocated among the non-Defaulting Lenders in accordance with their respective Pro Rata Shares (calculated without regard to such Defaulting Lender's Commitment), but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any non-Defaulting Lender to exceed such non-Defaulting Lender's Commitment and provided that each such reallocation will be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default or Event of Default exists. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a non-Defaulting Lender as a result of such non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Company shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, Cash Collateralize the applicable L/C Issuers' Fronting Exposure.

(b) Defaulting Lender Cure. If the Company, the Administrative Agent and each L/C Issuer agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares (without giving effect to Section 2.18(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that (x) to the extent that any non-Defaulting Lender incurs any loss, cost or expense as a result of such purchase of any Eurocurrency Rate Loan on a day other than the last day of the Interest Period or interest payment date or period, as applicable, for such Loan, such Defaulting Lender shall reimburse such non-Defaulting Lenders for any such loss, cost or expense, (y) no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender and (z) except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.19 ~~Sustainability Adjustments~~[Reserved].

~~(a) ESG Amendment. After the Closing Date, the Company, in consultation with the Joint Sustainability Coordinators, on a mutually agreed date, may establish specified key performance indicators ("KPI's") with respect to certain environmental, social and governance ("ESG") targets of the Company and its Subsidiaries. Notwithstanding anything set forth in Section 11.01 to the contrary, the Joint Sustainability Coordinators, the Company, the Administrative Agent and the Required Lenders may enter into an amendment to this Agreement (such amendment, an~~

"ESG Amendment") solely for purposes of incorporating the KPI's and other related provisions (the "ESG Pricing Provisions") into this Agreement, which shall provide that, based on the Company's performance against the KPI's, certain adjustments (increase, decrease or no adjustment) (such adjustments, the "ESG Applicable Rate Adjustments") to the otherwise applicable facility fee, Applicable Rate for Base Rate Loans, Eurocurrency Rate Loans, and letter of credit fees will be made; provided that (1) the amount of such adjustments shall not exceed (i) in the case of the Applicable Rate for Base Rate Loans, Eurocurrency Rate Loans, and letter of credit fees, an increase and/or decrease of 0.040% and (ii) in the case of the facility fee, an increase and/or decrease of 0.010%, (2) for the avoidance of doubt, (i) in no event shall the applicable facility fee, Applicable Rate for Base Rate Loans, Eurocurrency Rate Loans, and letter of credit fees be less than zero, (ii) the ESG Applicable Rate Adjustments shall not be cumulative year-over-year and (iii) the ESG Applicable Rate Adjustments shall only apply until the date on which the next adjustment is due to take place and (3) notwithstanding anything herein to the contrary, at any time prior to the effectiveness of an ESG Amendment, the Loan Parties shall not (and shall ensure that none of their Subsidiaries will) make any disclosure that references any credit facility hereunder or any Loan as "sustainability-linked". The KPIs, the Company's performance against the KPIs, and any related ESG Applicable Rate Adjustments resulting therefrom, will be determined based on certain certificates, reports and other documents, in each case, setting forth the calculation and measurement of the KPIs in a manner that is aligned with the Core Components of the Sustainability Linked Loan Principles, including certain reporting requirements and third-party assurance of KPI performance, and to be mutually agreed between the Company and the Joint Sustainability Coordinators (each acting reasonably). Notwithstanding anything set forth in Section 11.01 to the contrary, following the effectiveness of an ESG Amendment, any modification to the ESG Pricing Provisions shall be subject only to the consent of the Company and the Required Lenders so long as such modification does not have the effect of reducing the facility fee or the Applicable Rate for Base Rate Loans, Eurocurrency Rate Loans, and letter of credit fees to a level not otherwise permitted by this paragraph on the Closing Date. For the avoidance of doubt, in no event shall the Company be obligated to enter into the ESG Amendment and the failure to do so shall not result in a Default or Event of Default.

(b) Joint Sustainability Coordinators. The Joint Sustainability Coordinators will (i) assist the Company in determining the ESG Pricing Provisions in connection with the ESG Amendment and (ii) assist the Company in preparing informational materials focused on ESG to be used in connection with the ESG Amendment. Each party hereto agrees that neither the Administrative Agent nor the Joint Sustainability Coordinators (i) makes any assurances with regard to environmental or social impact and sustainability performance or that the characteristics of the relevant KPIs meet any industry standards for sustainability-linked credit facilities, (ii) shall have any duty to ascertain, inquire into or otherwise independently verify any such information (or any liability in respect thereof), or (iii) shall have any responsibility for (or be liable for) the completeness or accuracy of any such information.

(c) Conflicting Provisions. This Section shall supersede any provision in Section 11.01.

Article III
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) (i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding.

(i) [reserved]

(ii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions and withholdings applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) (i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Company by a Lender or an L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or an L/C Issuer, shall be conclusive absent manifest error.

(i) Each Lender and L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender or the L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Party to do so), (y) the Administrative Agent and the Loan Party, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Party, as applicable, against any Excluded Taxes attributable to such Lender or L/C Issuer, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the

Administrative Agent shall be conclusive absent manifest error. Each Lender and L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority as provided in this Section 3.01, the Company shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Company and the Administrative Agent, at the time or times reasonably requested by the Company or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or the taxing authorities of a jurisdiction pursuant to such applicable law or reasonably requested by the Company or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Company or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Company or the Administrative Agent as will enable the Company or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation either (A) set forth in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below or (B) required by applicable law other than the Code, or by the taxing authorities of the jurisdiction that promulgated such applicable law to satisfy the requirements for exemption or reduction of withholding tax in that jurisdiction) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Company and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or

W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(II) executed copies of IRS Form W-8ECI;

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit J-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Company within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BENE (or W-8BEN, as applicable); or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BENE (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Company or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Company and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Company or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Company or the Administrative Agent as may be necessary for the Company and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(ii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it

shall update such form or certification or promptly notify the Company and the Administrative Agent in writing of its legal inability to do so.

(f) Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or an L/C Issuer, or have any obligation to pay to any Lender or L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or L/C Issuer, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender or an L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to perform any of its obligations hereunder or make, maintain or fund Eurocurrency Rate Loans (whether denominated in Dollars or an Alternative Currency), or charge interest with respect to Credit Extensions or to determine or charge interest rates based upon the Eurocurrency Rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any Alternative Currency in the applicable interbank market, then, on notice thereof by such Lender to the Company through the Agent, (i) any obligation of such Lender to issue, make, maintain, fund or charge interest with respect to any such Credit Extension or to make or continue Eurocurrency Rate Loans in the affected currency or currencies or to convert Base Rate Committed Loans to Eurocurrency Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurocurrency Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurocurrency Rate component of the Base Rate, in each case until such Lender notifies the Agent and the Company that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrowers shall, upon demand from such Lender (with a copy to the Agent), prepay or, solely in the case of Eurocurrency Rate Loans denominated in Dollars, convert all Eurocurrency Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Agent without reference to the Eurocurrency Rate component of the Base Rate), either on the last day of the Interest Period or applicable interest payment date, as applicable, therefor, if such Lender may lawfully continue to maintain such Eurocurrency Rate Loans to such day, or immediately, if such Lender may not lawfully continue

to maintain such Eurocurrency Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurocurrency Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurocurrency Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurocurrency Rate. If any of the circumstances set forth above arise with respect to Loans denominated in an Alternative Currency, such Alternative Currency denominated Loans shall be made or maintained, as applicable, at a rate for short term borrowings of such Alternative Currency determined in a customary manner in good faith by the Administrative Agent in consultation with the Company. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates.

(a) If in connection with any request for a Eurocurrency Rate Loan or a conversion to or a continuation thereof, (i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate for the Relevant Rate for the applicable Agreed Currency has been determined in accordance with Section 3.03(b) or Section 3.03(c) and the circumstances under clause (i) of Section 3.03(b) or of Section 3.03(c) or the Scheduled Unavailability Date, or the Term SOFR Scheduled Unavailability Date, has occurred with respect to such Relevant Rate (as applicable), or (B) adequate and reasonable means do not otherwise exist for determining the Relevant Rate for the applicable Agreed Currency for any determination date(s) or requested Interest Period, as applicable, with respect to an existing or proposed Eurocurrency Rate Loan or (ii) the Administrative Agent or the Required Lenders determine that for any reason that the Relevant Rate with respect to a proposed Loan denominated in an Agreed Currency for any requested Interest Period or determination date(s) does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Company and each Lender.

Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans in the affected currency or currencies shall be suspended (in each case to the extent of the affected Eurocurrency Rate Loans or Interest Period or determination date(s), as applicable), and (y) in the event of a determination described in the preceding sentence with respect to the Term SOFR component of the Base Rate, the utilization of the Term SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice.

Upon receipt of such notice, (i) the applicable Borrower may revoke any pending request for a Borrowing of, or conversion to, or continuation of Eurocurrency Rate Loans (to the extent of the affected Eurocurrency Rate Loans or Interest Period or determination date(s), as applicable) or, failing that, will be deemed to have converted such request into a request for a Committed Borrowing of Base Rate Loans denominated in Dollars in the Dollar Equivalent of the amount specified therein and (ii) any outstanding affected Eurocurrency Rate Loans, at the Company's election, shall either (1) be converted into a Committed Borrowing of Base Rate Loans denominated in Dollars in the Dollar Equivalent of the amount of such outstanding Eurocurrency Rate ~~Loan~~Loans at the end of the applicable Interest Period or interest payment date, as applicable, or (2) be prepaid in full at the end of the applicable Interest Period; provided that if no election is made by the Company in the case of a Eurocurrency Rate Loan, by the last day of the current Interest Period or interest payment date, as applicable, for the applicable Eurocurrency Rate Loan, the Company shall be deemed to have elected clause (1) above.

(b) Replacement of Term SOFR or Term SOFR Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Company or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Company) that the Company or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining Term SOFR because Term SOFR is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority referenced in clause (a) of the definition thereof has made a public statement identifying a specific date after which Term SOFR shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in Dollars, or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide Term SOFR on a representative basis (the date on which Term SOFR is no longer representative or available permanently or indefinitely, the "Term SOFR Scheduled Unavailability Date");

or if the events or circumstances of the type described in Section 3.03(b)(i) or (ii) have occurred with respect to the Term SOFR Successor Rate then in effect, then, the Administrative Agent and the Company may amend this Agreement solely for the purpose of replacing Term SOFR for Dollars or any then current Term SOFR Successor Rate for Dollars in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such benchmarks~~, which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated~~ (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a "Term SOFR Successor Rate"), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Company unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(c) Replacement of Relevant Rate or Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Company or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Company) that the Company or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining the Relevant Rate (other than Term SOFR) for an Agreed Currency (other than Dollars) because none of the tenors of such Relevant Rate (other than Term SOFR) under this Agreement is available or published on a current basis, and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority referenced in clause (b) of the definition thereof has made a public statement identifying a specific date after which all tenors of the Relevant Rate (other than Term SOFR) for an Agreed Currency (other than Dollars) under this Agreement shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in such Agreed Currency (other than Dollars), or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide such representative tenor(s) of the Relevant Rate (other than Term SOFR) for such Agreed Currency (other than Dollars) (the latest date on which all tenors of the Relevant Rate for such Agreed Currency (other than Dollars) under this Agreement are no longer representative or available permanently or indefinitely, the "Scheduled Unavailability Date");

or if the events or circumstances of the type described in Section 3.03(c) (i) or (ii) have occurred with respect to the Successor Rate then in effect, then, the Administrative Agent and the Company may amend this Agreement solely for the purpose of replacing the Relevant Rate for an Agreed Currency or any then current Successor Rate for an Agreed Currency in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such benchmarks~~, which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated~~ (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a "Non-SOFR Successor Rate", and collectively with the Term SOFR Successor Rate, each a "Successor Rate"), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Company unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(d) Successor Rate. The Administrative Agent will promptly (in one or more notices) notify the Company and each Lender of the implementation of any Successor Rate:

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than 0%, the Successor Rate will be deemed to be 0% for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a Successor Rate the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided that, with respect to any such amendment effected, the

Administrative Agent shall post each such amendment implementing such Conforming Changes to the Company and the Lenders reasonably promptly after such amendment becomes effective.

(e) For purposes of this Section 3.03, those Lenders that either have not made, or do not have an obligation under this Agreement to make, the relevant Loans in Dollars or the relevant Alternative Currency, as applicable, shall be excluded from any determination of Required Lenders.

3.04 Increased Cost and Reduced Return; Capital Adequacy.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender ~~(except any reserve requirement reflected in the Eurocurrency Rate)~~ or L/C Issuer;

(ii) subject any Lender, L/C Issuer or the Agent to any taxes of any kind whatsoever (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b)-(d) of the definition of "Excluded Taxes" and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or L/C Issuer or any applicable interbank market any other condition, cost or expense affecting this Agreement or Eurocurrency Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Eurocurrency Rate Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender or L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or L/C Issuer, the Borrowers will pay to such Lender or L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or L/C Issuer determines that any Change in Law affecting such Lender or L/C Issuer or any Lending Office of such Lender or such Lender's or L/C Issuer's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's or L/C Issuer's capital or on the capital of such Lender's or L/C Issuer's holding company, if any, as a consequence of this Agreement, the ~~Commitments~~Commitment of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such L/C Issuer, to a level below that which such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or L/C Issuer's policies and the policies of such Lender's or L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrowers will pay to such Lender or L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company for any such reduction suffered.

(c) The Company shall pay (or cause the applicable ~~Designated~~ Borrower to pay) to each Lender, as long as such Lender shall be required to comply with any reserve ratio

requirement or analogous requirement of any other central banking or financial regulatory authority imposed as a result of a Change in Law in respect of the maintenance of the Commitments or the funding of the Eurocurrency Rate Loans ~~denominated in a currency other than U.S. Dollars~~, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith), which in each case shall be due and payable on each date on which interest is payable on such Loan, provided the Company shall have received at least 30 days' prior notice (with a copy to the Administrative Agent) of such additional costs from such Lender. If a Lender fails to give notice 30 days prior to the relevant Interest Payment Date, such additional costs shall be due and payable 30 days from receipt of such notice.

(d) Delay in Requests. Failure or delay on the part of any Lender or L/C Issuer to demand compensation pursuant to this Section 3.04 shall not constitute a waiver of such Lender's or ~~or~~ L/C Issuer's right to demand such compensation; provided that, notwithstanding the provisions of Sections 3.04(a), 3.04(b) and 3.04(c), ~~(i)~~ the Borrowers shall only be liable for amounts in respect of increased costs or reductions for the period beginning up to six months prior to the date on which such demand was made (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six month period referred to above shall be extended to include the period of retroactive effect thereof)~~, and (ii) the Lender claiming compensation therefor shall have applied consistent return metrics applied to other similarly situated borrowers or obligors with respect to such increased costs or reductions~~.

(e) Notwithstanding any other provision in this Section 3.04, no Lender shall demand compensation for any increased cost pursuant to this Section 3.04 if it shall not at the time be the general policy or practice of such Lender to demand such compensation in similar circumstances under comparable provisions of other credit agreements.

3.05 Funding Losses. Upon demand of any Lender or L/C Issuer (with a copy to the Administrative Agent) from time to time, the Company shall promptly compensate such Lender or L/C Issuer for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Eurocurrency Rate Loan on a day other than the last day of the Interest Period, relevant interest payment date or payment period, as applicable, for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by a Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Eurocurrency Rate Loan on the date or in the amount notified by such Borrower;

(c) any failure by any Borrower to make payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in an Alternative Currency on its scheduled due date or any payment thereof in a different currency; or

(d) any assignment of a Eurocurrency Rate Loan on a day other than the last day of the Interest Period or relevant interest payment date or payment period, as applicable, therefor as a result of a request by ~~the Company~~a Borrower pursuant to Section 11.15;

including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained for the performance of any foreign exchange contracts, in each case, excluding loss of any anticipated profits;

provided that the Company shall have no obligation to pay to any Lender any of the foregoing amounts incurred in connection with such Lender being a Defaulting Lender.

3.06 Matters Applicable to Illegality and all Requests for Compensation.

(a) A certificate of the Administrative Agent or any Lender or L/C Issuer claiming compensation under this ARTICLE III and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error; provided that, in the case of any such certificate delivered pursuant to Section 3.04, such certificate (i) sets forth in reasonable detail (which detail shall not include any confidential or price sensitive information or any other information to the extent prohibited by law) the amount or amounts payable to such Lender or L/C Issuer pursuant to Section 3.04(a) and 3.04(b) and the basis for determining such amount or amounts and (ii) explains the methodology used to determine such amount. The Borrowers shall pay such Lender or L/C Issuer the amount shown as due on any such certificate within 10 days after receipt thereof. In determining such amount, the Administrative Agent or such Lender or L/C Issuer may use any reasonable averaging and attribution methods.

(b) Each Lender may make any Credit Extension to any Borrower through any Lending Office, provided that the exercise of this option shall not affect the obligation of the applicable Borrower to repay the Credit Extension in accordance with the terms of this Agreement. If any Lender requests compensation under Section 3.04, or requires any Borrower to pay any Indemnified Taxes or additional amounts to any Lender~~,~~ or any L/C Issuer, or any Governmental Authority for the account of any Lender or L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Company such Lender or L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or Section 3.04, as the case may be, in the future, or eliminate the need for notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not, in the good faith judgment of such Lender or L/C Issuer, as the case may be, otherwise be materially disadvantageous to such Lender or L/C Issuer, as the case may be. The Company hereby agrees to pay (or cause the applicable ~~Designated~~ Borrower to pay) all reasonable costs and expenses incurred by any Lender or L/C Issuer in connection with any such designation or assignment requested by the Company.

(c) Upon any Lender's making a claim for compensation under Section 3.04 or if any Borrower is required to pay amounts to any Lender under Section 3.01 as a result of any Taxes or Other Taxes, in each case the Company may, subject to Section 3.06(b), replace such Lender in accordance with Section 11.15. Upon any Lender's giving notice and suspending its obligations relating to Eurocurrency Rate Loans in accordance with Section 3.02~~(a)~~, the Company may replace such Lender in accordance with Section 11.15.

3.07 Survival. All of the Borrowers' obligations under this ARTICLE III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder.

Article IV
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions to Effectiveness. Effectiveness of this Agreement is subject to satisfaction of the following conditions precedent:

(a) The Administrative Agent's receipt of the following, each of which shall be originals, facsimiles or PDFs (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the date hereof

(or, in the case of certificates of governmental officials, a recent date before the date hereof) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) executed counterparts of this Agreement, sufficient in number for distribution to the Administrative Agent, each Lender and each Loan Party;

(ii) if requested by any Lender at least two Business Days before the date hereof, a Note executed by the Borrowers in favor of each Lender so requesting a Note;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers or the corporate secretary or assistant secretary of the Company as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iv) each of the following documents:

(A) the Articles or certificate of incorporation and the bylaws of the Company as in effect on the date hereof, certified by the Secretary or Assistant Secretary of the Company as of the date hereof; and

(B) a good standing and tax good standing certificate for the Company from the applicable Secretary of State (or similar, applicable Governmental Authority) of the States of Delaware and California dated as of a recent date;

(v) favorable opinions, addressed to the Agent and the Lenders, of (A) Saralisa Brau, Corporate Secretary and Assistant General Counsel of the Company, in form and substance satisfactory to the Administrative Agent regarding such matters as the Administrative Agent may reasonably request; and (B) Morrison & Foerster LLP, special counsel to the Company, as to certain matters of New York law;

(vi) a certificate signed by a Responsible Officer of the Company:

(A) certifying that:

(1) the representations and warranties contained in ARTICLE V and the other Loan Documents are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of such date, as though made on and as of such date (or, in the case of any such representation or warranty expressly stated to have been made as of a specific date, as of such specific date);

(2) no Default or Event of Default exists or, if applicable, would result from the initial Borrowing;

(3) there has occurred since March 31, 2022, no event or circumstance that has resulted or could reasonably be expected to result in a Material Adverse Effect;

(4) each of the conditions in Sections 4.01(a) and 4.01(b) has been satisfied on the part of the Company as of the date hereof;

(B) designating the date hereof; and

(C) indicating the Debt Ratings; and

(vii) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, the L/C Issuers or the Required Lenders reasonably may require.

(b) Any fees required by the Loan Documents to be paid, and all reimbursable expenses for which invoices have been presented, to the Agent, the L/C Issuers, the Arrangers or any Lender on or before the date hereof shall have been paid, to the extent that such invoices have been presented to the Company on or before the date hereof.

(c) Unless waived by the Administrative Agent, the Company shall have paid all Attorney Costs of the Administrative Agent to the extent invoiced to the Company prior to or on the date hereof, plus such additional amounts of Attorney Costs as shall constitute its reasonable estimate of Attorney Costs incurred or to be incurred by it through the proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(d) Since March 31, 2022, no Material Adverse Effect shall have occurred or become known to the Administrative Agent.

(e) The commitments of the lenders under the Existing Revolving Credit Agreement shall have been terminated and all the obligations under the Existing Revolving Credit Agreement shall have been repaid or prepaid (which repayment or prepayment may be made with the proceeds of the initial Credit Extension hereunder), and the Administrative Agent shall have received evidence satisfactory to it thereof.

(f) The Administrative Agent shall have received, (i) at least three (3) Business Days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the ~~PATRIOT~~ Act, as is reasonably requested in writing by the Administrative Agent at least ten (10) Business Days prior to the Closing Date and (ii) at least three (3) Business Days prior to the Closing Date, any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall have delivered, to each Lender that so requests at least ten (10) Business Days prior to the Closing Date, a Beneficial Ownership Certification in relation to such Loan Party.

Without limiting the generality of the provisions of Section 9.05, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter explicitly required under this Section 4.01 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed date hereof specifying its objection thereto.

4.02 Existing Revolving Credit Agreement.

(a) On the date hereof, the "Commitments" as defined in the Existing Revolving Credit Agreement shall terminate, without further action by any party thereto.

(b) The Lenders which are parties to the Existing Revolving Credit Agreement, comprising the "Required Lenders" as defined in the Existing Revolving Credit Agreement hereby waive any requirement of prior notice of termination of the Commitments (as defined in the Existing Revolving Credit Agreement) pursuant to Section 2.06 thereof and of prepayment of loans thereunder, to the extent necessary to give effect to 4.01(e) hereof, provided that any such prepayment of loans thereunder shall be subject to Section 2.05 of the Existing Revolving Credit Agreement.

4.03 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type, or a continuation of any applicable Eurocurrency Rate Loans) is subject to the following conditions ~~precedent~~:

(a) The representations and warranties contained in ARTICLE V ~~or~~and any other Loan Document~~, or which are contained in any document furnished at any time under or in connection herewith or therewith,~~ shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) as of such earlier date, and except that for purposes of this Section 4.03, the representations and warranties contained in Section 5.08(a) shall be deemed to refer to the most recent statements furnished pursuant Sections 6.01(a) and 6.01(b), respectively.

(b) No Default shall exist, or would result from such proposed Credit Extension.

(c) The Administrative Agent and, if applicable, any L/C Issuer, shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) If the applicable Borrower is (i) a Designated Borrower, then the conditions of Section 2.16 related to the designation of such Borrower as a Designated Borrower shall have been met to the satisfaction of the Administrative Agent or (ii) the Additional Borrower, then the conditions of Section 7.02(d) related to the joinder of such Borrower as the Additional Borrower shall have been met to the satisfaction of the Administrative Agent.

Each Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type or a continuation of any applicable Eurocurrency Rate Loans) submitted by ~~the Company,~~a Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.03(a), (b) and (d) have been satisfied on and as of the date of the applicable Credit Extension.

Article V
REPRESENTATIONS AND WARRANTIES

Each Borrower represents and warrants (which representations and warranties in the case of any Borrower other than the Company shall be limited to such Borrower and its Subsidiaries and other facts and circumstances known to such Borrower and its Subsidiaries) to the Administrative Agent and each Lender that:

5.01 Corporate Existence and Power. Each Borrower:

(a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization;

(b) has the power and authority and all required governmental licenses, authorizations, consents and approvals to own its assets, carry on its business and to execute, deliver, and perform its obligations under the Loan Documents to which it is a party;

(c) is duly qualified and is licensed and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification or license; and

(d) is in compliance with all Requirements of Law;

except, with respect to clause (c) or clause (d), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Corporate Authorization; No Contravention. The execution, delivery and performance by each Borrower of this Agreement and each other Loan Document to which such Borrower is party, and any Borrowing as of the date of such Borrowing have been duly authorized by all necessary corporate action, and do not and will not:

(a) contravene the terms of any Borrower's Organization Documents;

(b) conflict with or result in any breach or contravention of, or the creation of any Lien under, any document evidencing any Contractual Obligation to which any Borrower is a party or any order, injunction, writ or decree of any Governmental Authority to which any Borrower or its property is subject; or

(c) violate any Requirement of Law.

5.03 Governmental Authorization. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority (each of the foregoing, an "Authorization") is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Borrower of the Agreement or any other Loan Document, except to the extent that failure to have obtained or completed, as applicable, such Authorization would not result in a Material Adverse Effect.

5.04 Binding Effect. This Agreement and each other Loan Document to which each Borrower is a party constitute the legal, valid and binding obligations of such Borrower, enforceable against such Borrower in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

5.05 Litigation. There are no actions, suits, proceedings, claims or disputes pending, or to the best knowledge of each Borrower, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, against any Borrower, or its Subsidiaries or any of their respective properties which:

(a) purport to pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or thereby; or

(b) if determined adversely to the Company or its Subsidiaries, would reasonably be expected to have a Material Adverse Effect which has not been disclosed in the Company's annual report for any fiscal period on Form 10-K. No injunction, writ, temporary restraining order or any order of any nature has been issued by any court or other Governmental Authority purporting to enjoin or restrain the execution, delivery or performance of this Agreement or any other Loan Document, or directing that the transactions provided for herein or therein not be consummated as herein or therein provided.

5.06 No Default. No Default or Event of Default exists or would result from the incurring of any Obligations by any Borrower. ~~As of the date hereof, neither the Company nor any Subsidiary is in default under or with respect to any Contractual Obligation in any respect which, individually or together with all such defaults, could reasonably be expected to have a Material Adverse Effect as of the date hereof, or that would, if such default had occurred after the date hereof, create an Event of Default under Section 8.01(e).~~

5.07 Use of Proceeds; Margin Regulations. The proceeds of the Loans are to be used solely for the purposes set forth in Section 6.10. Neither the Company nor any Subsidiary is ~~generally~~ engaged, principally or as one of its important activities, in the business of purchasing or carrying

Margin Stock (other than the Company's own treasury stock) or extending credit for the purpose of purchasing or carrying Margin Stock.

5.08 Financial Condition.

(a) The Audited Financial Statements:

(A) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, subject in the case of the unaudited statements to ordinary, good faith year end audit adjustments;

(B) fairly present in all material respects the financial condition of the Company and its Subsidiaries as of the date thereof and results of operations for the period covered thereby; and

(C) show all material indebtedness and other liabilities, direct or contingent, of the Company and its consolidated Subsidiaries as of the date thereof required to be shown in accordance with GAAP.

(b) As of the date hereof, since March 31, 2022, there has been no Material Adverse Effect.

5.09 Regulated Entities. None of the Company, any Person controlling the Company, or any Subsidiary, is or is required to be registered as an "investment company" within the meaning of the Investment Company Act of 1940.

5.10 Taxes. Except to the extent that failure to have so filed or paid would not result in a Material Adverse Effect, each Borrower and its Subsidiaries have timely filed or caused to be filed all Federal, state and other material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Borrower or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Borrower nor any Subsidiary thereof is party to any tax sharing agreement other than an agreement solely between one or more Borrowers or Subsidiaries.

5.11 Sanctions. No Borrower, nor any of its Subsidiaries, nor, to the knowledge of the Company, any director, officer, or employee thereof, nor, to the knowledge of the Company, any agent thereof that will act in any capacity in connection with or directly benefit from the credit facility established hereby, is an individual or entity that is, or is owned or controlled by one or more individuals or entities that are (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by OFAC or HMT or (iii) located, organized or resident in a Designated Jurisdiction. Each Borrower and its Subsidiaries conduct their businesses in compliance in all material respects with all applicable Sanctions. Each Borrower and its Subsidiaries have instituted and maintain policies and procedures designed to promote and achieve compliance with all applicable Sanctions.

5.12 Anti-Corruption Laws and Anti-Money Laundering Laws. Each Borrower and its Subsidiaries are in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions in which the Borrowers or any of their Subsidiaries conduct business and with all applicable Anti-Money Laundering Laws. Each Borrower and its Subsidiaries have instituted

and maintain policies and procedures designed to promote and achieve compliance with all applicable anti-corruption laws.

5.13 ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events, would reasonably be expected to result in a Material Adverse Effect.

5.14 Beneficial Ownership Certification. As of (a) the Closing Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects and (b) the date delivered, the information included in each Beneficial Ownership Certification delivered pursuant to Section 6.02(d), if applicable, is true and correct in all respects.

Article VI
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation (other than Obligations under Section 11.04(b) that remain contingent after termination of the Commitments and payment of all other Obligations) hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, unless the Required Lenders waive compliance in writing:

6.01 Financial Statements. The Company shall deliver to the Administrative Agent, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) as soon as available, but in any event within 70 days after the end of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations, shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of Deloitte & Touche LLP or another nationally recognized independent certified public accountant, which report and opinion shall be prepared in accordance with GAAP and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; and

(b) as soon as available, but in any event within 55 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of operations, shareholders' equity and cash flows for such fiscal quarter and for the portion of the Company's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Company as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

(c) ~~(b)~~ As to any information contained in materials furnished pursuant to Section 6.02(b), the Company shall not be separately required to furnish such information under clause (a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Company to furnish the information and materials described in Sections 6.01(a) and 6.01(b) at the times specified therein.

6.02 Certificates; Other Information. The Company shall deliver to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and 6.01(b), a duly completed Compliance Certificate signed by a Responsible Officer of the Company;

(b) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Company, and copies of all annual, regular, periodic and special reports and registration statements which the Company may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(c) promptly, such additional information regarding the business, financial or corporate affairs of the Borrowers or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request; ~~and~~provided that notwithstanding anything to the contrary in this Section 6.02(c), the Borrowers shall not be required to deliver, disclose, permit the inspection, examination or making of copies or abstracts of, or excerpts from, or any discussion of, any document, information or other matter (i) that constitutes trade secrets or proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by Law or binding agreement (solely to the extent not entered into in contemplation thereof) (or would otherwise cause a breach or default thereunder) or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product; and

(d) promptly following any request therefor, provide information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the ~~PATRIOT~~ Act and the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to Sections 6.01(a) or 6.01(b) or 6.02(b) or Section 6.03 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which it is publicly available at no charge on the EDGAR system of the United States Securities and Exchange Commission, (ii) on which the Company posts such documents, or provides a link thereto on the Company's website on the Internet at the website address listed on Schedule 11.02; or (iii) on which such documents are posted on the Company's behalf on IntraLinks, SyndTrak or another similar electronic system (a "Platform"), if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent). The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Company with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrowers hereby acknowledge that (a) the Administrative Agent may make available to the Lenders and the L/C Issuers materials and/or information provided by or on behalf of the Borrowers under Sections 6.01(a), 6.01(b), 6.02(a), 6.02(b), and Section 6.03 (and any other such materials and/or information to the extent the applicable Borrower has previously consented in writing) (collectively, "Borrower Materials") by posting the Borrower Materials on a Platform and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to any of the Borrowers or their respective affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrowers hereby agree that (a) all Borrower Materials that are to be made available to Public

Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (b) by marking Borrower Materials "PUBLIC," the Borrowers shall be deemed to have authorized the Administrative Agent, the L/C Issuers and the Lenders to treat such Borrower Materials as publicly available information with respect to the Borrowers or their respective securities for purposes of United States Federal and state securities laws; (c) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of a Platform designated "Public Investor"; and (d) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of a Platform not designated "Public Investor".

6.03 Notices. Each Borrower shall promptly notify the Administrative Agent:

(a) of the occurrence of any Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect; and

(c) of (i) the occurrence of any ERISA Event with respect to a Pension Plan or Multiemployer Plan which ~~has resulted or could~~would reasonably be expected to result ~~in liability of any Borrower or any of its Subsidiaries in an~~, individually or in the aggregate ~~amount in excess of $50,000,000 during the term of this Agreement~~, in a Material Adverse Effect, or (ii) the existence of an amount of unfunded benefit liabilities (as defined in Section 4001(a)(18) of ERISA), individually or in the aggregate for all Pension Plans (excluding for purposes of such computation any Pension Plans with respect to which assets exceed benefit liabilities), which ~~exceeds 3% of Net Worth~~would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect.

Notification delivered to the Administrative Agent and each Lender by any Borrower under this Section 6.03 shall satisfy the notice obligation of all Borrowers hereunder. Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Company setting forth details of the occurrence referred to therein and stating what action the Company has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Preservation of Existence, Etc. Each Borrower shall, and shall cause each of its Material Subsidiaries to, (a) preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.02 and (b) take all reasonable action to maintain all governmental rights, privileges, permits, licenses and franchises necessary in the normal conduct of its business, except in connection with transactions permitted by Section 7.02 and except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.05 Maintenance of Insurance. Each Borrower shall, and shall cause each of its Material Subsidiaries to, maintain with financially sound and reputable insurance companies, insurance (including self-insurance) with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as the Company reasonably deems prudent from time to time.

6.06 Payment of Taxes. Each Borrower shall, and shall cause each of its Material Subsidiaries to, pay and discharge as the same shall become due and payable, all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets (other than obligations that a

Responsible Officer is not aware of or are of a nominal amount), unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Company or such Material Subsidiary, and except to the extent that failure to so pay and discharge, either individually or in the aggregate, would not result in a Material Adverse Effect.

6.07 Compliance with Laws. Each Borrower shall, and shall cause each of its Material Subsidiaries to, comply in all material respects with the Requirements of Law applicable to it or to its business, except in such instances in which (a) a Requirement of Law is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.08 Books and Records. Each Borrower shall, and shall cause each of its Material Subsidiaries to, maintain in all material respects proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Company and such Material Subsidiary, as the case may be.

6.09 Inspection Rights. Each Borrower shall, and shall cause each of its Material Subsidiaries to, permit representatives and independent contractors of the Administrative Agent, on behalf of itself or a request of any Lender, to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at such reasonable times during normal business hours and upon reasonable advance notice to the Company and the applicable Borrower that is the subject of such inspection; provided, however, that when an Event of Default exists the representatives and independent contractors of the Administrative Agent may do any of the foregoing at the reasonable expense of the Borrowers at any time during normal business hours and upon reasonable advance notice to the Company and the applicable Borrower that is the subject of such inspection; provided, further, that so long as no Event of Default exists, no Borrower shall be required to or to cause any Material Subsidiary to~~,~~ permit more than one such visit or inspection on more than one occasion in any twelve-month period.

6.10 Use of Proceeds. The Borrowers shall use the proceeds of the Credit Extensions for general corporate purposes not in contravention of any Law or of any Loan Document.

6.11 Anti-Corruption Laws; Sanctions. The Borrowers shall, and shall cause each Subsidiary to, (i) conduct its businesses in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar ~~anticorruption~~anti-corruption legislation in other jurisdictions in which any Borrower or any of its Subsidiaries conduct business, all applicable Sanctions and all applicable Anti-Money Laundering Laws and (ii) maintain policies and procedures designed to promote and achieve compliance with all applicable anti-corruption laws and all applicable Sanctions.

Article VII
NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation (other than Obligations under ~~subsection~~Section 11.04(b) that remain contingent after termination of the Commitments and payment of all other Obligations) hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, unless the Required Lenders waive compliance in writing:

7.01 Liens. No Borrower shall, or shall suffer or permit any of its Material Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien upon any of its property, whether now owned or hereafter acquired, other than the following ~~("Permitted Liens")~~:

(a) any Lien existing on property of the Company or any Material Subsidiary on the date hereof securing Indebtedness outstanding on such date and any renewals or extensions thereof; provided that the property covered thereby is not changed or increased;

(b) any Lien created under any Loan Document;

(c) Liens for taxes, fees, assessments or other governmental charges not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) carriers', warehousemen's, mechanics', materialmen's, landlords', repairmen's or other like Liens arising in the ordinary course of business which are not delinquent or remain payable without penalty;

(e) pledges or deposits required in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) Liens on the property of any Borrower or any Material Subsidiary securing (i) the non-delinquent performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, (ii) contingent obligations on surety and appeal bonds, and (iii) other non-delinquent obligations of a like nature; in each case, incurred in the ordinary course of business, provided all such Liens in the aggregate would not (even if enforced) cause a Material Adverse Effect;

(g) easements, rights-of-way, restrictions and other similar encumbrances which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; provided that (i) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Company in excess of those set forth by regulations promulgated by the FRB, and (ii) such deposit account is not intended by any Borrower or any Material Subsidiary to provide collateral to the depository institution;

(i) Liens arising out of any Qualified Receivables Transaction;

(j) Liens existing on any property or asset prior to the acquisition thereof by any Borrower or any Material Subsidiary or existing on a property or asset of a Person prior to such Person becoming a Subsidiary; provided that (x) such Liens were not granted in connection with, or in contemplation of, the acquisition of such property or such asset or such Person becoming a Subsidiary, (y) such Liens secure only the obligations secured immediately prior to the acquisition of such property or asset or Person becoming a Subsidiary (and any modifications, extensions, renewals, replacements or refinancings thereof that does not increase the amount of such original obligations) and (z) such Liens shall not apply to any other property or assets of any Borrower or the Subsidiaries, other than the proceeds of such acquired property or assets and related books and records;

(k) Liens existing on equipment, computers or software acquired by any Borrower or any Material Subsidiary at the time of Borrower's or Material Subsidiary's, as applicable, acquisition thereof, provided that such Liens are confined solely to the property so acquired or the proceeds thereof and related books and records;

(l) Liens on deposit or securities accounts (and cash and cash equivalents and other financial assets held therein) established in the ordinary course of business in favor of the financial institution at which such account is held, arising pursuant to such financial institution's standard terms and conditions governing such account and not securing Indebtedness; and

(m) Liens securing Indebtedness and other obligations (other than Indebtedness and other obligations secured by Liens described in any of the foregoing Section 7.01(a) through (l)) in an aggregate principal amount that, at the time of incurrence of such secured Indebtedness or obligations, together with all other Indebtedness or obligations secured by Liens permitted in reliance on this clause (m) at such time, does not exceed the greater of (x) $2,000,000,000 or (y) 25% of Net Worth at such time.

7.02 Consolidations and Mergers. No Borrower shall directly or indirectly, liquidate, dissolve, merge, amalgamate, consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except:

(a) any Borrower (other than the Company) may merge with: (i) the Company~~,~~; provided that the Company shall be the continuing or surviving corporation~~,~~; or ~~with~~(ii) any one or more Wholly-Owned Subsidiaries; provided that a Borrower shall be the continuing or surviving corporation and the jurisdiction of incorporation of such Borrower shall be a Designated Borrower Jurisdiction;

(b) any Borrower (other than the Company) may amalgamate with any one or more of the Company's Wholly-Owned Subsidiaries; provided that a Borrower shall be the continuing or surviving corporation and the jurisdiction of incorporation of such Borrower shall be a Designated Borrower Jurisdiction;

(c) any Borrower (other than the Company) may sell, transfer or exchange all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Company or another Borrower;

(d) the Company may convey, transfer, lease or otherwise dispose of all or substantially all of its pharmacology distribution business to a wholly-owned Domestic Subsidiary that, simultaneously therewith, executes and delivers to the Administrative Agent a joinder agreement in the form of Exhibit F hereto (the "Joinder Agreement") and becomes a Borrower under this Agreement (such wholly-owned Domestic Subsidiary that becomes a Borrower pursuant to the provisions of this Section 7.02(d), the "Additional Borrower"); provided that (i) the parties hereto acknowledge and agree that prior to ~~such~~the Additional Borrower becoming entitled to utilize the credit facilities provided for herein the Administrative Agent and the Lenders shall have received such "know your customer" information, Beneficial Ownership Certification, supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, in form, content and scope reasonably satisfactory to the Administrative Agent, as may reasonably be required by the Administrative Agent or the Required Lenders (or in the case of "know your customer" information and Beneficial Ownership Certification, each Lender), and Notes signed by ~~such new~~the Additional Borrower to the extent any Lenders so require~~. If~~, (ii) if the Administrative Agent and the Required Lenders agree that ~~such~~the Additional Borrower shall be entitled to receive Loans hereunder, then promptly following receipt of all such requested "know your customer" information, Beneficial Ownership Certification, resolutions, incumbency certificates, opinions of counsel and other documents or information, the Administrative Agent shall send a notice in substantially the form of Exhibit G (a "Borrower Notice") to the Company and the Lenders specifying the effective date upon which ~~such~~the Additional Borrower shall constitute a Borrower for purposes hereof, whereupon each of the Lenders agrees to permit ~~such~~the Additional Borrower to receive Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that ~~such~~the Additional Borrower otherwise shall be a Borrower for all purposes of this Agreement~~;~~ (provided that no Committed Loan Notice or Letter of Credit Application may be submitted by or on behalf of

~~such~~the Additional Borrower until the date five Business Days after such effective date~~; and~~), (iii)(A) the Obligations of the Company, each Designated Borrower that is a Domestic Subsidiary, and the Additional Borrower shall be joint and several in nature, (B) the Company shall execute a Guaranty in respect of the Additional Borrower prior to or on the effective date referred to above (or, if the Company has already delivered a Guaranty prior to the effective date referred to above, the Company and each then-existing Designated Borrower that is a Domestic Subsidiary shall execute and deliver to the Administrative Agent a reaffirmation agreement, in form and substance reasonably satisfactory to the Administrative Agent, in respect of each such Person's Guaranty) and (C) the Additional Borrower shall execute a Guaranty in respect of the Company's and any Designated Borrower's Obligations hereunder prior to or on the effective date referred to above and (iv) it is understood and agreed that on and after the date on which the Additional Borrower becomes a Borrower, (A) the Additional Borrower irrevocably appoints the Company as its agent for all purposes relevant to this Agreement and each of the other Loan Documents, including (1) the giving and receipt of notices, (2) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto and (3) the receipt of the proceeds of any Loans made by the Lenders to the Additional Borrower hereunder, (B) any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not the Additional Borrower or any such other Borrower joins therein and (C) any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to the Additional Borrower; and

(e) the Company may merge or consolidate with or into another Person, provided that (i) either (x) the Company shall be the continuing or surviving corporation or (y) (A) the successor Person (if other than the Company) formed by such consolidation or into which the Company is merged (the "Successor") is a corporation, limited liability company or limited partnership organized or existing under the laws of the United States, any state of the United States or the District of Columbia, and (B) the Successor (if any) shall have expressly assumed all of the Company's Obligations pursuant to documentation in form satisfactory to the Administrative Agent, and (ii) no Default or Event of Default is in effect immediately prior to or on the date of or would result from such merger or consolidation.

7.03 Use of Proceeds. No Borrower shall, or shall suffer or permit any of its Subsidiaries to, use any Credit Extension, directly or indirectly, (a) to purchase or carry Margin Stock in contravention of Regulation U issued by the Board of Governors of the Federal Reserve, (b) to repay or otherwise refinance indebtedness of the Company or others incurred to purchase or carry Margin Stock in contravention of said Regulation U, (c) to extend credit for the purpose of purchasing or carrying any Margin Stock in contravention of said Regulation U, or (d) to acquire any security in any transaction that is subject to Section 13 or 14 of the Securities Exchange Act of 1934, in contravention of said Regulation U.

7.04 Financial Covenant. The Company will not permit the Leverage Ratio as of the last day of any fiscal quarter to exceed 4.00 to 1.00; provided that upon the consummation of any Material Acquisition that involves payment of cash consideration of at least US$500,000,000 and the written election of the Company to the Administrative Agent (which shall deliver a copy to the Lenders), the maximum permitted Leverage Ratio set forth above shall increase to 4.50 to 1.00, with respect to the last day of the fiscal quarter of the Company during which such Material Acquisition is consummated and the last day of each of the next three full fiscal quarters of the Company ending after the date of the consummation of such Material Acquisition; provided, however, that the Company shall not be permitted to make such an election if the Company has theretofore made such an election unless at least one full fiscal quarter of the Company shall have ended since the date of such prior election without an increase being in effect.

Solely for purposes of determining compliance with the financial covenant set forth in this Section above and as of the last day of any fiscal quarter with respect to which the financial covenant is tested, (a)(i) the definition of Total Debt shall not include the Indebtedness of any partnership or joint venture that is not a Subsidiary of the Company and in which the Company or any of its Subsidiaries is a general partner or a joint venture to the extent that such Indebtedness is expressly made non-recourse to the Company and its Subsidiaries or (ii) for the purposes of determining Total Debt at any time after the definitive agreement for any Material Acquisition shall have been executed, any Acquisition Indebtedness with respect to such Material Acquisition shall, unless such Material Acquisition shall have been consummated, be disregarded and (b) the definition of Consolidated EBITDA shall not include any amounts contributed to the Company or any of its Subsidiaries by any such partnership or joint venture referenced in clause (a)(i) except to the extent of the amounts actually received in cash by the Company or its Subsidiaries.

7.05 Sanctions. No Borrower shall, nor shall it permit any Subsidiary to, directly or, to the knowledge of such Borrower, indirectly, use the proceeds of any Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business of or with any individual or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Arranger, Administrative Agent, L/C Issuer, or otherwise) of Sanctions.

7.06 Anti-Corruption Laws. No Borrower shall, nor shall it permit any Subsidiary to, directly or, to the knowledge of such Borrower, indirectly use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions in which any Borrower or any of its Subsidiaries conduct business.

Article VIII
EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Borrower fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan~~,~~ or any L/C Obligation, or (ii) within five days after the same becomes due, any interest on any Loan, any L/C Obligation, or any facility fee or other fee due hereunder, or any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. The Company fails to perform or observe any term, covenant or agreement contained in any of Section 6.03(a), Section 6.04(a) or ARTICLE VII; or

(c) Other Defaults. Any Borrower fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or 8.01(b)) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after the date upon which written notice thereof is given to the Company by the Administrative Agent or any Lender; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Borrower herein, in any other Loan Document, or in any document delivered in connection herewith or therewith, shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. (i) The Company or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than any intercompany

Indebtedness or any Indebtedness hereunder) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than $~~200,000,000~~250,000,000 (such Indebtedness or Guarantee being a "Relevant Obligation") and such failure continues after the applicable grace or notice period, if any, specified in the relevant document on the date of such failure, or (B) fails to observe or perform any other agreement or condition relating to, or contained in any instrument or agreement evidencing, securing or relating to, any Relevant Obligation, and such failure continues after the applicable grace or notice period, if any, specified in the relevant document on the date of such failure, or any other event occurs, the effect of which default or other event is to cause such Relevant Obligation to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Relevant Obligation to be made, prior to its stated maturity, or such cash collateral in respect of such Relevant Obligation to be demanded (provided that (1) an Acquired Debt Default shall not constitute an Event of Default pursuant to this clause (i)(B) so long as such Acquired Debt Default is waived or cured, or the Relevant Obligation giving rise thereto is repaid, within 30 days of consummation of the transaction giving rise thereto and (2) any prepayment, repurchase, redemption or defeasance of any Acquisition Indebtedness shall not constitute an Event of Default pursuant to this clause (i)(B) if the related Material Acquisition for which such Acquisition Indebtedness was incurred is not consummated) or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which the Company or any Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as ~~so~~ defined in such Swap Contract) under such Swap Contract as to which the Company or any Subsidiary is an Affected Party (as ~~so~~ defined in such Swap Contract) and, in either event, the Swap Termination Value owed by the Company or such Subsidiary as a result thereof is greater than $~~200,000,000~~250,000,000; or

(f) Insolvency; Voluntary Proceedings. The Company or any Material Subsidiary (i) ceases or fails to be solvent, or generally fails to pay, or admits in writing its inability to pay, its debts as they become due, subject to applicable grace periods, if any, whether at stated maturity or otherwise; (ii) voluntarily ceases to conduct its business in the ordinary course; (iii) commences any Insolvency Proceeding with respect to itself; or (iv) takes any action to effectuate or authorize any of the foregoing; or

(g) Involuntary Proceedings. (i) Any involuntary Insolvency Proceeding is commenced or filed against the Company or any Material Subsidiary, or any writ, judgment, warrant of attachment, execution or similar process, is issued or levied against a substantial part of the Company's or any Material Subsidiary's properties, and any such proceeding or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or fully bonded within sixty (60) days after commencement, filing or levy; (ii) the Company or any Material Subsidiary admits the material allegations of a petition against it in any Insolvency Proceeding, or an order for relief (or similar order under non-U.S. law) is ordered in any Insolvency Proceeding; or (iii) the Company or any Material Subsidiary acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator, mortgagee in possession (or agent therefor), or other similar Person for itself or a substantial portion of its property or business; or

(h) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or ~~could~~would reasonably be expected to result ~~in liability of the Company or any of its Subsidiaries in an~~, individually or in the aggregate ~~amount in excess of $200,000,000 during the term of this Agreement~~, in a Material Adverse Effect, or (ii) there shall exist an amount of unfunded benefit liabilities (as defined in Section 4001(a)(18) of ERISA), individually or in the aggregate for all Pension Plans (excluding for purposes of such computation any Pension Plans with respect to which assets exceed benefit liabilities), which ~~exceeds 7% of Net Worth~~has resulted or would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect; or

(i) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(j) Change of Control. There occurs any Change of Control.

8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by each Borrower;

(c) require that the Company Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable law;

provided, however, that upon the occurrence of (i) any event described in Section 8.01(f) or (ii) an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code of the United States, except in the case of Section 8.01(g)(i), in which case upon the expiration of the 60-day period mentioned therein if the curative action mentioned in such clause is not taken, the obligation of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Company to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans and other Obligations have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including Attorney Costs and amounts payable under ARTICLE III) payable to the Administrative Agent and the L/C Issuers in their respective capacities as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including Attorney

Costs and amounts payable under ARTICLE III), ratably among them in proportion to the amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans and L/C Borrowings, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans and L/C Borrowings, in each case ratably among the Lenders in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the applicable L/C Issuers to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Company or as otherwise required by Law.

Subject to Section 2.03(c), amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

Article IX
ADMINISTRATIVE AGENT

9.01 Appointment and Authorization of ~~Agents~~Agent.

(a) Each of the Lenders and L/C Issuers hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this ARTICLE IX are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuers, and the Borrowers shall not have rights as a third party beneficiary of any of such provisions other than the provisions of Section 9.06 relating to the Company's consultation and notice rights.

(b) Notwithstanding any provision to the contrary contained elsewhere herein or in any other Loan Document, the Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall the Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in the other Loan Documents with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(c) Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of

the benefits and immunities (A) provided to the Administrative Agent in this ARTICLE IX with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and the Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in this ARTICLE IX included such L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to each L/C Issuer.

9.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrowers or any Subsidiary or other Affiliate thereof as if such Person was not the Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. Neither the Agent nor any ~~Joint Sustainability Coordinator shall not~~Arranger shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and, in each case, its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, neither the Agent ~~and each Joint Sustainability Coordinator~~nor any Arranger:

(a) shall ~~not~~ be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall ~~not~~ have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent ~~or any Joint Sustainability Coordinator, as the case may be,~~ is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that ~~neither~~ the Agent ~~nor any Joint Sustainability Coordinator~~ shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent ~~or such Joint Sustainability Coordinator, as the case may be,~~ to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall ~~not~~, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrowers or any of their Affiliates that is communicated to or obtained by the Person serving as the Agent, ~~any Joint Sustainability Coordinator~~an Arranger or any of ~~their respective~~its Affiliates in any capacity.

(d) Neither the Agent nor any ~~Joint Sustainability Coordinator~~Arranger shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or, in the case of the Agent, as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. ~~Neither the Agent nor any Joint Sustainability Coordinator~~The Agent shall not be deemed to have knowledge of any Default unless and until notice describing such Default is given in writing to the Agent by a Borrower, a Lender or an L/C Issuer.

(e) Neither the Agent nor any ~~Joint Sustainability Coordinator~~Arranger shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or

representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in ARTICLE IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent ~~or the Joint Sustainability Coordinators, as the case may be~~.

9.04 Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or any other Loan Document by or through any one or more ~~subagents~~sub-agents appointed by the Agent. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

9.05 Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice (including without limitation, telephonic or electronic notice, Committed Loan Notices, Letter of Credit Applications and notices of prepayment), request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person or Persons. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, the Agent may presume that such condition is satisfactory to such Lender or L/C Issuer unless the Agent shall have received notice to the contrary from such Lender or L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Agent may consult with legal counsel (who may be counsel for the Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.06 Successor ~~Agents~~Agent.

(a) The Agent may at any time give notice of its resignation to the Lenders, the L/C Issuers and the Company. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Company, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Agent may on behalf of the Lenders and the L/C Issuers (if applicable) appoint a successor Agent meeting the qualifications set forth above; provided that if the Agent shall notify the Company and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective as of the Resignation Effective Date in accordance with such notice and (a) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (b) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender and L/C Issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring

(or retired) Administrative Agent (other than any rights to indemnity payments or other amounts owed to the retiring (or retired) Administrative Agent as of the Resignation Effective Date), and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Company to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring Administrative Agent was acting as Administrative Agent and (ii) after such resignation for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including (a) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Lenders and (b) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

(b) Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as an L/C Issuer. If Bank of America resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c). Upon the appointment by the Company of a successor L/C Issuer hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the resigning L/C Issuer, (b) the resigning L/C Issuer shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

9.07 Non-Reliance on Agent, Arrangers and Other Lenders. Each Lender and each L/C Issuer expressly acknowledges that neither the Administrative Agent nor any Arranger has made any representation or warranty to it, and that no act by the Administrative Agent or any Arranger hereafter taken, including any consent to, and acceptance of any assignment or review of the affairs of any Borrower of any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent or such Arranger to any Lender or any L/C Issuer as to any matter, including whether the Administrative Agent or any Arranger have disclosed material information in their (or their respective Related Parties') possession. Each Lender and each L/C Issuer represents to the Administrative Agent and each Arranger that it has, independently and without reliance upon the Administrative Agent ~~or~~, any Arranger, any other Lender, any other L/C Issuer or any of their respective Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis ~~and~~ of, appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of the Company and its Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrowers hereunder. Each Lender and each L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent ~~or~~, any Arranger, any other Lender, any other L/C Issuer or any of their respective Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder~~.~~, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrowers. Each Lender and each L/C Issuer represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility and (ii) it is engaged in making, acquiring or holding commercial loans in the ordinary

course and is entering into this Agreement as a Lender for the purpose of making, acquiring or holding commercial loans and providing other facilities set forth herein as may be applicable to such Lender or such L/C Issuer, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, such as a security, and each Lender and each L/C Issuer agrees not to assert a claim in contravention of the foregoing, such as a claim under the federal or state securities laws. Each Lender and each L/C Issuer represents and warrants that it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender or such L/C Issuer, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the documentation agents, syndication agents, book ~~managers~~runners or arrangers listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent~~, a Joint Sustainability Coordinator~~ or a Lender hereunder. Without limiting the foregoing, none of the Lenders or other Persons so listed shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so listed in deciding to enter into this Agreement or in taking or not taking action hereunder.

9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan~~,~~ or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.03(i) and 2.03(j), 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

9.10 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the ~~Borrower~~Company or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any other Loan Document or any documents related hereto or thereto).

9.11 Recovery of Erroneous Payments. Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender Party, whether or not in respect of an Obligation due and owing by a Borrower at such time, where such payment is a Rescindable Amount, then in any such event, each Lender Party receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender Party in Same Day Funds in the currency so received, with interest thereon, for each day from and including the date such

Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender Party irrevocably waives any and all defenses, including any "discharge for value" (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender Party promptly upon determining that any payment made to such Lender Party comprised, in whole or in part, a Rescindable Amount.

Article X
[RESERVED]

Article XI
MISCELLANEOUS

11.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Company or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Company or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a) (other than any condition pursuant to Section 4.01(a)(vii)) without the written consent of each Lender;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) except as permitted by Section 2.15, in each case without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) ~~other than as provided by Section 2.19 or the ESG Amendment and subject to the terms thereof,~~ reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (v) of the second proviso to this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrowers to pay interest at the Default Rate;

(e) change Sections 2.13 or 8.03 in a manner that would alter the pro rata sharing of payments or the order of application of payments required thereby or amend the definition of "Pro Rata Share", without the written consent of each Lender;

(f) change any provision of this Section 11.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(g) release (x) the Company from any Guaranty or (y) substantially all of the value of the Guarantees without the written consent of each Lender; or

(h) change the definition of "Alternative Currency" or "Designated Borrower Jurisdiction" without the consent of each Lender.

and, provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuers in addition to the Lenders required above, affect the rights or duties of the L/C Issuers under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (iii) Section 11.06(h) may not be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by an SPC at the time of such amendment, waiver or other modification; (iv) ~~no amendment, waiver or consent shall, unless in writing and signed by the Joint Sustainability Coordinators in addition to the Lenders required above, affect the rights or duties of the Joint Sustainability Coordinators under this Agreement~~[reserved]; and (v) ~~the~~any Fee Letter may be amended, or rights or privileges thereunder waived, only in a writing executed by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender. This Agreement and other Loan Documents may be amended or supplemented by an agreement or agreements in writing entered into by the Administrative Agent and each Borrower as to which such agreement or agreements is to apply, without the need to obtain the consent of any Lender, to implement any modification necessary to effect the provisions of Section 2.15 ~~and~~, Section 2.16 and/or Section 7.02(d) or to comply with local Law or advice of counsel in connection therewith, in each case so long as such modification does not adversely affect the rights of any Lender or L/C Issuer; provided that the Administrative Agent shall post such amendment to the Lenders (which may be posted to the approved Platform) reasonably promptly after the effectiveness thereof.

11.02 Notices and Other Communications; Facsimile Copies.

(a) General. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for hereunder shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to any Borrower, the Administrative Agent or any of the L/C Issuers, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any ~~other~~ Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. All notices hereunder to any Borrower shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier (or, to the extent permitted hereunder to be given by

telephone, immediately confirmed in a writing so delivered, mailed or sent). Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or L/C Issuer pursuant to ARTICLE II if such Lender or L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower's or the Administrative Agent's transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service through the internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to any Borrower, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each Borrower, the Administrative Agent and each L/C Issuer may change its address, facsimile number, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile number, electronic mail address or telephone number for notices and other communications hereunder by notice to the Company, the Administrative Agent and the L/C Issuers. Furthermore, each Public Lender (as defined in Section 6.02) agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform (as defined in Section 6.02) in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials (as defined in Section 1.01) that are not made available through the "Public Side Information"

portion of the Platform and that may contain material non-public information with respect to the Borrowers or their respective securities for purposes of United States Federal or state securities laws.

(e) Reliance by Agent and Lenders. The Agent, L/C Issuers and Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices) purportedly given by or on behalf of any Borrower, which the Agent, L/C Issuer or Lender believes in good faith to have been given by a duly authorized officer or other person authorized to borrow on behalf of any Borrower, even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. Each Borrower shall indemnify the Agent, each L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of such Borrower. All telephonic notices to and other communications with the Agent may be recorded by the Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender or the Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuers; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any L/C Issuer from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08, or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrowers agree, jointly and severally, (i) to pay or reimburse the Agent for all reasonable, documented and invoiced out-of-pocket costs and expenses incurred in connection with the syndication of the credit facilities provided for herein, the development, preparation, negotiation and execution of this Agreement and the other Loan Documents and any amendment, waiver, consent or other modification of the provisions hereof and thereof (whether or not the transactions contemplated hereby or thereby are consummated),

and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs~~,~~ (but limited, in the case of Attorney Costs pursuant to this clause (i), to the reasonable and documented out-of-pocket fees, expenses and disbursements of (x) one primary external counsel to the Agent and (y) if necessary, one firm of external counsel retained by the Agent in each appropriate material jurisdiction (which may include a single firm of external counsel acting in multiple jurisdictions)), (ii) to pay each L/C Issuer all fees, costs and charges required under Sections 2.03(j) and (iii) to pay or reimburse the Agent, each L/C Issuer~~, each Joint Sustainability Coordinator~~ and each Lender for all reasonable, documented and invoiced out-of-pocket costs and expenses incurred in connection with the enforcement, attempted enforcement, or preservation of any rights or remedies under this Agreement or the other Loan Documents (including all such out-of-pocket costs and expenses incurred during any "workout" or restructuring in respect of the Obligations and during any legal proceeding, including any proceeding under any Debtor Relief Law), including all Attorney Costs (but limited, in the case of Attorney Costs pursuant to this clause (iii), to the reasonable and documented out-of-pocket fees, expenses and disbursements of (x) one primary external counsel to the Agent, the L/C Issuers and the Lenders, taken as a whole, (y) if necessary, one firm of external counsel to the Agent, the L/C Issuers and the Lenders, taken as a whole, in each appropriate material jurisdiction (which may include a single firm of external counsel acting in multiple jurisdictions) and (z) in the case of any actual or perceived conflict of interest, one additional external counsel to each group of affected persons similarly situated, taken as a whole). The foregoing costs and expenses shall include all search, filing, recording, title insurance and appraisal charges and fees and taxes related thereto, and other out-of-pocket expenses incurred by the Agent and the cost of independent public accountants and other outside experts retained by the Agent or any Lender. All amounts due under this Section 11.04 shall be payable within 20 Business Days after demand therefor.

(b) Indemnification by the Borrowers. Whether or not the transactions contemplated hereby are consummated, the Borrowers shall jointly and severally indemnify and hold harmless the Agent (and any sub-agent thereof), each L/C Issuer, ~~the Arrangers, the Joint Sustainability Coordinators,~~each Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses and disbursements (including Attorney Costs (but limited, in the case of Attorney Costs, to the reasonable and documented out-of-pocket fees, expenses and disbursements of (x) one primary external counsel to the Indemnitees, taken as a whole, (y) if necessary, one firm of external counsel to the Indemnitees, taken as a whole, in each appropriate material jurisdiction (which may include a single firm of external counsel acting in multiple jurisdictions) and (z) in the case of any actual or perceived conflict of interest, one additional external counsel to each group of affected Indemnitees similarly situated, taken as a whole)) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnitee in any way relating to or arising out of or in connection with (i) the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby (including any Indemnitee's reliance on any Communication executed using an Electronic Signature, or in the form of an Electronic Record, that such Indemnitee reasonably believes is made by an authorized officer of the applicable Borrower), (ii) any Commitment, Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by an L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned, leased or operated by any Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to any Borrower or any of its Subsidiaries or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding) and regardless of whether any Indemnitee is a party thereto (all the foregoing, collectively, the "Indemnified Liabilities");

provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements (A) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (i) the gross negligence or willful misconduct of such Indemnitee or (ii) a material breach of the obligations of such Indemnitee under this Agreement, or (B) result from a claim not involving an act or omission of any Borrower or any of its Subsidiaries and that is brought by an Indemnitee against another Indemnitee (other than against the Arrangers, L/C Issuers or the Agent in their capacities as such).

(c) Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Agent (or any sub-agent thereof), any L/C Issuer, ~~the Arrangers~~any Arranger or any Related Party of any of the foregoing (it being acknowledged that, for the avoidance of doubt, such required amounts do not include any fees arising solely from the Fee ~~Letter~~Letters), each Lender severally agrees to pay to the Agent (or any such sub-agent), ~~any~~such L/C Issuer, ~~the Arrangers~~such Arranger or such Related Party, as the case may be, such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Agent (or any such sub-agent) or any L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Agent (or any such sub-agent) or any L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (~~b~~c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Borrower shall assert, and each Borrower hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable not later than 20 Business Days after demand therefor.

(f) The agreements in this Section 11.04 shall survive the resignation of the Administrative Agent, ~~the~~any L/C ~~Issuers or the Arrangers~~Issuer or any Arranger, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside. To the extent that any payment by or on behalf of a Borrower is made to the Agent, any L/C Issuer or any Lender, or the Agent, any L/C Issuer or any Lender exercises its right of set-off, and such payment or the proceeds of such set-off or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such set-off had not occurred, and (b) each Lender and each L/C Issuer severally agrees to pay to the Agent upon demand its applicable share of any amount so recovered from or repaid by the Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to in the case of Loans and L/C Credit Extensions (A) in Dollars, the Federal Funds Rate from time to time in effect, (B) in an

Alternative Currency, the applicable Overnight Rate from time to time in effect. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder (except in a transaction permitted under Section 7.02) without the prior written consent of the Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 11.06(b), (ii) by way of participation in accordance with the provisions of Section 11.06(d), (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.06(f) and 11.06(i), or (iv) to an SPC in accordance with the provisions of Section 11.06(h) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 11.06(d) and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this Section 11.06(b), participations in L/C Obligations) at the time owing to it); provided that (i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment ~~(which for this purpose includes Loans outstanding thereunder)~~and Loans subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "trade date" is specified in the Assignment and Assumption, as of such date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Company otherwise consents (each such consent not to be unreasonably withheld or delayed); (ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, (iii) any assignment ~~of a Commitment~~ must be approved by the Administrative Agent and, so long as no Event of Default has occurred and is continuing at the time of such assignment, the Company (each such approval not to be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself a Lender or an Affiliate of a Lender or an Approved Fund (whether or not the proposed assignee would otherwise qualify as an Eligible Assignee), (iv) any assignment of a Commitment must be approved by the L/C Issuers (such approval not to be unreasonably withheld or delayed) (provided that any assignment of a Commitment by Barclays Bank PLC to Barclays Bank Ireland shall not require the consent of any of the L/C Issuers) and (v) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption and (except in the case of an assignment by a Lender to its Affiliate) a processing and recordation fee of $3,500 payable on the date of effectiveness of the Assignment and Assumption by the parties thereto, provided, however, that the Administrative Agent may in its sole discretion elect to waive such processing and recordation fee in the case of any assignment, and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire. Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 11.06(c), from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its

obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment). Upon request, each Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.06(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.06(d).

No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the "Trade Date") on which the assigning Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person (unless the Company has consented to such assignment in writing in its sole and absolute discretion, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation). Upon receipt of a list of Disqualified Institutions from the Company (or any updates thereto), the Administrative Agent shall promptly provide such list or updates, as applicable, to the Lenders (including by posting to a Platform). Any Person shall become a "Disqualified Institution" for purposes of this Agreement two (2) Business Days after the Administrative Agent provides such list or updates, as applicable, to the Lenders (including by posting to a Platform). For the avoidance of doubt, with respect to any assignee that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to the definition of "Disqualified Institution"), (x) such assignee shall not retroactively be disqualified from becoming a Lender and (y) the execution by the Company of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment in violation of this paragraph shall not be void, but the other provisions of this clause (b) shall apply.

If any assignment or participation is made to any Disqualified Institution without the Company's prior written consent in violation of the preceding paragraph, or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Company may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the Administrative Agent, (A) terminate any Commitment of such Disqualified Institution and repay all obligations of the applicable Borrower owing to such Disqualified Institution ~~in connection with such Commitment~~under this Agreement, and/or (B) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section), all of its interest, rights and obligations under this Agreement to one or more Eligible Assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (A) will not (x) have the right to receive information, reports or other materials provided to Lenders by the Borrowers, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of

any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter, and (y) for purposes of voting on any plan of reorganization, each Disqualified Institution party hereto hereby agrees (1) not to vote on such plan of reorganization, (2) if such Disqualified Institution does vote on such plan of reorganization notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such plan of reorganization in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws) and (3) not to contest any request by any party for a determination by the Bankruptcy Court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(c) The Administrative Agent, acting solely for this purpose as an agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Company, at any reasonable time and from time to time upon reasonable prior notice. In addition, at any time that a request for a consent for a material or substantive change to the Loan Documents is pending, any Lender wishing to consult with other Lenders in connection therewith may request and receive from the Administrative Agent a copy of the Register.

(d) (i) Any Lender may at any time, without the consent of, or notice to, the Administrative Agent, sell participations to any Person (other than a natural person~~,~~ (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, one or more natural persons), any Borrower, any of the Borrowers' Affiliates or Subsidiaries and any Defaulting Lender) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations) owing to it); provided that (i) unless a Default or Event of Default has occurred and is continuing, the Company shall have approved the sale of participations to such Person (such approval not to be unreasonably withheld or delayed); (ii) [Reserved]; (iii) such Lender's obligations under this Agreement shall remain unchanged; (iv) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; (v) the Borrowers, the Agent, the L/C Issuers and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement; and (vi) such Lender complies with Section 11.06(d)(ii). Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that directly affects such Participant. Subject to Section 11.06(e), the Borrowers agree that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.06(b) (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its

interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender.

(i) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Company, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) A Participant shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) As used herein, the following terms have the following meanings:

"Eligible Assignee" means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person (other than a natural person) approved by (i) the Administrative Agent and each L/C Issuer and (ii) unless a Default or an Event of Default has occurred and is continuing, the Company (each such approval not to be unreasonably withheld or delayed); provided that notwithstanding the foregoing, (i) "Eligible Assignee" shall not include (x) any Borrower, any of the Borrowers' Affiliates or Subsidiaries, or any Defaulting Lender, (y) any Disqualified Institution or (z) any natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of one or more natural Persons).

The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

(h) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Company (an "SPC") the option to provide all or any part of any Committed Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Committed Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Committed Loan, the Granting Lender shall be obligated to make such Committed Loan pursuant to the terms hereof or, if it fails to do so, to make such payment to the Agent as is required under Section 2.12(b)(ii); provided, further that no such grant to an SPC shall impose Taxes or Other Taxes on any Borrower. Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Company under this Agreement (including its obligations under Section 3.04), (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Loan Document, remain the lender of record hereunder. The making of a Committed Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Committed Loan were made by such Granting Lender. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior debt of any SPC, it will not institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Company and the Administrative Agent and without paying any processing fee therefor, assign all or any portion of its right to receive payment with respect to any Committed Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Committed Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(i) Notwithstanding anything to the contrary contained herein, any Lender that is a Fund may create a security interest in all or any portion of the Loans owing to it and the Note, if any, held by it to the trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities, provided that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this Section 11.06, (a) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents and (b) such trustee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise. For purposes of this Section 11.06(i), "Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

(j) [Reserved].

~~(k) Electronic Execution of Assignments and Certain Other Documents. The words "execute," "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Committed Loan Notices, waivers and consents) shall be deemed to include Electronic Signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a~~

~~manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept Electronic Signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.~~

(k) [Reserved].

(l) Defaulting Lenders. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrowers and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this Section 11.06(l), then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

11.07 Treatment of Certain Information; Confidentiality.

~~Each~~The Agent, each L/C Issuer and each Lender agrees to maintain, and to cause its Affiliates (including any Related Parties) to maintain, the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective auditors, partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; (d) to any other party hereto; (e) to the extent reasonably required, in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement (it being understood that the list of Disqualified Institutions may be disclosed to any assignee or Participant, or prospective assignee or Participant, in reliance on this clause (f)(i)), (ii) any actual or prospective counterparty (or its advisors) to any swap ~~or~~, derivative or other transaction relating to obligations of the Loan Parties under ~~the Loan Documents~~this Agreement, any other Loan Document or payments hereunder or thereunder or (iii) any insurers and/or risk protection providers; (g) with the consent of the Company; or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section, (ii) becomes

available to the Agent, any L/C Issuer, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Company, (iii) is independently discovered or developed by such party without utilizing any Information received from any Loan Party or violating the terms of this Section or (iv) was already in such party's possession; provided, however, that to the extent permitted by applicable law or regulation, the Agent, the L/C Issuers and the Lenders agree to notify the Company prior to (if reasonably practicable) or concurrently with its disclosure of such information to any third party pursuant to clauses (b) (other than in the case of routine bank examinations), (c) and (f). In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and public information about this Agreement to market data collectors, similar service providers to the lending industry, and service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement, the other Loan Documents, the Commitments, and the Credit Extensions.

For the purposes of this Section, "Information" means all information received from any Loan Party relating to any Loan Party or its business, other than any such information that is available to the Agent, any L/C Issuer or any Lender or any of their respective Affiliates on a nonconfidential basis prior to disclosure by any Loan Party; provided that, in the case of any information received from a Loan Party after the date hereof (other than in connection with Section 6.03, all of which is acknowledged to constitute "Information" regardless of any marking as confidential), such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

The Agent, each of the L/C Issuers and each of the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrowers or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material ~~nonpublic~~non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

For the avoidance of doubt, nothing herein prohibits any individual from communicating or disclosing information regarding suspected violations of laws, rules, or regulations to a governmental, regulatory, or self-regulatory authority without any notification to any Person.

11.08 Set-off. In addition to any rights and remedies of the Lenders and the L/C Issuers provided by law, upon the occurrence and during the continuance of any Event of Default, each Lender and each L/C Issuer is authorized at any time and from time to time, without prior notice to the Borrowers, any such notice being waived by the Borrowers to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by, and other indebtedness at any time owing by, such Lender or such L/C Issuer to or for the credit or the account of the respective Loan Parties against any and all Obligations owing to such Lender or such L/C Issuer hereunder or under any other Loan Document, now or hereafter existing, irrespective of whether or not the Administrative Agent ~~or~~, such Lender or such L/C Issuer shall have made demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or indebtedness. Each Lender and each L/C Issuer agrees promptly to notify the Borrowers and the Administrative Agent after any such

setoff and application made by such Lender; provided, however that (i) the failure to give such notice shall not affect the validity of such set-off and application and (ii) in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.18 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

11.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Company. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts. ~~This Agreement~~Any Communication may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.11 Integration. This Agreement, together with the other Loan Documents and any separate fee letter executed by any Borrower in connection with the Loan Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Agent or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

11.12 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Agent and each Lender, regardless of any investigation made by the Agent or any Lender or on their behalf and notwithstanding that the Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.13 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

~~11.14 [Reserved]~~

11.14 Electronic Execution; Electronic Records; Counterparts. This Agreement, any Loan Document and any other Communication, including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each Borrower and each of the Administrative Agent and each Lender Party agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. For the avoidance of doubt, the authorization under this Section 11.14 may include use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into .pdf), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lender Parties may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (each, an "Electronic Copy"), which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Administrative Agent is not under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided that without limiting the foregoing, (a) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lender Parties shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of the Company or any Lender Party without further verification and (b) upon the request of the Administrative Agent or any Lender Party, any Electronic Signature shall be promptly followed by such manually executed counterpart.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means). The Administrative Agent shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution or signed using an Electronic Signature) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each Borrower and each Lender Party hereby waives (a) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement or any other Loan Document based solely on the lack of paper original copies of this Agreement or such other Loan Document and (b) waives any claim against the Administrative Agent and each Lender Party for any liabilities arising solely from the Administrative Agent's and/or any Lender Party's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Company to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

11.15 Replacement of Lenders. If (i) any Lender requests compensation under Section 3.04, (ii) a Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, (iii) any Lender is a Non-Extending Lender for any extension of the Maturity Date, (iv) any Lender is a "Defaulting

Lender", (v) any Lender does not consent to an amendment to the definition of "Designated Borrower Jurisdiction" that has been consented to by the Required Lenders, (vi) any Lender is a Protesting Lender under Section 2.16 or (vii) any other circumstance exists hereunder that gives any Borrower the right to replace a Lender as a party hereto, then, subject to Section 3.06(b), such Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Company shall have paid to the Administrative Agent the assignment fee specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Company (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) in the case of any such assignment resulting from clause (v) above, the applicable assignee shall have consented to the proposed amendment;

(e) in the case of any such assignment resulting from clause (vi) above, such assignee shall have consented to make Loans to the applicable Designated Foreign Borrower; and

(f) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Company to require such assignment and delegation cease to apply. Each party hereto agrees that (a) an assignment required pursuant to this Section 11.15 may be effected pursuant to an Assignment and Assumption executed by the Company, the Administrative Agent and the assignee and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to, and be bound by, the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; provided, further that any such documents shall be without recourse to or warranty by the parties thereto. Notwithstanding anything in this Section 11.15 to the contrary, (i) the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 9.06 and (ii) any Lender that acts as an L/C Issuer may not be replaced hereunder at any time it has any Letter of Credit outstanding hereunder unless arrangements satisfactory to such Lender (including the furnishing of a backstop standby letter of credit, in form and substance satisfactory to, and issued by an issuer reasonably satisfactory to, such L/C Issuer, or the depositing of cash collateral into an account in amounts and pursuant to arrangements reasonably satisfactory to such L/C Issuer) have been made with respect to such outstanding Letter of Credit.

11.16 Governing Law.

(a) THIS AGREEMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE, OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, TORT, OR OTHERWISE AND WHETHER AT LAW OR IN EQUITY) BASED UPON, ARISING OUT OF, OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE AGENT, EACH L/C ISSUER AND EACH LENDER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE FEDERAL DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE LOCATED IN THE CITY AND COUNTY OF NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE BORROWERS, THE AGENT, EACH L/C ISSUER AND EACH LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS. THE BORROWERS, THE AGENT, EACH L/C ISSUER AND EACH LENDER IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF *FORUM NON CONVENIENS*, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF ANY LOAN DOCUMENT OR OTHER DOCUMENT RELATED THERETO. THE BORROWERS, THE AGENT, EACH L/C ISSUER AND EACH LENDER WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY THE LAW OF SUCH STATE.

11.17 Waiver of Right to Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.18 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each ~~Borrower and each other~~ Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Agent, the Lenders~~, the Joint Sustainability Coordinators~~ and the Arrangers are arm's-length commercial transactions between the ~~Borrowers, each other~~ Loan ~~Party~~Parties and their respective Affiliates, on the one hand, and the Agent, the Lenders~~, the Joint Sustainability Coordinators~~ and the Arrangers, on the other hand, (B) such ~~Borrower and each other~~ Loan Party has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) such ~~Borrower and each other~~ Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the

Agent, the Lenders~~, the Joint Sustainability Coordinators and the~~ and the Arrangers is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for any ~~Borrower, any other~~ Loan Party or any of their respective Affiliates, or any other Person and (B) ~~Neither~~neither the Agent nor the Lenders~~, the Joint Sustainability Coordinators~~ nor any of the Arrangers has any obligation to any ~~Borrower, any other~~ Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agent, the Lenders~~, the Joint Sustainability Coordinators~~ and the Arrangers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the ~~Borrowers, the other~~ Loan Parties and their respective Affiliates, and neither the Agent nor the Lenders~~, the Joint Sustainability Coordinators~~ nor any of the Arrangers has any obligation to disclose any of such interests to any ~~Borrower, any other~~ Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the ~~Borrowers and the other~~ Loan Parties hereby waives and releases any claims that it may have against the Agent, the Lenders~~, the Joint Sustainability Coordinators~~ or the Arrangers with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 USA Patriot Act Notice. Each Lender that is subject to the Act (as hereinafter defined) and the Beneficial Ownership Regulation and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrowers that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of the Borrowers and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrowers in accordance with the Act and the Beneficial Ownership Regulation.

11.20 Judgment. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent or the applicable L/C Issuer could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of a Borrower in respect of any such sum due from it to the Administrative Agent or an L/C Issuer hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such L/C Issuer of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such L/C Issuer may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or an L/C Issuer in the Agreement Currency, the applicable Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent, the applicable L/C Issuer or the Person to whom such obligation was owing against such loss. If the amount of the Agreement ~~currency~~Currency so purchased is greater than the sum originally due to the Administrative Agent or an L/C Issuer in such currency, the Administrative Agent or such L/C Issuer agrees to return the amount of any excess to such Borrower (or to any other Person who may be entitled thereto under applicable law).

11.21 Acknowledgment and Consent to Bail-In of ~~EEA~~Affected Financial Institutions. Solely to the extent any Lender or L/C Issuer that is an Affected Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender or L/C Issuer that is an Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the ~~write-down and conversion powers~~Write-Down and Conversion Powers of the

applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender or L/C Issuer that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the ~~write-down and conversion powers~~Write-Down and Conversion Powers of the applicable Resolution Authority.

11.22 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States) that in the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

[Signature Pages ~~Follow~~Intentionally Omitted]

Exhibit 10.24
EXECUTION VERSION

Published Deal CUSIP: 58155CAU8
Revolver CUSIP: 58155CAV6

364-DAY REVOLVING CREDIT AGREEMENT

Dated as of May 8, 2025

among

MCKESSON CORPORATION
and
CERTAIN SUBSIDIARIES,
as the Borrowers,

BANK OF AMERICA, N.A.,
as the Administrative Agent,

JPMORGAN CHASE BANK, N.A.
and
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Co-Syndication Agents,

BARCLAYS BANK PLC,
CITIBANK, N.A.
and
GOLDMAN SACHS BANK USA,
as Co-Documentation Agents

and

The Other Lenders Party Hereto

BOFA SECURITIES, INC.,
BARCLAYS BANK PLC,
CITIBANK, N.A.,
GOLDMAN SACHS BANK USA,
JPMORGAN CHASE BANK, N.A.
and
WELLS FARGO SECURITIES, LLC,
as Joint Lead Arrangers and Joint Bookrunners

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2.01 Commitments, Pro Rata Shares and Affiliate Banks
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EXHIBITS

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364-DAY REVOLVING CREDIT AGREEMENT

This 364-DAY REVOLVING CREDIT AGREEMENT (this "Agreement") is entered into as of May 8, 2025, among MCKESSON CORPORATION, a Delaware corporation (the "Company"), each Designated Borrower (as defined below), to the extent such wholly-owned Domestic Subsidiary (as defined below) becomes a party to this Agreement pursuant to Section 7.02(d), the Additional Borrower (as defined below; the Additional Borrower, together with the Company and the Designated Borrowers, the "Borrowers" and each a "Borrower"), each lender from time to time party hereto (collectively, the "Lenders" and each individually, a "Lender") and BANK OF AMERICA, N.A., as the Administrative Agent.

The Borrowers have requested that the Lenders make available, for the purposes specified in this Agreement, a revolving credit facility, and the Lenders are willing to make available to the Borrowers such revolving credit facility upon the terms and subject to the conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

Article I
DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement (including the introductory clauses hereto), the following terms shall have the meanings set forth below:

"Acquired Debt Default" means an event of default under a Relevant Obligation of a Person which becomes a Subsidiary after the date hereof, which event of default occurs by reason of the change of control of such Person by virtue of the transaction pursuant to which it becomes a Subsidiary. For avoidance of doubt, an event of default under another Relevant Obligation of the Company or a Subsidiary by virtue of a cross default to an event of default described in the preceding sentence is not an Acquired Debt Default.

"Acquisition Indebtedness" means any Indebtedness of the Company or any Subsidiary that has been incurred for the purpose of financing, in whole or in part, a Material Acquisition and any related transactions (including for the purpose of refinancing or replacing all or a portion of any related bridge facilities or any pre-existing Indebtedness of the Persons or assets to be acquired); provided that either (a) the release of the proceeds thereof to the Company or the applicable Subsidiary is contingent upon the substantially simultaneous consummation of such Material Acquisition (and, if the definitive agreement for such Material Acquisition is terminated prior to the consummation of such Material Acquisition, or if such Material Acquisition is otherwise not consummated by the date specified in the definitive documentation evidencing, governing the rights of the holders of or otherwise relating to such Indebtedness, then, in each case, such proceeds are, and pursuant to the terms of such definitive documentation are required to be, promptly applied to satisfy and discharge all obligations of the Company and its Subsidiaries in respect of such Indebtedness) or (b) such Indebtedness contains a "special mandatory redemption" provision (or a similar provision) pursuant to which such Indebtedness is, and pursuant to such "special mandatory redemption" (or similar) provision is required to be, redeemed or otherwise satisfied and discharged if such Material Acquisition is not consummated by the date specified in the definitive documentation evidencing, governing the rights of the holders of or otherwise relating to such Indebtedness (and, if the definitive agreement for such Material Acquisition is terminated prior to the consummation of such Material Acquisition or such Material Acquisition is otherwise not consummated by the date so specified, such Indebtedness is, and pursuant to such "special mandatory redemption" (or similar) provision is required to be, redeemed or otherwise satisfied and discharged pursuant to the definitive documentation evidencing, governing the rights of the holders of or otherwise relating to such Indebtedness).

"Act" has the meaning specified in Section 11.19.

"Additional Borrower" has the meaning specified in Section 7.02(d).

"Administrative Agent" means Bank of America (or any of its designated branch offices or affiliates) in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means, with respect to any currency, the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 with respect to such currency, or such other address or

account with respect to such currency as the Administrative Agent may from time to time notify the Borrowers and the Lenders.

"Administrative Questionnaire" means, with respect to any currency, an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Agent" means the Administrative Agent.

"Agent Parties" has the meaning specified in Section 11.02(c).

"Aggregate Commitments" means the aggregate Commitments of all the Lenders. The Aggregate Commitments as of the Closing Date are equal to $1,000,000,000.

"Agreed Currency" means Dollars or any Alternative Currency, as applicable.

"Agreement" means this 364-Day Revolving Credit Agreement.

"Agreement Currency" has the meaning specified in Section 11.20.

"Alternative Currency" means each of the following currencies: Euro, Sterling, and Canadian Dollars.

"Alternative Currency Equivalent" means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent by reference to Bloomberg (or such other publicly available service for displaying exchange rates), to be the exchange rate for the purchase of such Alternative Currency with Dollars at approximately 11:00 a.m. on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided that if no such rate is available, the "Alternative Currency Equivalent" shall be determined by the Administrative Agent using any reasonable method of determination its deems appropriate in its sole discretion (and such determination shall be conclusive absent manifest error).

"Anti-Money Laundering Laws" means laws and regulations related to terrorism financing or money laundering, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56), and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act", 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Applicable Authority" means (a) with respect to Term SOFR, the Term SOFR Administrator or any Governmental Authority having jurisdiction over the Administrative Agent or the Term SOFR Administrator with respect to its publication of Term SOFR, in each case acting in such capacity and (b) with respect to any Alternative Currency, the applicable administrator for the Relevant Rate for such Alternative Currency or any Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of the applicable Relevant Rate, in each case acting in such capacity.

"Applicable Rate" means, from time to time, the rate, expressed in basis points per annum, corresponding to the applicable Debt Rating as set forth below:

Pricing Level	**Debt Ratings S&P/Moody's/Fitch**	**Facility Fee**	**Eurocurrency Rate Loans**	**Base Rate Loans**
1	Greater than or equal to A/A2/A	4.0	71.0	0
2	A-/A3/A-	5.5	82.0	0

3	BBB+/Baa1/BBB+	7.0	93.0	0
4	BBB/Baa2/BBB	9.0	103.5	3.5
5	Less than or equal to BBB-/Baa3/BBB-	12.5	112.5	12.5

"Debt Rating" means, as of any date of determination, the available ratings as determined by S&P, Moody's and/or Fitch (collectively, the "Debt Ratings") of the Company's non-credit-enhanced, senior unsecured long-term debt; provided that (1) if the Company shall maintain a Debt Rating from all three of S&P, Moody's and Fitch and there is a difference in such Debt Ratings, (a) if there is a Debt Rating differential of (i) one Pricing Level between the highest and lowest Debt Ratings or (ii) more than one Pricing Level between the highest and lowest Debt Ratings, with two Debt Ratings that are equivalent and the third Debt Rating lower, in each case, the higher Pricing Level shall apply and (b) otherwise, one Pricing Level below the Pricing Level corresponding to the highest of the three Debt Ratings shall apply, (2) if the Company shall maintain Debt Ratings from only two of S&P, Moody's and Fitch, (a) if there is a split in Debt Ratings of more than one Pricing Level, the Pricing Level that is one Pricing Level lower than the higher of the Company's two Debt Ratings shall apply and (b) otherwise, the higher of such two Debt Ratings shall apply, (3) if the Company shall maintain Debt Ratings from only one of S&P, Moody's and Fitch, then that single Debt Rating shall apply or (4) if the Company shall maintain Debt Ratings from none of S&P, Moody's and Fitch, then the Applicable Rate shall be based on Pricing Level 5.

Initially, the Applicable Rate shall be determined based upon the Debt Rating specified in the certificate delivered pursuant to Section 4.01(a)(vi). Thereafter, each change in the Applicable Rate shall be effective during the period commencing on the effective date of such change in the Debt Rating and ending on the date immediately preceding the effective date of the next such change.

"Applicable Time" means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

"Applicant Borrower" shall have the meaning specified in Section 2.16(a).

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arranger" means each of BofA Securities, Inc., Barclays Bank PLC, Citibank, N.A., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A. and Wells Fargo Securities, LLC, in its capacities as a joint lead arranger and a joint bookrunner.

"Assignment and Assumption" means an Assignment and Assumption substantially in the form of Exhibit D.

"Attorney Costs" means and includes all reasonable, documented and invoiced out-of-pocket fees, expenses and disbursements of any external counsel; provided that no fees, expenses or disbursements shall qualify as Attorney Costs unless written evidence, prepared in reasonable detail, substantiating such fees, expenses and disbursements is available to the Company upon request.

"Attributable Indebtedness" means, on any date, (a) in respect of any capital or finance lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital or finance lease.

"Audited Financial Statements" means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended March 31, 2025, and the related consolidated statements of operations, shareholders' equity and cash flows for such fiscal year of the Company and its Subsidiaries, including the notes thereto.

"Authorization" has the meaning specified in Section 5.03.

"Availability Period" means the period from and including the date hereof to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Commitments pursuant to Section 2.06, and (c) the date of termination of the Commitment of each Lender to make Loans pursuant to Section 8.02.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, rule, regulation or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank of America" means Bank of America, N.A. and its successors.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate," and (c) the Eurocurrency Rate plus 1%; and if the Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

"Base Rate Committed Loan" means a Committed Loan that is a Base Rate Loan.

"Base Rate Loan" means a Loan made to a Borrower that is a U.S. Person that bears interest based on the Base Rate. All Base Rate Loans shall be denominated in Dollars.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Borrower" and "Borrowers" each have the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrower Notice" has the meaning specified in Section 7.02(d).

"Borrowing" means a Committed Borrowing.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office with respect to Obligations denominated in Dollars is located and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day that is also a U.S. Government Securities Business Day;

(b) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency Rate Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Sterling, also excludes any day on which banks are closed for general business in London because such day is a Saturday, Sunday or a legal holiday under the laws of the United Kingdom;

(d) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in a currency other than Dollars, Euro or Sterling, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the applicable offshore interbank market for such currency; and

(e) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

"Canadian Dollars" and "Cdn.$" each means the lawful money of Canada.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Change of Control" means an event or series of events by which (a) with respect to the Company, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of 51% or more of the equity securities of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right) (provided that "Change of Control" shall not include any such acquisition which occurs as part of a transaction consisting of (x) the Company becoming a wholly owned subsidiary of a holding company and (y) the holders of the voting stock of such holding company immediately following such transaction are substantially the same as the holders of the Company's voting stock immediately prior to such transaction) and (b) with respect to the Additional Borrower, any "person" or "group" other than the Company becomes the "beneficial owner", directly or indirectly, of any equity securities of the Additional Borrower entitled to vote for members of the board of directors or equivalent governing body of the Additional Borrower on a fully-diluted basis.

"Closing Date" means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 11.01, which date is May 8, 2025.

"Code" means the Internal Revenue Code of 1986.

"Commitment" means, as to each Lender, its obligation to make Committed Loans to the Borrowers pursuant to ARTICLE II, in an aggregate principal amount at any one time outstanding not to exceed the Dollar

amount set forth opposite such Lender's name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The Commitment for any Lender that has an Affiliate is a single value for such Lender and its Affiliate taken together.

"Committed Borrowing" means a borrowing consisting of simultaneous Committed Loans of the same Type, in the same currency and, in the case of Eurocurrency Rate Loans (other than Eurocurrency Rate Loans denominated in Sterling), having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

"Committed Loan" has the meaning specified in Section 2.01.

"Committed Loan Notice" means a notice of (a) a Committed Borrowing, (b) a conversion of Committed Loans from one Type to the other, or (c) a continuation of Eurocurrency Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the applicable Borrower.

"Communication" means this Agreement, any other Loan Document and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to any Loan Document.

"Company" has the meaning specified in the introductory clause hereto.

"Compliance Certificate" means a certificate substantially in the form of Exhibit C.

"Conforming Changes" means, with respect to the use, administration of or any conventions associated with Term SOFR, SONIA, Term CORRA, EURIBOR or any proposed Successor Rate for an Agreed Currency, as applicable any conforming changes to the definition of "Base Rate," the definition of "Term SOFR," the definition of "SONIA," the definition of "Term CORRA," the definition of "EURIBOR," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definition of "Business Day" and the definition of "U.S. Government Securities Business Day," timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods and the day basis for calculating interest for any Agreed Currency) as may be appropriate, in the discretion of the Administrative Agent in consultation with the Company, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice for such Agreed Currency (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate for such Agreed Currency exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period plus (a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of (i) consolidated interest expense for such period, (ii) consolidated income tax expense for such period, (iii) all amounts attributable to depreciation and amortization for such period, (iv) all non-cash charges or expenses (including non-cash share-based compensation expenses) for such period, excluding any non-cash charge or expense that represents an accrual for a cash expense to be taken in a future period or amortization of a prepaid cash expense, (v) all restructuring, integration, and other costs and expenses for such period that relate to any acquisition, merger, consolidation, amalgamation, joint venture investment, divestiture or other business combination or related transactions not prohibited hereunder, (vi) all LIFO inventory-related non-cash expense adjustments for such period, (vii) non-cash impairment charges for such period, (viii) all net charges with respect to litigation for such period, (ix) all losses, charges and expenses attributable to the early extinguishment or conversion of Indebtedness (including deferred financing expenses written off or forgiven and premiums paid), (x) all losses on sales of assets outside the ordinary course of business for such period and (xi) all other extraordinary, non-recurring or unusual non-cash charges or

losses for such period (including, for the avoidance of doubt, any non-cash charges in respect of any claims or litigation in excess of $1,000,000,000.00 that the Company excluded from its "Adjusted Earnings (Non-GAAP)" for the fiscal quarter ended December 31, 2020, as reported in a current report on Form 8-K reporting operating results for such period), and minus (b) without duplication and to the extent included in determining such Consolidated Net Income, the sum of (i) consolidated interest tax benefit for such period, (ii)(A) all non-cash gains for such period and (B) all extraordinary, non-recurring or unusual non-cash gains for such period, (iii) all LIFO inventory-related non-cash credit for such period, (iv) all litigation recovery gains for such period and (v) all gains on sales of assets outside of the ordinary course of business for such period. In the event that the Company or any Subsidiary shall have completed a Material Acquisition or a Material Disposition during any relevant period, Consolidated EBITDA shall be determined for such period on a pro forma basis as if such Material Acquisition or Material Disposition, and any related incurrence or repayment of Indebtedness, had occurred at the beginning of such period.

"Consolidated Net Income" means, for any period, the net income (or loss) of the Company and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income (or loss) of any Person (other than the Company) that is not a Subsidiary, except to the extent of the amount of dividends or other distributions actually paid to the Company or any of its Subsidiaries during such period, (b) the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary or is merged into, amalgamated with or consolidated with the Company or any Subsidiary or the date that such Person's assets are acquired by the Company or any Subsidiary and (c) the income (or loss) of, and any amounts referred to in clause (a) above paid to, any Subsidiary that is not wholly owned by the Company to the extent such income (or loss) or such amounts are attributable to the non-controlling interest in such Subsidiary.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" has the meaning specified in the definition of "Affiliate."

"CORRA" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

"Covered Entity" means any of the following: (a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b), (b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b) or (c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Credit Extension" means a Borrowing.

"Debt Rating" has the meaning specified in the definition of "Applicable Rate."

"Debtor Relief Laws" means the Bankruptcy Code of the United States and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (a) the Base Rate plus (b) the Applicable Rate, if any, applicable to Base Rate Loans plus (c) 2% per annum; provided, however that, with respect to a Eurocurrency Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum, in each case to the fullest extent permitted by applicable Laws.

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender" means, subject to Section 2.18, any Lender that (i) has failed to fund any portion of the Committed Loans required to be funded by it hereunder within two (2) Business Days of the date required to be funded by it hereunder, unless such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (which conditions precedent,

together with the applicable default, if any, shall be specifically identified in such writing) has not been satisfied, (ii) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, unless the subject of a good faith dispute, (iii) has notified any Borrower, the Administrative Agent or any other Lender in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder (unless such writing or public statement relates to such Lenders' obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with the applicable default, if any, shall be specifically identified in such writing or public statement) cannot be satisfied) or generally under other agreements in which it commits to extend credit, (iv) has failed, within three (3) Business Days after written request by the Administrative Agent, to confirm in a manner reasonably satisfactory to the Administrative Agent that it will comply with its funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (iv) upon receipt of such written confirmation by the Administrative Agent) or (v) has, or has a direct or indirect parent company that has, (w) become the subject of an Insolvency Proceeding, (x) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, (y) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment (provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender) or (z) has become the subject of a Bail-In Action. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (i) through (v) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.18) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Company and each other Lender promptly following such determination.

"Designated Borrower" means any consolidated Subsidiary of the Company that becomes eligible to receive Loans hereunder pursuant to Section 2.16.

"Designated Borrower Effective Date" has the meaning specified in Section 2.16(a).

"Designated Borrower Jurisdiction" means the United States, any state thereof or the District of Columbia, Canada, United Kingdom, Germany, Ireland, Luxembourg, The Netherlands or other jurisdictions approved by each Lender.

"Designated Borrower Notice" shall have the meaning specified in Section 2.16(a).

"Designated Borrower Request and Assumption Agreement" shall have the meaning specified in Section 2.16(a).

"Designated Foreign Borrower" shall have the meaning specified in Section 2.16.

"Designated Jurisdiction" means any country or territory that itself is the subject of any comprehensive territorial Sanctions (as of the Closing Date, the Crimea, so-called Donetsk People's Republic, so-called Luhansk People's Republic, and the non-government controlled areas of the Kherson and Zaporizhzhia regions of Ukraine, Cuba, Iran, North Korea, and Syria).

"Designated Lender" shall have the meaning specified in Section 2.16(f).

"Disqualified Institution" means at any time any Person that is a competitor of the Company or an affiliate of a competitor of the Company, in each case as so identified on a list provided by the Company to the Administrative Agent on or after the date hereof. The Company may update such list from time to time with any competitor of the Company or any affiliate of a competitor of the Company by providing written notice to the Administrative Agent.

"Dollar", "US$" and "$" mean lawful money of the United States.

"Dollar Equivalent" means, for any amount, at the time of determination thereof, (a) if such amount is expressed in Dollars, such amount, (b) if such amount is expressed in an Alternative Currency, the equivalent of such amount in Dollars determined by using the rate of exchange for the purchase of Dollars with the Alternative Currency last provided (either by publication or otherwise provided to the Administrative Agent) by the applicable Bloomberg source (or such other publicly available source for displaying exchange rates) on date that is two (2) Business Days immediately preceding the date of determination (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the Administrative Agent using any method of determination it deems appropriate in its sole discretion) and (c) if such amount is denominated in any other currency, the equivalent of such amount in Dollars as determined by the Administrative Agent using any method of determination it deems appropriate in its sole discretion. Any determination by the Administrative Agent pursuant to clauses (b) or (c) above shall be conclusive absent manifest error.

"Domestic Subsidiary" means each Subsidiary that is not a Foreign Subsidiary or a FSHCO.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Electronic Copy" has the specified in Section 11.14.

"Electronic Record" has the meaning assigned to it by 15 USC §7006, as it may be amended from time to time.

"Electronic Signature" has the meaning assigned to it by 15 USC §7006, as it may be amended from time to time.

"Eligible Assignee" has the meaning specified in Section 11.06(g).

"Environmental Laws" means any and all federal, state, provincial, municipal, local, and foreign statutes, laws (including common law), regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution or the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines or penalties), of the Company or any of its Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials or (d) the release or threatened release of any Hazardous Materials into the environment.

"Equity Interests" of any Person mean any and all shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interests in (however designated) equity of such Person, including any preferred stock, any limited or general partnership interest and any limited liability company membership interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Company within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Company or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Company or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent or in endangered or critical status; (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Company or any ERISA Affiliate.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"EURIBOR" has the meaning specified in the definition of "Eurocurrency Rate."

"Euro" and "€" mean the single currency of the Participating Member States.

"Eurocurrency Rate" means, with respect to any Credit Extension:

(f) for any rate calculation with respect to a Eurocurrency Rate Loan on any date:

(i) denominated in Dollars, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided that if the rate is not published prior to 5:00 p.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto ("Term SOFR");

(ii) denominated in Sterling, the rate per annum equal to the Sterling Overnight Index Average Reference Rate published on the fifth Business Day preceding such date on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) ("SONIA"); provided however that if such determination date is not a Business Day, SONIA means such rate that applied on the first Business Day immediately prior thereto;

(iii) denominated in Euros, the rate per annum equal to the Euro Interbank Offered Rate ("EURIBOR"), as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) on the day that is two TARGET Days preceding the first day of such Interest Period with a term equivalent to such Interest Period; or

(iv) denominated in Canadian Dollars, the rate per annum equal to the forward-looking term rate based on CORRA ("Term CORRA", as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the "Term CORRA Rate") two Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that, to the extent such market practice is not administratively feasible for the Administrative Agent, then such other day as otherwise reasonably determined by the Administrative Agent) plus the Term CORRA Adjustment for such Interest Period;

(g) for any rate calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate with a term of one month commencing that day;

provided that to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent; and if the Eurocurrency Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

"Eurocurrency Rate Loan" means a Committed Loan that bears interest at the Eurocurrency Rate calculated at a rate based on clause (a) of the definition of "Eurocurrency Rate". Eurocurrency Rate Loans may be denominated in Dollars (if based on clause (a)(i) of such definition) or in an Alternative Currency (if based on clauses (a)(ii) through (a)(iv) of such definition). All Committed Loans denominated in an Alternative Currency must be Eurocurrency Rate Loans.

"Event of Default" has the meaning specified in Section 8.01.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Company under Section 11.15) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing Revolving Credit Agreement" means that certain Credit Agreement, dated as of November 7, 2022 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time), among the Company, each of the Subsidiaries of the Company party thereto, as a borrower, each lender from time to time party thereto, Bank of America, as the administrative agent, and the letter of credit issuers party thereto.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Rate" means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fee Letter" means each of (a) the letter agreement, dated April 22, 2025, among the Company, BofA Securities, Inc. and Bank of America and (b) any fee letter agreement entered into among the Company and any of the Arrangers in connection with this Agreement.

"Fitch" means Fitch Ratings Inc., and any successor thereto.

"Foreign Lender" means, with respect to any Borrower, (a) if such Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if such Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Subsidiary" means any Subsidiary that (a) is a "controlled foreign corporation" within the meaning of the Code or (b) is a "disregarded as an entity separate from its owner" within the meaning of Treasury Regulation Section 301.7701-3 and is a direct Subsidiary of a "controlled foreign corporation" within the meaning of the Code.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"FSHCO" means any Subsidiary (i) that is organized under the laws of the United States, any state thereof or the District of Columbia and (ii) substantially all of the assets of which constitute the Equity Interests of Foreign Subsidiaries.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied; provided that, to the extent related to McKesson Europe, "GAAP" means either the foregoing or IFRS, consistently applied.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra national bodies such as the European Union or the European Central Bank).

"Granting Lender" has the meaning specified in Section 11.06(h).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person. The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranty" means, collectively, (a) a document substantially in the form of Exhibit I and (b) each other guaranty and guaranty supplement delivered pursuant to Section 2.16(b) or Section 7.02(d).

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law due to their toxic or deleterious nature.

"HMT" has the meaning set forth in the definition of "Sanction(s)".

"IFRS" has the meaning set forth in Section 1.03(c).

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following:

(h) all obligations of such Person for borrowed money;

(i) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business);

(j) all non-contingent reimbursement or payment obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, shipside bonds, surety bonds and similar instruments;

(k) all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(l) capital or finance leases and Synthetic Lease Obligations;

(m) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to property acquired by the Person (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property); and

(n) all indebtedness referred to in clauses (a) through (f) above (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person, whether or not such indebtedness shall have been assumed by such Person or is limited in recourse.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any capital or finance lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Liabilities" has the meaning set forth in Section 11.04.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitee" has the meaning set forth in Section 11.04.

"Insolvency Proceeding" means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors; undertaken under any Debtor Relief Law.

"Interest Payment Date" means, (a) as to any Eurocurrency Rate Loan that bears interest at a rate based on clause (a)(ii) of the definition of "Eurocurrency Rate", the last Business Day of each March, June, September and December to occur during any period in which such Loan is outstanding and the Maturity Date; (b) as to any Eurocurrency Rate Loan that bears interest at a rate based on clause (a)(i), (a)(iii) or (a)(iv) of the definition of "Eurocurrency Rate", the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (c) as to any Base Rate Loan, (i) the tenth calendar day following the end of each calendar quarter and (ii) the Maturity Date.

"Interest Period" means, as to each Eurocurrency Rate Loan (other than a Eurocurrency Rate Loan denominated in Sterling), the period commencing on the date such Eurocurrency Rate Loan is disbursed or converted to or continued as a Eurocurrency Rate Loan and ending on the date one, three or six months thereafter (or in the case of a Eurocurrency Rate Loan denominated in Canadian Dollars, one or three months thereafter) (in each case, subject to availability for the interest rate applicable to the relevant currency), as selected by the applicable Borrower in its Committed Loan Notice; provided that:

(o) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(p) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(q) no Interest Period shall extend beyond the Maturity Date.

"IRS" means the United States Internal Revenue Service.

"Joinder Agreement" has the meaning specified in Section 7.02(d).

"Judgment Currency" has the meaning specified in Section 11.20.

"Laws" means, collectively, all international, foreign, federal, state, provincial, municipal and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lender" and "Lenders" each has the meaning specified in the introductory paragraph hereto.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Company and the Administrative Agent which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

"Leverage Ratio" means, on any date of determination, the ratio of (a) Total Debt as of such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters of the Company immediately last ended as of such date of determination.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, and any financing lease having substantially the same economic effect as any of the foregoing); provided that "Lien" shall not include (i) the interest of a lessor under an operating lease or (ii) the sale of accounts receivable.

"Loan" means an extension of credit by a Lender to a Borrower under ARTICLE II in the form of a Committed Loan.

"Loan Documents" means this Agreement, any Guaranty, any joinder agreement delivered pursuant to Section 2.16 (including any Designated Borrower Notice or any Designated Borrower Request and Assumption Agreement) or Section 7.02(d) (including the Joinder Agreement), any Notes and any Fee Letter.

"Loan Parties" means, collectively, the Borrowers.

"Local Time" means with respect to a Loan or Borrowing denominated in (a) Dollars, New York City time, (b) Sterling or Euros, London time and (c) Canadian Dollars, Toronto time.

"Margin Stock" means "margin stock" as such term is defined in Regulation T, U or X of the FRB.

"Master Agreement" has the meaning set forth in the definition of "Swap Contract."

"Material Acquisition" means any acquisition, or a series of related acquisitions, of (a) Equity Interests in any Person if, after giving effect thereto, such Person will become a Subsidiary or (b) assets comprising all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of) any Person; provided that the aggregate consideration therefor exceeds US$500,000,000.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties or condition (financial or otherwise) of the Company and its Subsidiaries taken as a whole; (b) a material impairment of the ability of any Borrower to perform its obligations under any Loan Document

to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Borrower of any Loan Document to which it is a party.

"Material Disposition" means any sale, transfer or other disposition, or a series of related sales, transfers or other dispositions, of (a) all or substantially all the issued and outstanding Equity Interests in any Person that are owned by the Company and its Subsidiaries or (b) assets comprising all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of) any Person; provided that the aggregate consideration therefor exceeds US$500,000,000.

"Material Subsidiary" means, at any time, (a)(i) any Subsidiary that is a Borrower hereunder and (ii) any Subsidiary that is a "Borrower" (under, and as defined in, the Existing Revolving Credit Agreement) and (b) any other Subsidiary having at such time 10% or more of the Company's consolidated total (gross) revenues for the preceding four fiscal quarter period, as of the last day of the preceding fiscal quarter based upon the Company's most recent annual or quarterly financial statements delivered to the Administrative Agent under Section 6.01.

"Maturity Date" means May 7, 2026; provided that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

"Maximum Rate" has the meaning specified in Section 11.09.

"McKesson Europe" means McKesson Europe AG, a stock corporation organized under the laws of Germany.

"Moody's" means Moody's Investors Service, Inc., and any successor thereto.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Company or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Net Worth" means the shareholders' equity of the Company and its consolidated Subsidiaries on any date of determination as set forth on the consolidated balance sheet of the Company and its Subsidiaries most recently delivered to the Administrative Agent on or prior to such date of determination pursuant to Section 6.01.

"Non-SOFR Successor Rate" has the meaning specified in Section 3.03(c).

"Note" means a promissory note executed by a Borrower in favor of a Lender pursuant to Section 2.11, substantially in the form of Exhibit B with respect to Loans.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Organization Documents" means, with respect to (a) any corporation, the certificate or articles of incorporation and the bylaws, (b) any limited liability company, the certificate of formation and limited liability company agreement or operating agreement, (c) any partnership, the certificate of formation and partnership agreement, and (d) any organization incorporated or formed in any non-U.S. jurisdiction, constitutive documents with respect to such organization that are equivalent or comparable to the foregoing, as may be applicable.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or

registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 11.15).

"Outstanding Amount" means, with respect to Committed Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Committed Loans occurring on such date.

"Overnight Rate" means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in an Alternative Currency, the rate of interest per annum at which overnight deposits in the applicable Alternative Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of Bank of America in the applicable offshore interbank market for such currency to major banks in such interbank market.

"Participant" has the meaning specified in Section 11.06(d)(i).

"Participant Register" has the meaning specified in Section 11.06(d)(ii).

"Participating Member State" means any member state of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Plan" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Company or any ERISA Affiliate or to which the Company or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five plan years.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any "employee benefit plan" (as such term is defined in Section 3(3) of ERISA) established by any Borrower or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, any ERISA Affiliate.

"Platform" has the meaning specified in Section 6.02.

"Pro Rata Share" means, with respect to each Lender at any time, a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Commitment of such Lender at such time and the denominator of which is the amount of the Aggregate Commitments at such time; provided that if the Commitment of each Lender to make Loans has been terminated pursuant to Section 8.02 or if the Aggregate Commitments have expired or otherwise been terminated, then the Pro Rata Share of each Lender shall be determined based on the Pro Rata Share of such Lender immediately prior to such expiration or termination and after giving effect to any subsequent assignments made pursuant to the terms hereof. The initial Pro Rata Share of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Protesting Lender" has the meaning set forth in Section 2.16.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Lender" has the meaning specified in Section 6.02.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"Qualified Receivables Transaction" means any transaction or series of transactions entered into by the Company or any of its Subsidiaries pursuant to which the Company or any of its Subsidiaries sells, conveys or otherwise transfers to (i) a Receivables Subsidiary (in the case of a transfer by the Company or any of its Subsidiaries) and (ii) any other Person (in the case of a transfer by a Receivables Subsidiary), or grants a security interest in, any accounts receivable (whether now existing or arising in the future) of the Company or any of its Subsidiaries, and any assets related thereto including, without limitation, all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving accounts receivable.

"Rate Determination Date" means two (2) Business Days prior to the commencement of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as determined by the Administrative Agent; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, then "Rate Determination Date" means such other day as otherwise reasonably determined by the Administrative Agent).

"Receivables Subsidiary" means a Subsidiary of the Company which engages in no activities other than in connection with the financing of accounts receivable or inventory (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Company or any Subsidiary of the Company (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction), (ii) is recourse or obligates the Company or any Subsidiary of the Company in any way other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction or (iii) subjects any property or asset of the Company or any Subsidiary of the Company (other than accounts receivable or inventory and related assets as provided in the definition of "Qualified Receivables Transaction"), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to representations, warranties, covenants and indemnities entered into in the ordinary course of business in connection with a Qualified Receivables Transaction, (b) with which neither the Company nor any Subsidiary of the Company has any material contract, agreement, arrangement or understanding other than on terms customary for securitization of receivables or inventory and (c) with which neither the Company nor any Subsidiary of the Company has any obligations to maintain or preserve such Subsidiary's financial condition or cause such Subsidiary to achieve certain levels of operating results. CGSF Funding Corporation, a Delaware corporation, shall be deemed a Receivables Subsidiary.

"Recipient" means the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Register" has the meaning set forth in Section 11.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, consultants, service providers and representatives of such Person and of such Person's Affiliates.

"Relevant Obligation" has the meaning set forth in Section 8.01(e).

"Relevant Rate" means with respect to any Credit Extension denominated in (a) Dollars, Term SOFR, (b) Canadian Dollars, the Term CORRA Rate, (c) Sterling, the SONIA and (d) Euro, the EURIBOR.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

"Request for Credit Extension" means, with respect to a Committed Borrowing, conversion or continuation of Committed Loans, a Committed Loan Notice.

"Required Lenders" means, as of any date of determination, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders; provided that the Total Credit Exposures held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Requirement of Law" means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination, decree or order of an arbitrator or of a Governmental Authority, in each case applicable to or binding upon the Person or any of its property or to which the Person or any of its property is subject, including but not limited to any Environmental Law.

"Rescindable Amount" has the meaning specified in Section 2.12(b)(ii).

"Resignation Effective Date" has the meaning specified in Section 9.06.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Responsible Officer" means the chief executive officer, president, chief financial officer, corporate vice president or the treasurer of a Loan Party and, solely for purposes of notices given pursuant to ARTICLE II, any other officer, employee or other designated representative of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Revaluation Date" means, with respect to any Loan, each of the following: (a) each date of a Borrowing of a Eurocurrency Rate Loan denominated in an Alternative Currency, (b) with respect to a Eurocurrency Rate Loan denominated in Sterling, each Interest Payment Date, (c) each date of a continuation of a Eurocurrency Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (d) such additional dates as the Administrative Agent shall determine or the Required Lenders shall require.

"Revolving Credit Exposure" means, as to any Lender at any time, the aggregate Outstanding Amount at such time of its Committed Loans.

"S&P" means S&P Global Ratings, a division of S&P Global Inc., and any successor to its rating agency business.

"Same Day Funds" means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Administrative Agent to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

"Sanction(s)" means any sanctions or restrictive measures enacted, administered, imposed or enforced by the United States Government (including without limitation, OFAC and the U.S. Department of State), the United Nations Security Council, the European Union, His Majesty's Treasury ("HMT"), Canada or the Hong Kong Monetary Authority.

"Scheduled Unavailability Date" has the meaning specified in Section 3.03(c)(ii).

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"SOFR" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"SONIA" has the meaning specified in the definition of "Eurocurrency Rate."

"SPC" has the meaning specified in Section 11.06(h).

"Sterling" and "£" mean the lawful currency of the United Kingdom.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company, unlimited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the

management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Company.

"Successor" has the meaning specified in Section 7.02(e).

"Successor Rate" has the meaning specified in Section 3.03(c).

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind (other than Eligible ASRs, as defined below), and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement relating to any of the foregoing (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement (other than Eligible ASRs). "Eligible ASR" shall mean any accelerated share repurchase documented under a Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"TARGET Day" means any day on which T2 is open for the settlement of payments in Euro.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term CORRA" has the meaning set forth in the definition of "Eurocurrency Rate".

"Term CORRA Adjustment" means (i) 0.29547% (29.547 basis points) for an Interest Period of one-month's duration and (ii) 0.32138% (32.138 basis points) for an Interest Period of three-months' duration.

"Term CORRA Rate" has the meaning set forth in the definition of "Eurocurrency Rate".

"Term SOFR" has the meaning specified in the definition of "Eurocurrency Rate".

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (or any successor administrator satisfactory to the Administrative Agent).

"Term SOFR Scheduled Unavailability Date" has the meaning specified in Section 3.03(b)(ii).

"Term SOFR Screen Rate" means the forward-looking SOFR term rate administered by the Term SOFR Administrator and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

"Term SOFR Successor Rate" has the meaning specified in Section 3.03(c).

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments and Revolving Credit Exposure of such Lender at such time.

"Total Debt" means, on any date of determination, the difference of (a) all Indebtedness of the Company and its Subsidiaries determined on a consolidated basis on such date, minus (b) Indebtedness of any Receivables Subsidiary incurred in connection with a Qualified Receivables Transaction as of such date.

"Total Outstandings" means, as of any date of determination, the aggregate Outstanding Amount of all Loans as of such date.

"Trade Date" has the meaning set forth in Section 11.06(b).

"Type" means with respect to a Committed Loan, its character as a Base Rate Loan or a Eurocurrency Rate Loan.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"United States" and "U.S." mean the United States of America.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning set forth in Section 3.01(e)(ii)(B)(III).

"Wholly-Owned Subsidiary" means any Subsidiary in which (other than directors' qualifying shares required by law) 100% of the capital stock of each class or other interests having ordinary voting power, and 100% of the capital stock of every other class or other interests, in each case, at the time as of which any determination is being made, is owned, beneficially and of record, by the Company, or by one or more of the other Wholly-Owned Subsidiaries, or both.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.02 Other Interpretive Provisions

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) (i) The words "herein," "hereto," "hereof" and "hereunder" and words of similar import when used in any Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof.

(i) Article, Section, Exhibit and Schedule references are to the Loan Document in which such reference appears.

(ii) The term "including" is by way of example and not limitation.

(iii) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(c) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including".

(d) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(e) Any reference herein to a merger, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

1.03 Accounting Terms.

(a) All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Company or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Company shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Company shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) If the Company shall elect as of the end of any financial reporting period to prepare financial statements in accordance with International Financial Reporting Standards, as published by the International Accounting Standards Board ("IFRS"), rather than GAAP, then, following delivery to Administrative Agent of a completed Compliance Certificate attaching the information required to be delivered for such financial reporting period, the parties hereto shall use their best efforts to amend (in a manner mutually satisfactory to Lenders and Borrowers) the thresholds or methods of calculation of any financial ratio or requirement set forth in any Loan Document such that compliance therewith is neither more nor less burdensome (as determined by the Required Lenders in their sole discretion) to Borrowers as a result of such conversion to IFRS and, thereafter, all references in the Loan Documents to GAAP shall be deemed references to IFRS.

(d) All references herein to consolidated financial statements of the Company and its Subsidiaries or to the determination of any amount for the Company and its Subsidiaries on a consolidated basis or any similar

reference shall, in each case, be deemed to include each variable interest entity that the Company is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary as defined herein.

1.04 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 References to Agreements and Laws. Unless otherwise expressly provided herein, (a) references to Organization Documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

1.06 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Central time (daylight or standard, as applicable).

1.07 [Reserved].

1.08 Exchange Rates; Currency Equivalents; Licensing.

(a) The Administrative Agent shall determine Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies. Such Dollar Equivalents shall become effective as of such Revaluation Date and shall be the Dollar Equivalent of such amounts until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Eurocurrency Rate Loan or any assignment, any required minimum or multiple amount, is expressed in Dollars, but such Borrowing, Eurocurrency Rate Loan or any such assignment is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent.

(c) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to any reference rate referred to herein or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rate (including any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

(d) By agreeing to make Loans under this Agreement, each Lender is confirming it has all licenses, permits and approvals necessary for use of the reference rates referred to herein as provided for in this Agreement and it will comply with, preserve, renew and keep in full force and effect such licenses, permits and approvals for use of such rates under this Agreement.

1.09 Change of Currency.

(a) Each obligation of the Borrowers to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption. If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the applicable interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Committed Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Committed Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

Article II
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Committed Loans.

Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "Committed Loan") to the Borrowers in Dollars or in one or more Alternative Currencies from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment; provided, however, that after giving effect to any Borrowing, (i) the Total Outstandings shall not exceed the Aggregate Commitments and (ii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Commitment. Within the limits of each Lender's Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow under this Section 2.01, prepay under Section 2.05, and reborrow under this Section 2.01. Committed Loans may be Base Rate Loans or Eurocurrency Rate Loans, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Committed Loans.

(a) Each Committed Borrowing, each conversion of Committed Loans from one Type to the other, and each continuation of Eurocurrency Rate Loans shall be made upon the applicable Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Committed Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Committed Loan Notice. Each Committed Loan Notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurocurrency Rate Loans denominated in Dollars or of any conversion of Eurocurrency Rate Loans denominated in Dollars to Base Rate Committed Loans, (ii) four Business Days prior to the requested date of any Borrowing or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies and (iii) on the requested date of any Borrowing of Base Rate Committed Loans. Each telephonic notice by a Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of the applicable Borrower. Each Borrowing, conversion or continuation of Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof. Each Committed Loan Notice (whether telephonic or written) shall specify (i) whether the applicable Borrower is requesting a Borrowing, a conversion of Committed Loans from one Type to the other, or a continuation of Eurocurrency Rate Loans, (ii) the identity of the applicable Borrower and the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Committed Loans to be borrowed, converted or continued, (iv) the Type of Committed Loans to be borrowed or to which existing Committed Loans are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto and (vi) the requested currency of such Borrowing. If the applicable Borrower fails to specify a currency in a Committed Loan Notice requesting a Borrowing, then the Committed Loan so requested shall be made in Dollars. If a Borrower

fails to specify a Type of Committed Loan in a Committed Loan Notice or if a Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Committed Loans shall be made as, or converted to, Base Rate Loans; provided, however, that in the case of a failure to timely request a continuation of Committed Loans denominated in an Alternative Currency (other than, for the avoidance of doubt, Committed Loans denominated in Sterling), such Loans shall be continued as Eurocurrency Rate Loans in their original currency with an Interest Period of one month. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurocurrency Rate Loans. If a Borrower requests a Borrowing of, conversion to, or continuation of Eurocurrency Rate Loans (other than, for the avoidance of doubt, Eurocurrency Rate Loans denominated in Sterling) in any such Committed Loan Notice, but fails to specify an Interest Period, they will be deemed to have specified an Interest Period of one month. No Committed Loan may be converted to or continued as a Loan denominated in a different currency but instead must be prepaid in the original currency of such Committed Loan and reborrowed in the other currency.

(b) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount (and currency) of its Pro Rata Share of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the applicable Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans, or continuation of Committed Loans denominated in an Alternative Currency, in each case described in Section 2.02(a). In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office not later than 1:00 p.m. in the case of any Committed Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Committed Loan in an Alternative Currency, in each case on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.03 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Agent shall make all funds so received available to the applicable Borrower in like funds as received by the Agent either by (i) crediting the account of the such Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Agent by the applicable Borrower.

(c) Except as otherwise provided herein, each applicable Eurocurrency Rate Loan (other than, for the avoidance of doubt, a Eurocurrency Rate Loan denominated in Sterling) may be continued or converted only on the last day of an Interest Period for such Eurocurrency Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurocurrency Rate Loans (whether in Dollars or any Alternative Currency) without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the then outstanding Eurocurrency Rate Loans denominated in an Alternative Currency be prepaid, or redenominated into Dollars in the amount of the Dollar Equivalent thereof, on the last day of the then current Interest Period with respect thereto.

(d) The Administrative Agent shall promptly notify the Borrowers and the Lenders of the interest rate applicable to any Interest Period for Eurocurrency Rate Loans (or, in the case of Eurocurrency Rate Loans denominated in Sterling, the interest rate applicable thereto) upon determination of such interest rate. The determination of the Eurocurrency Rate by the Administrative Agent shall be conclusive in the absence of manifest error. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrowers and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Committed Loans from one Type to the other, and all continuations of Committed Loans as the same Type, there shall not be more than ten Interest Periods in effect at any time with respect to Committed Loans.

2.03 [Reserved].

2.04 [Reserved].

2.05 Prepayments.

(a) Any Borrower may, upon notice (in a form acceptable by the Administrative Agent) to the Agent, at any time or from time to time voluntarily prepay Committed Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Agent not later than 9:00 a.m. (A) three Business Days

prior to any date of prepayment of Eurocurrency Rate Loans denominated in Dollars, (B) four Business Days prior to any date of prepayment of Eurocurrency Rate Loans denominated in Alternative Currencies and (C) on the date of prepayment of Base Rate Committed Loans; and (ii) any prepayment of Committed Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof or, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) and currency of Committed Loans to be prepaid. The Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Pro Rata Share of such prepayment. If such notice is given by a Borrower, such Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurocurrency Rate Loan shall be accompanied by all accrued interest thereon, together with any additional amounts required pursuant to Section 3.05. Each such prepayment shall be applied to the Committed Loans of the Lenders in accordance with their respective Pro Rata Shares.

(b) If for any reason (other than a change in exchange rates, in which case clause (d) shall apply) the Total Outstandings at any time exceed the Aggregate Commitments then in effect, the applicable Borrower shall immediately prepay Loans in an aggregate amount equal to such excess.

(c) [Reserved].

(d) (i) [Reserved].

(i) If at any time, solely as a result of fluctuations in currency exchange rates, the sum of the aggregate principal amount of all of the Revolving Credit Exposures exceeds the Aggregate Commitments, the applicable Borrower shall immediately repay Loans in an aggregate principal amount sufficient to cause the aggregate amount of all Revolving Credit Exposure to be less than or equal to the Aggregate Commitments.

2.06 Termination or Reduction of Commitments. The Company may, upon notice to the Agent, terminate the Aggregate Commitments, or from time to time permanently reduce the Aggregate Commitments; provided that (i) any such notice shall be received by the Agent not later than 9:00 a.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $10,000,000 or any whole multiple of $1,000,000 in excess thereof and (iii) the Company shall not terminate or reduce the Aggregate Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Outstandings would exceed the Aggregate Commitments. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Commitments. Any reduction of the Aggregate Commitments shall be applied to the Commitment of each Lender, according to its Pro Rata Share. All facility fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans. Each Borrower shall repay to the Lenders on the Maturity Date the aggregate principal amount of its Committed Loans outstanding on such date.

2.08 Interest.

(a) Subject to the provisions of Section 2.08(b), (i) each Eurocurrency Rate Loan (other than a Eurocurrency Rate Loan denominated in Sterling) shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Rate for such Interest Period plus the Applicable Rate, (ii) each Eurocurrency Rate Loan denominated in Sterling shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the applicable Eurocurrency Rate plus the Applicable Rate and (iii) each Base Rate Committed Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) If any amount payable by a Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall, upon the request of the Required Lenders (provided no such request shall be required in the case of an Event of Default under Section 8.01(f)(iii) or 8.01(g)) thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. Furthermore, upon the request of

the Required Lenders, while any Event of Default exists, the Borrowers shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees.

(a) Facility Fee. The Company shall pay to the Administrative Agent for the account of each Lender in accordance with its Pro Rata Share, a facility fee payable in Dollars on the tenth calendar day following the end of each calendar quarter, which shall be equal to the Applicable Rate times the actual daily amount of the Aggregate Commitments (or, if the Aggregate Commitments have terminated (including in connection with a conversion exercised pursuant to Section 2.17), on the Outstanding Amount of all Committed Loans), regardless of usage. The facility fee shall accrue at all times during the Availability Period (and thereafter so long as any Committed Loans remain outstanding), including at any time during which one or more of the conditions in ARTICLE IV are not met, and shall be due and payable quarterly in arrears on each date specified above following the end of each calendar quarter, commencing with the first such date to occur after the date hereof, and on the last day of the Availability Period (and, if applicable, thereafter on demand) (provided that, for the avoidance of doubt, if a conversion is exercised pursuant to Section 2.17, at any time thereafter and for so long as any Committed Loans remain outstanding, the facility fee shall continue to be payable quarterly in arrears on each date specified above following the end of each calendar quarter). The facility fee shall be calculated on a calendar quarter basis in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees. (i) The Company shall pay to the Arrangers and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letters. Such fees shall be fully earned when paid and, except to the extent expressly otherwise agreed, shall not be refundable for any reason whatsoever.

(i) The Borrowers shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and, except to the extent expressly otherwise agreed, shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurocurrency Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All computations of interest for Eurocurrency Rate Loans denominated in Sterling or Canadian Dollars shall be made on the basis of a year of 365 days and actual days elapsed. All other computations of fees and interest (including for Eurocurrency Rate Loans denominated in Dollars or Euros) shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.11 Evidence of Debt. The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Agent in respect of such

matters, the accounts and records of the Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Agent, the applicable Borrower shall execute and deliver to such Lender (through the Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

2.12 Payments Generally.

(a) All payments to be made by the Borrowers shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in an Alternative Currency, all payments by the Borrowers hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in Dollars and in Same Day Funds not later than 12:00 p.m. on the date specified herein. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder with respect to principal and interest on Loans denominated in an Alternative Currency shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in such Alternative Currency and in Same Day Funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States or such other address as the Administrative Agent specifies from time to time. If, for any reason, any Borrower is prohibited by any Law from making any required payment hereunder in an Alternative Currency, such Borrower shall make such payment in Dollars in the Dollar Equivalent amount of the Alternative Currency payment amount. The Agent will promptly distribute to each Lender its Pro Rata Share (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by an Agent after the applicable time specified in this Section 2.12(a) shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by a Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Unless the Agent shall have received notice from a Lender prior to (a) the proposed date of any Borrowing of Eurocurrency Rate Loans or (b) two hours prior to the proposed time of any Borrowing of Base Rate Loans that such Lender will not make available to the Agent such Lender's share of such Borrowing, the Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Agent, then such Lender and the applicable Borrower severally agree to pay to the Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Agent, at (A) in the case of a payment to be made by such Lender, a rate per annum equal to the applicable Overnight Rate from time to time in effect plus any administrative, processing or similar fees customarily charged by the Agent in connection with the foregoing, and (B) in the case of a payment to be made by any Borrower, the interest rate applicable to the applicable Borrowing. If the applicable Borrower and such Lender shall pay such interest to the Agent for the same or an overlapping period, the Agent shall promptly remit to the applicable Borrower the amount of such interest paid by the applicable Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Agent, then the amount so paid shall constitute such Lender's Committed Loan included in such Borrowing. Any payment by the applicable Borrower shall be without prejudice to any claim the applicable Borrower may have against a Lender that shall have failed to make such payment to the Agent.

(i) Unless the Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Agent for the account of the Lenders hereunder that the applicable Borrower will not make such payment, the Agent may assume that the applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. With respect to any payment that the Agent makes for the account of the Lenders hereunder as to which the Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the "Rescindable Amount"): (A) the applicable Borrower has not in fact made such payment; (B) the Agent has made a payment in excess of the

amount so paid by the applicable Borrower (whether or not then owed); or (C) the Agent has for any reason otherwise erroneously made such payment; then each of the Lenders severally agrees to repay to the Agent forthwith on demand the Rescindable Amount so distributed to such Lender, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Agent, at rate per annum equal to the applicable Overnight Rate from time to time in effect.

A notice of the Agent to any Lender or the applicable Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) If any Lender makes available to the Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this ARTICLE II, and such funds are not made available to the applicable Borrower by the Agent because the conditions to the applicable Credit Extension set forth in ARTICLE IV are not satisfied or waived in accordance with the terms hereof, the Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) The obligations of the Lenders hereunder to make Committed Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Committed Loan or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Committed Loan or to make any payment.

(e) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments. If, other than as expressly provided elsewhere herein, any Lender shall obtain on account of the Committed Loans made by it, any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (a) notify the Administrative Agent of such fact, and (b) purchase from the other Lenders such participations in the Committed Loans made by them as shall be necessary to cause such purchasing Lender to share the excess payment in respect of such Committed Loans pro rata with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the purchasing Lender in its discretion), such purchase shall to that extent be rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (i) the amount of such paying Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered, without further interest thereon. Each Borrower agrees that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off, but subject to Section 11.08) with respect to such participation as fully as if such Lender were the direct creditor of such Borrower in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.13 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.13 shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased. The provisions of this Section 2.13 shall not be construed to apply to (x) any payment made by or on behalf of any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or a Disqualified Institution) or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to the Company or any Subsidiary thereof (as to which the provisions of this Section 2.13 shall apply).

2.14 [Reserved].

2.15 Increase in Commitments.

(a) Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Company may from time to time, request an increase in the Aggregate Commitments (which increase may take the form of additional Commitments, new term loan tranches or any combination of the foregoing) by an aggregate amount (for all such requests) not exceeding $500,000,000. At the time of sending such notice (such notice, for the avoidance of doubt, shall be required regardless of whether such increase takes the form of additional Commitments, new term loan tranches or a combination of the foregoing), the Company (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the Lenders). Each Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its Commitment or to provide any commitment with respect to the new term loan tranche(s), as applicable (and, for the avoidance of doubt, no such Lender shall have an obligation to so agree), and, if so, whether by an amount equal to, greater than, or less than its Pro Rata Share of such requested increase or, in the case of a commitment in respect of a new term loan tranche, the amount of such commitment. Any Lender not responding within such time period shall be deemed to have declined to increase its Commitment or to provide any commitment with respect to the new term loan tranche(s), as applicable. The Administrative Agent shall notify the Company and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, the Company may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement in form and substance satisfactory to the Administrative Agent and its counsel. Notwithstanding the foregoing provisions of this Section 2.15(a), during the first 90 days following the date hereof, the Company may invite Eligible Assignees to become Lenders under this Agreement in connection with a requested increase without first providing any Lender with the opportunity to increase its Commitment as provided above.

(b) If the Aggregate Commitments are increased in accordance with this Section 2.15, the Administrative Agent and the Company shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Company and the Lenders of the final allocation of such increase and the Increase Effective Date. As a condition precedent to such increase, the Company shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Increase Effective Date signed by a Responsible Officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (ii) in the case of the Company, certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in ARTICLE V and the other Loan Documents are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) as of such earlier date, and except that, for purposes of this Section 2.15, (1) the representation and warranty contained in Section 5.08(a) shall be deemed to refer to the most recent statements furnished pursuant to Section 6.01(a) and 6.01(b), respectively, and (2) the reference to "the date hereof" in Section 5.08(b) shall be deemed to refer to the Increase Effective Date and (B) no Default exists. The Company shall prepay any Committed Loans outstanding on the Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Committed Loans ratable with any revised Pro Rata Shares arising from any nonratable increase in the Commitments under this Section 2.15.

(c) In the event of an increase in Commitments pursuant to this Section 2.15, the provisions of this Section 2.15 shall govern any conflicts with provisions in Sections 2.13 or 11.01.

(d) To the extent that the increase of the Aggregate Commitments shall take the form of a term loan tranche, this Agreement shall be amended, in form and in substance satisfactory to the Administrative Agent and the Company to include such terms as are customary for a term loan commitment, including but not limited to the following:

(i) the final maturity of any such term loan tranche shall not be earlier than the Maturity Date at the time of establishment of such term loan tranche; and

(ii) except as otherwise agreed by the lenders providing the relevant term loan tranche in connection with any acquisition, investments and repayments, repurchases and redemptions of indebtedness not prohibited by the terms of this Agreement, (A) no Event of Default shall exist immediately prior to or

after giving effect to such new term loan tranche and (B) the representations and warranties of the Loan Parties set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of the initial borrowing under such term loan tranche with the same effect as though such representations and warranties had been made on and as of such date; provided that to the extent that any representation and warranty specifically refers to a given date or period, it shall be true and correct in all material respects as of such date or for such period; provided, further, that any representation or warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates.

2.16 Designation of Borrowers.

(a) The Company may at any time, upon not less than 15 Business Days' notice from the Company to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), designate any consolidated Subsidiary of the Company that is organized in a Designated Borrower Jurisdiction and that is engaged in a line of business that is substantially similar to those lines of businesses conducted by the Company and its Subsidiaries on the date hereof (an "Applicant Borrower") as a Designated Borrower to receive Loans hereunder by delivering to the Administrative Agent (which shall promptly deliver counterparts thereof to each Lender) a duly executed notice and agreement in substantially the form of Exhibit E-1 (a "Designated Borrower Request and Assumption Agreement"). The parties hereto acknowledge and agree that prior to any Applicant Borrower becoming entitled to utilize the credit facilities provided for herein the Administrative Agent and the Lenders shall have received such "know your customer" information, Beneficial Ownership Certification, supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, in form, content and scope reasonably satisfactory to the Administrative Agent, as may be required by the Administrative Agent or the Required Lenders (or in the case of "know your customer" information and Beneficial Ownership Certification, each Lender) in their sole discretion, including, without limitation, with respect to an Applicant Borrower that is organized under the laws of Germany, evidence satisfactory to the Administrative Agent that such Applicant Borrower (i) is an entity incorporated under the laws of the Federal Republic of Germany as a limited liability company (*Gesellschaft mit beschränkter Haftung*) and (ii) satisfies asset, revenue, and minimum employee tests required under the laws of Germany to permit a U.S. Lender to lend to such Applicant Borrower and Notes signed by such new Borrowers to the extent any Lenders so require. If the Administrative Agent and the Required Lenders agree that an Applicant Borrower shall be entitled to receive Loans hereunder, then promptly following receipt of all such requested "know your customer" information, Beneficial Ownership Certification, resolutions, incumbency certificates, opinions of counsel and other documents or information, the Administrative Agent shall send a notice in substantially the form of Exhibit E-2 (a "Designated Borrower Notice") to the Company and the Lenders specifying the effective date upon which the Applicant Borrower shall constitute a Designated Borrower for purposes hereof (the "Designated Borrower Effective Date"), whereupon each of the Lenders agrees to permit such Designated Borrower to receive Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that such Designated Borrower otherwise shall be a Borrower for all purposes of this Agreement; provided that no Committed Loan Notice may be submitted by or on behalf of such Designated Borrower until the date five Business Days after the Designated Borrower Effective Date applicable to such Designated Borrower.

(b) The Obligations of the Company, each Designated Borrower that is a Domestic Subsidiary and the Additional Borrower (if applicable) shall be joint and several in nature. The Obligations of all Designated Borrowers that are Foreign Subsidiaries shall be several in nature. The Company shall execute a Guaranty in respect of any Designated Borrower prior to or on the Designated Borrower Effective Date applicable to such Designated Borrower. Any Designated Borrower that is a Domestic Subsidiary shall execute a Guaranty in respect of the Company's, any other Designated Borrower's and the Additional Borrower's (if applicable) Obligations hereunder prior to or on the Designated Borrower Effective Date applicable to such Designated Borrower. In the case the Company designates a Designated Borrower, the Company, each Designated Borrower that is a Domestic Subsidiary and the Additional Borrower (if applicable) shall execute and deliver to the Administrative Agent a reaffirmation agreement in form and substance reasonably satisfactory to the Administrative Agent in respect of such Person's Guaranty prior to or on the Designated Borrower Effective Date applicable to such Designated Borrower so designated by the Company.

(c) Each Subsidiary of the Company that becomes a "Designated Borrower" pursuant to this Section 2.16 hereby irrevocably appoints the Company as its agent for all purposes relevant to this Agreement and each of the other Loan Documents, including (i) the giving and receipt of notices, (ii) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto, and (iii) the receipt of the proceeds of any Loans made by the Lenders to any such Designated Borrower hereunder. Any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to each Designated Borrower.

(d) The Company may from time to time, upon not less than 15 Business Days' notice from the Company to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its sole discretion), terminate a Designated Borrower's status as such, provided that there are no outstanding Loans payable by such Designated Borrower, or other amounts payable by such Designated Borrower on account of any Loans made to it, as of the effective date of such termination. The Administrative Agent will promptly notify the Lenders of any such termination of a Designated Borrower's status.

(e) Notwithstanding the foregoing, with respect to any Designated Borrower not organized under the laws of the United States or any State thereof (a "Designated Foreign Borrower"), no Lender shall be required to make Loans to such Designated Foreign Borrower in the event that the making of such Loans would reasonably be expected to (a) breach or violate any internal policy of such Lender or any law or regulation to which such Lender is subject, or would be upon the making of such Loan or (b) result in materially adverse tax consequences to such Lender (any such Lender, a "Protesting Lender"); provided that (i) any Protesting Lender, which is relying solely on such internal policies as the basis for not making Loans may do so only if such internal policies are being applied by such Protesting Lender to all similarly situated borrowers seeking loans or other extensions of credit from or with respect to such jurisdiction; and (ii) each Protesting Lender shall use reasonable efforts to designate (or identify) a different lending office for funding or booking its Loans to such Designated Foreign Borrower or to assign (or identify for purposes of assignment of) its rights and obligations hereunder to make its Loans to such Designated Foreign Borrower to another of its offices, branches or affiliates, if, in the good faith judgment of such Protesting Lender, such designation or assignment would permit it to make Loans to such Designated Foreign Borrower and would not otherwise be materially disadvantageous to such Protesting Lender, as applicable (and the Company and the relevant Designated Foreign Borrower shall agree to pay all reasonable out-of-pocket costs and expenses incurred by such Lender in connection with any such designation or assignment). As soon as practicable (but in any event not more than five Business Days) after receipt of notice from the Company or the Administrative Agent of the Company's intent to designate a Designated Foreign Borrower, any Protesting Lender shall notify the Company and the Administrative Agent in writing of its inability to lend to such Designated Foreign Borrower. The Company shall, effective on or before the date that such Designated Foreign Borrower shall have the right to borrow hereunder, either (A) with respect to each Protesting Lender, replace such Protesting Lender with Lenders willing (in their sole discretion) to increase their existing Commitments, or other financial institutions willing (in their sole discretion) to become Lenders and extend new commitments, on terms consistent with Section 11.15, or (B) cancel its request to designate such Designated Foreign Borrower as a "Designated Borrower".

(f) Notwithstanding anything to the contrary set forth in this Agreement, each Lender at its option may make any Credit Extension or otherwise perform its obligations hereunder through such Lender's Lending Office (each, a "Designated Lender"); provided that any exercise of such option shall not affect the obligation of each Borrower to repay any Credit Extension in accordance with the terms of this Agreement. Any Designated Lender shall be considered a Lender; provided that designation of a Designated Lender is for administrative convenience only and does not expand the scope of liabilities or obligations of any Lender or Designated Lender beyond those of the Lender designating such Person as a Designated Lender as provided in this Agreement.

2.17 Term Out Option. The Borrowers may, upon notice to the Administrative Agent not later than the Maturity Date, elect to convert all of the Loans outstanding on the Maturity Date into "term loans" in which case the outstanding Loans shall not be due on the Maturity Date and shall instead be due and payable on the first anniversary of the Maturity Date, with the effect that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, all references in this Agreement and each other Loan Document to the Maturity Date

(other than as set forth in the definition of "Availability Period" and as set forth in this Section 2.17) shall thereafter be deemed to refer to the date that is the first anniversary of the Maturity Date; provided that (a) as of the date of such conversion and after giving effect thereto, no Default shall have occurred and be continuing, (b) the representations and warranties contained in ARTICLE V and any other Loan Document shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the date of such conversion, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) as of such earlier date, and except that for purposes of this condition, the representations and warranties contained in Section 5.08(a) shall be deemed to refer to the most recent statements furnished pursuant Sections 6.01(a) and 6.01(b), respectively, (c) a certificate signed by a Responsible Officer of the Company shall have been delivered to the Administrative Agent certifying, as of the date of such conversion, to the matters referred to in clauses (a) and (b) above, and (d) the Company shall have paid to the Administrative Agent, for the account of the Lenders, a fee in Dollars in an amount equal to (i) 0.50% multiplied by (ii) the aggregate outstanding principal amount of all Loans so converted pursuant to this Section 2.17. All Loans converted into "term loans" pursuant to this Section 2.17 shall continue to constitute Loans under this Agreement and the other Loan Documents (i) except that the Borrowers may not reborrow such Loans pursuant to Section 2.01 after all or any portion of such Loans shall have been prepaid pursuant to Section 2.05 and no new Loans may be borrowed on or after the Maturity Date and (ii) the Borrowers may prepay such Loans in whole or in part at any time without premium or penalty in accordance with Section 2.05.

2.18 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 11.01.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to ARTICLE VIII or otherwise, and including any amounts made available to the Agent by that Defaulting Lender pursuant to Section 11.08), will be applied at such time or times as may be determined by the Agent as follows: FIRST, to the payment of any amounts owing by that Defaulting Lender to the Agent hereunder; SECOND, as the Company may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Administrative Agent; THIRD, if so determined by Administrative Agent and the Company, to be held in a non-interest bearing deposit account and released in order to satisfy obligations of that Defaulting Lender to fund Loans under this Agreement; FOURTH, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; FIFTH, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and SIXTH, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (1) such payment is a payment of the principal amount of any Loans in respect of which that Defaulting Lender has not fully funded its appropriate share and (2) such Loans were made at a time when the conditions set forth in Section 4.03 were satisfied or waived, such payment will be applied solely to pay the Loans of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of that Defaulting Lender. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.18(a)(ii) will be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. A Defaulting Lender shall be entitled to receive any facility fee pursuant to Section 2.09(a) for any period during which that Lender is a Defaulting Lender only to extent allocable to the Outstanding Amount of the Committed Loans funded by it (and the Borrowers shall not be required to pay the remaining amount of such fee that otherwise would have been required to have been paid to that Defaulting Lender). With respect to any facility fee not required to be paid to any Defaulting Lender, the Borrowers shall not be required to pay the remaining amount of any such fee.

(b) Defaulting Lender Cure. If the Company and the Administrative Agent agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as Administrative Agent may determine to be necessary to cause the Loans to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares, whereupon that Lender will cease to be a Defaulting Lender; provided that (x) to the extent that any non-Defaulting Lender incurs any loss, cost or expense as a result of such purchase of any Eurocurrency Rate Loan on a day other than the last day of the Interest Period or interest payment date or period, as applicable, for such Loan, such Defaulting Lender shall reimburse such non-Defaulting Lenders for any such loss, cost or expense, (y) no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender and (z) except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.19 [Reserved].

Article III
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) (i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding.

(i) [reserved]

(ii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions and withholdings applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) (i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental

Authority. A certificate as to the amount of such payment or liability delivered to the Company by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(i) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Party to do so), (y) the Administrative Agent and the Loan Party, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Party, as applicable, against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority as provided in this Section 3.01, the Company shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Company and the Administrative Agent, at the time or times reasonably requested by the Company or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or the taxing authorities of a jurisdiction pursuant to such applicable law or reasonably requested by the Company or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Company or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Company or the Administrative Agent as will enable the Company or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation either (A) set forth in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below or (B) required by applicable law other than the Code, or by the taxing authorities of the jurisdiction that promulgated such applicable law to satisfy the requirements for exemption or reduction of withholding tax in that jurisdiction) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Company and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(II) executed copies of IRS Form W-8ECI;

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit J-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Company within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BENE (or W-8BEN, as applicable); or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BENE (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Company and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Company or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Company or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Company and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Company or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Company or the Administrative Agent as may be necessary for the Company and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(ii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or

certification or promptly notify the Company and the Administrative Agent in writing of its legal inability to do so.

(f) Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to perform any of its obligations hereunder or make, maintain or fund Eurocurrency Rate Loans (whether denominated in Dollars or an Alternative Currency), or charge interest with respect to Credit Extensions or to determine or charge interest rates based upon the Eurocurrency Rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any Alternative Currency in the applicable interbank market, then, on notice thereof by such Lender to the Company through the Agent, (i) any obligation of such Lender to issue, make, maintain, fund or charge interest with respect to any such Credit Extension or to make or continue Eurocurrency Rate Loans in the affected currency or currencies or to convert Base Rate Committed Loans to Eurocurrency Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurocurrency Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurocurrency Rate component of the Base Rate, in each case until such Lender notifies the Agent and the Company that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrowers shall, upon demand from such Lender (with a copy to the Agent), prepay or, solely in the case of Eurocurrency Rate Loans denominated in Dollars, convert all Eurocurrency Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Agent without reference to the Eurocurrency Rate component of the Base Rate), either on the last day of the Interest Period or interest payment date, as applicable, therefor, if such Lender may lawfully continue to maintain such Eurocurrency Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurocurrency Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurocurrency Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurocurrency Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurocurrency Rate. If any of the circumstances set forth above arise with respect to Loans denominated in an Alternative Currency, such Alternative Currency denominated Loans shall be made or maintained, as applicable, at a rate for short term borrowings of such Alternative Currency

determined in a customary manner in good faith by the Administrative Agent in consultation with the Company. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates.

(a) If in connection with any request for a Eurocurrency Rate Loan or a conversion to or a continuation thereof, (i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate for the Relevant Rate for the applicable Agreed Currency has been determined in accordance with Section 3.03(b) or Section 3.03(c) and the circumstances under clause (i) of Section 3.03(b) or of Section 3.03(c) or the Scheduled Unavailability Date, or the Term SOFR Scheduled Unavailability Date, has occurred with respect to such Relevant Rate (as applicable), or (B) adequate and reasonable means do not otherwise exist for determining the Relevant Rate for the applicable Agreed Currency for any determination date(s) or requested Interest Period, as applicable, with respect to an existing or proposed Eurocurrency Rate Loan or (ii) the Administrative Agent or the Required Lenders determine that for any reason that the Relevant Rate with respect to a proposed Loan denominated in an Agreed Currency for any requested Interest Period or determination date(s) does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Company and each Lender.

Thereafter, (x) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans in the affected currency or currencies shall be suspended (in each case to the extent of the affected Eurocurrency Rate Loans or Interest Period or determination date(s), as applicable), and (y) in the event of a determination described in the preceding sentence with respect to the Term SOFR component of the Base Rate, the utilization of the Term SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice.

Upon receipt of such notice, (i) the applicable Borrower may revoke any pending request for a Borrowing of, or conversion to, or continuation of Eurocurrency Rate Loans (to the extent of the affected Eurocurrency Rate Loans or Interest Period or determination date(s), as applicable) or, failing that, will be deemed to have converted such request into a request for a Committed Borrowing of Base Rate Loans denominated in Dollars in the Dollar Equivalent of the amount specified therein and (ii) any outstanding affected Eurocurrency Rate Loans, at the Company's election, shall either (1) be converted into a Committed Borrowing of Base Rate Loans denominated in Dollars in the Dollar Equivalent of the amount of such outstanding Eurocurrency Rate Loans at the end of the applicable Interest Period or interest payment date, as applicable, or (2) be prepaid in full at the end of the applicable Interest Period; provided that if no election is made by the Company in the case of a Eurocurrency Rate Loan, by the last day of the current Interest Period or interest payment date, as applicable, for the applicable Eurocurrency Rate Loan, the Company shall be deemed to have elected clause (1) above.

(b) Replacement of Term SOFR or Term SOFR Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Company or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Company) that the Company or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining Term SOFR because Term SOFR is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority referenced in clause (a) of the definition thereof has made a public statement identifying a specific date after which Term SOFR shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in Dollars, or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide Term SOFR on a representative basis (the date on which Term SOFR is no longer representative or available permanently or indefinitely, the "Term SOFR Scheduled Unavailability Date");

or if the events or circumstances of the type described in Section 3.03(b)(i) or (ii) have occurred with respect to the Term SOFR Successor Rate then in effect, then, the Administrative Agent and the Company may

amend this Agreement solely for the purpose of replacing Term SOFR for Dollars or any then current Term SOFR Successor Rate for Dollars in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such benchmarks (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a "Term SOFR Successor Rate"), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Company unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(c) Replacement of Relevant Rate or Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Company or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Company) that the Company or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining the Relevant Rate (other than Term SOFR) for an Agreed Currency (other than Dollars) because none of the tenors of such Relevant Rate (other than Term SOFR) under this Agreement is available or published on a current basis, and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority referenced in clause (b) of the definition thereof has made a public statement identifying a specific date after which all tenors of the Relevant Rate (other than Term SOFR) for an Agreed Currency (other than Dollars) under this Agreement shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in such Agreed Currency (other than Dollars), or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide such representative tenor(s) of the Relevant Rate (other than Term SOFR) for such Agreed Currency (other than Dollars) (the latest date on which all tenors of the Relevant Rate for such Agreed Currency (other than Dollars) under this Agreement are no longer representative or available permanently or indefinitely, the "Scheduled Unavailability Date");

or if the events or circumstances of the type described in Section 3.03(c) (i) or (ii) have occurred with respect to the Successor Rate then in effect, then, the Administrative Agent and the Company may amend this Agreement solely for the purpose of replacing the Relevant Rate for an Agreed Currency or any then current Successor Rate for an Agreed Currency in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such benchmarks (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a "Non-SOFR Successor Rate", and collectively with the Term SOFR Successor Rate, each a "Successor Rate"), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Company unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(d) Successor Rate. The Administrative Agent will promptly (in one or more notices) notify the Company and each Lender of the implementation of any Successor Rate:

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than 0%, the Successor Rate will be deemed to be 0% for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a Successor Rate the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Company and the Lenders reasonably promptly after such amendment becomes effective.

(e) For purposes of this Section 3.03, those Lenders that either have not made, or do not have an obligation under this Agreement to make, the relevant Loans in Dollars or the relevant Alternative Currency, as applicable, shall be excluded from any determination of Required Lenders.

3.04 Increased Cost and Reduced Return; Capital Adequacy.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;

(ii) subject any Lender or the Agent to any taxes of any kind whatsoever (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b)-(d) of the definition of "Excluded Taxes" and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any applicable interbank market any other condition, cost or expense affecting this Agreement or Eurocurrency Rate Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Eurocurrency Rate Loan or of maintaining its obligation to make any such Loan, or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, the Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitment of such Lender or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrowers will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) The Company shall pay (or cause the applicable Borrower to pay) to each Lender, as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed as a result of a Change in Law in respect of the maintenance of the Commitments or the funding of the Eurocurrency Rate Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith), which in each case shall be due and payable on each date on which interest is payable on such Loan, provided the Company shall have received at least 30 days' prior notice (with a copy to the Administrative Agent) of such additional costs from such Lender. If a Lender fails to give notice 30 days prior to the relevant Interest Payment Date, such additional costs shall be due and payable 30 days from receipt of such notice.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Section 3.04 shall not constitute a waiver of such Lender's right to demand such compensation; provided that, notwithstanding the provisions of Sections 3.04(a), 3.04(b) and 3.04(c), the Borrowers shall only be liable for amounts in respect of increased costs or reductions for the period beginning up to six months prior to the date on which such demand was made (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Notwithstanding any other provision in this Section 3.04, no Lender shall demand compensation for any increased cost pursuant to this Section 3.04 if it shall not at the time be the general policy or practice of such Lender to demand such compensation in similar circumstances under comparable provisions of other credit agreements.

3.05 Funding Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Company shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Eurocurrency Rate Loan on a day other than the last day of the Interest Period, relevant interest payment date or payment period, as applicable, for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by a Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Eurocurrency Rate Loan on the date or in the amount notified by such Borrower;

(c) any failure by any Borrower to make payment of any Loan (or interest due thereon) denominated in an Alternative Currency on its scheduled due date or any payment thereof in a different currency; or

(d) any assignment of a Eurocurrency Rate Loan on a day other than the last day of the Interest Period or relevant interest payment date or payment period, as applicable, therefor as a result of a request by a Borrower pursuant to Section 11.15;

including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained for the performance of any foreign exchange contracts, in each case, excluding loss of any anticipated profits;

provided that the Company shall have no obligation to pay to any Lender any of the foregoing amounts incurred in connection with such Lender being a Defaulting Lender.

3.06 Matters Applicable to Illegality and all Requests for Compensation.

(a) A certificate of the Administrative Agent or any Lender claiming compensation under this ARTICLE III and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error; provided that, in the case of any such certificate delivered pursuant to Section 3.04, such certificate (i) sets forth in reasonable detail (which detail shall not include any confidential or price sensitive information or any other information to the extent prohibited by law) the amount or amounts payable to such Lender pursuant to Section 3.04(a) and 3.04(b) and the basis for determining such amount or amounts and (ii) explains the methodology used to determine such amount. The Borrowers shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof. In determining such amount, the Administrative Agent or such Lender may use any reasonable averaging and attribution methods.

(b) Each Lender may make any Credit Extension to any Borrower through any Lending Office, provided that the exercise of this option shall not affect the obligation of the applicable Borrower to repay the Credit Extension in accordance with the terms of this Agreement. If any Lender requests compensation under Section 3.04, or requires any Borrower to pay any Indemnified Taxes or additional amounts to any Lender, or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Company such Lender shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i)

would eliminate or reduce amounts payable pursuant to Section 3.01 or Section 3.04, as the case may be, in the future, or eliminate the need for notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not, in the good faith judgment of such Lender otherwise be materially disadvantageous to such Lender. The Company hereby agrees to pay (or cause the applicable Borrower to pay) all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment requested by the Company.

(c) Upon any Lender's making a claim for compensation under Section 3.04 or if any Borrower is required to pay amounts to any Lender under Section 3.01 as a result of any Taxes or Other Taxes, in each case the Company may, subject to Section 3.06(b), replace such Lender in accordance with Section 11.15. Upon any Lender's giving notice and suspending its obligations relating to Eurocurrency Rate Loans in accordance with Section 3.02, the Company may replace such Lender in accordance with Section 11.15.

3.07 Survival. All of the Borrowers' obligations under this ARTICLE III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder.

Article IV
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions to Effectiveness. The effectiveness of this Agreement is subject to satisfaction of the following conditions:

(a) The Administrative Agent's receipt of the following, each of which shall be originals, facsimiles or PDFs (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the date hereof (or, in the case of certificates of governmental officials, a recent date before the date hereof) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) executed counterparts of this Agreement by the Administrative Agent, each Lender and each Loan Party;

(ii) if requested by any Lender at least two Business Days before the date hereof, a Note executed by the Borrowers in favor of each Lender so requesting a Note;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers or the corporate secretary or assistant secretary of the Company as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iv) each of the following documents:

(A) the articles or certificate of incorporation and the bylaws of the Company as in effect on the date hereof, certified by the Secretary or Assistant Secretary of the Company as of the date hereof; and

(B) a good standing certificate for the Company from the Secretary of State (or similar, applicable Governmental Authority) of the State of Delaware dated as of a recent date;

(v) favorable opinions, addressed to the Agent and the Lenders, of (A) the Corporate Secretary and Assistant General Counsel of the Company, in form and substance satisfactory to the Administrative Agent regarding such matters as the Administrative Agent may reasonably request; and (B) Simpson Thacher & Bartlett LLP, special counsel to the Company, as to certain matters of New York law;

(vi) a certificate signed by a Responsible Officer of the Company:

(A) certifying that:

(1) the representations and warranties contained in ARTICLE V and the other Loan Documents are true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of such date, as though made on and as of such date (or,

in the case of any such representation or warranty expressly stated to have been made as of a specific date, as of such specific date); and

(2) no Default or Event of Default exists or, if applicable, would result from the initial Borrowing;

(B) designating the date hereof; and

(C) indicating the Debt Ratings; and

(vii) such other assurances, certificates, documents, consents or opinions as the Administrative Agent or the Required Lenders reasonably may require.

(b) Any fees required by the Loan Documents and any fee letter executed by the Company in connection with the Loan Documents to be paid, and all reimbursable expenses for which invoices have been presented, to the Agent, the Arrangers or any Lender on or before the date hereof shall have been paid, to the extent that such invoices have been presented to the Company on or before the date hereof.

(c) Unless waived by the Administrative Agent, the Company shall have paid all Attorney Costs of the Administrative Agent (limited to the reasonable and documented out-of-pocket fees, disbursements and expenses of one primary external counsel to the Administrative Agent) to the extent invoiced to the Company prior to or on the date hereof, plus such additional amounts of Attorney Costs as shall constitute its reasonable estimate of Attorney Costs incurred or to be incurred by it through the proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(d) Since March 31, 2025, no Material Adverse Effect shall have occurred.

(e) The Administrative Agent shall have received, (i) at least three (3) Business Days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Act, as is reasonably requested in writing by the Administrative Agent at least ten (10) Business Days prior to the Closing Date and (ii) at least three (3) Business Days prior to the Closing Date, if any Loan Party qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, such Loan Party shall have delivered, to each Lender that so requests at least ten (10) Business Days prior to the Closing Date, a Beneficial Ownership Certification in relation to such Loan Party.

Without limiting the generality of the provisions of Section 9.05, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter explicitly required under this Section 4.01 to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed date hereof specifying its objection thereto.

4.02 [Reserved].

4.03 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type, or a continuation of any applicable Eurocurrency Rate Loans) is subject to the following conditions:

(a) The representations and warranties contained in ARTICLE V and any other Loan Document shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) as of such earlier date, and except that for purposes of this Section 4.03, the representations and warranties contained in Section 5.08(a) shall be deemed to refer to the most recent statements furnished pursuant Sections 6.01(a) and 6.01(b), respectively.

(b) No Default shall exist, or would result from such proposed Credit Extension.

(c) The Administrative Agent shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) If the applicable Borrower is (i) a Designated Borrower, then the conditions of Section 2.16 related to the designation of such Borrower as a Designated Borrower shall have been met to the satisfaction of the Administrative Agent or (ii) the Additional Borrower, then the conditions of Section 7.02(d) related to the joinder of such Borrower as the Additional Borrower shall have been met to the satisfaction of the Administrative Agent.

Each Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type or a continuation of any applicable Eurocurrency Rate Loans) submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.03(a), (b) and (d) have been satisfied on and as of the date of the applicable Credit Extension.

Article V
REPRESENTATIONS AND WARRANTIES

Each Borrower represents and warrants (which representations and warranties in the case of any Borrower other than the Company shall be limited to such Borrower and its Subsidiaries and other facts and circumstances known to such Borrower and its Subsidiaries) to the Administrative Agent and each Lender that:

5.01 Corporate Existence and Power. Each Borrower:

(a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization;

(b) has the power and authority and all required governmental licenses, authorizations, consents and approvals to own its assets, carry on its business and to execute, deliver, and perform its obligations under the Loan Documents to which it is a party;

(c) is duly qualified and is licensed and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification or license; and

(d) is in compliance with all Requirements of Law;

except, with respect to clause (c) or clause (d), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Corporate Authorization; No Contravention. The execution, delivery and performance by each Borrower of this Agreement and each other Loan Document to which such Borrower is party, and any Borrowing as of the date of such Borrowing have been duly authorized by all necessary corporate action, and do not and will not:

(a) contravene the terms of any Borrower's Organization Documents;

(b) conflict with or result in any breach or contravention of, or the creation of any Lien under, any document evidencing any Contractual Obligation to which any Borrower is a party or any order, injunction, writ or decree of any Governmental Authority to which any Borrower or its property is subject; or

(c) violate any Requirement of Law.

5.03 Governmental Authorization. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority (each of the foregoing, an "Authorization") is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Borrower of the Agreement or any other Loan Document, except to the extent that failure to have obtained or completed, as applicable, such Authorization would not result in a Material Adverse Effect.

5.04 Binding Effect. This Agreement and each other Loan Document to which each Borrower is a party constitute the legal, valid and binding obligations of such Borrower, enforceable against such Borrower in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

5.05 Litigation. There are no actions, suits, proceedings, claims or disputes pending, or to the best knowledge of each Borrower, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, against any Borrower, or its Subsidiaries or any of their respective properties which:

(a) purport to pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or thereby; or

(b) if determined adversely to the Company or its Subsidiaries, would reasonably be expected to have a Material Adverse Effect which has not been disclosed in the Company's annual report for any fiscal period on Form 10-K. No injunction, writ, temporary restraining order or any order of any nature has been issued by any court or other Governmental Authority purporting to enjoin or restrain the execution, delivery or performance of this Agreement or any other Loan Document, or directing that the transactions provided for herein or therein not be consummated as herein or therein provided.

5.06 No Default. No Default or Event of Default exists or would result from the incurring of any Obligations by any Borrower.

5.07 Use of Proceeds; Margin Regulations. The proceeds of the Loans are to be used solely for the purposes set forth in Section 6.10. Neither the Company nor any Subsidiary is engaged, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock (other than the Company's own treasury stock) or extending credit for the purpose of purchasing or carrying Margin Stock.

5.08 Financial Condition.

(a) The Audited Financial Statements:

(A) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, subject in the case of the unaudited statements to ordinary, good faith year end audit adjustments;

(B) fairly present in all material respects the financial condition of the Company and its Subsidiaries as of the date thereof and results of operations for the period covered thereby; and

(C) show all material indebtedness and other liabilities, direct or contingent, of the Company and its consolidated Subsidiaries as of the date thereof required to be shown in accordance with GAAP.

(b) As of the date hereof, since March 31, 2025, there has been no Material Adverse Effect.

5.09 Regulated Entities. None of the Company, any Person controlling the Company, or any Subsidiary, is or is required to be registered as an "investment company" within the meaning of the Investment Company Act of 1940.

5.10 Taxes. Except to the extent that failure to have so filed or paid would not result in a Material Adverse Effect, each Borrower and its Subsidiaries have timely filed or caused to be filed all Federal, state and other material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Borrower or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Borrower nor any Subsidiary thereof is party to any tax sharing agreement other than an agreement solely between one or more Borrowers or Subsidiaries.

5.11 Sanctions. No Borrower, nor any of its Subsidiaries, nor, to the knowledge of the Company, any director, officer, or employee thereof, nor, to the knowledge of the Company, any agent thereof that will act in any capacity in connection with or directly benefit from the credit facility established hereby, is an individual or entity that is, or is owned or controlled by one or more individuals or entities that are (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by OFAC or HMT or (iii) located, organized or resident in a Designated Jurisdiction. Each Borrower and its Subsidiaries conduct their businesses in compliance in all material respects with all applicable Sanctions. Each Borrower and its Subsidiaries have instituted and maintain policies and procedures designed to promote and achieve compliance with all applicable Sanctions.

5.12 Anti-Corruption Laws and Anti-Money Laundering Laws. Each Borrower and its Subsidiaries are in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery

Act 2010, and other similar anti-corruption legislation in other jurisdictions in which the Borrowers or any of their Subsidiaries conduct business and with all applicable Anti-Money Laundering Laws. Each Borrower and its Subsidiaries have instituted and maintain policies and procedures designed to promote and achieve compliance with all applicable anti-corruption laws.

5.13 ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events, would reasonably be expected to result in a Material Adverse Effect.

5.14 Beneficial Ownership Certification. As of (a) the Closing Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects and (b) the date delivered, the information included in each Beneficial Ownership Certification delivered pursuant to Section 6.02(d), if applicable, is true and correct in all respects.

Article VI
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation (other than Obligations under Section 11.04(b) that remain contingent after termination of the Commitments and payment of all other Obligations) hereunder shall remain unpaid or unsatisfied, unless the Required Lenders waive compliance in writing:

6.01 Financial Statements. The Company shall deliver to the Administrative Agent, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) as soon as available, but in any event within 70 days after the end of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of operations, shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of Deloitte & Touche LLP or another nationally recognized independent certified public accountant, which report and opinion shall be prepared in accordance with GAAP and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; and

(b) as soon as available, but in any event within 55 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of operations, shareholders' equity and cash flows for such fiscal quarter and for the portion of the Company's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Company as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

(c) As to any information contained in materials furnished pursuant to Section 6.02(b), the Company shall not be separately required to furnish such information under clause (a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Company to furnish the information and materials described in Sections 6.01(a) and 6.01(b) at the times specified therein.

6.02 Certificates; Other Information. The Company shall deliver to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and 6.01(b), a duly completed Compliance Certificate signed by a Responsible Officer of the Company;

(b) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Company, and copies of all annual, regular, periodic and special reports and registration statements which the Company may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(c) promptly, such additional information regarding the business, financial or corporate affairs of the Borrowers or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request; provided that notwithstanding anything to the contrary in this Section 6.02(c), the Borrowers shall not be required to deliver, disclose, permit the inspection, examination or making of copies or abstracts of, or excerpts from, or any discussion of, any document, information or other matter (i) that constitutes trade secrets or proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by Law or binding agreement (solely to the extent not entered into in contemplation thereof) (or would otherwise cause a breach or default thereunder) or (iii) that is subject to attorney-client or similar privilege or constitutes attorney work product; and

(d) promptly following any request therefor, provide information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Act and the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to Sections 6.01(a) or 6.01(b) or 6.02(b) or Section 6.03 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which it is publicly available at no charge on the EDGAR system of the United States Securities and Exchange Commission, (ii) on which the Company posts such documents, or provides a link thereto on the Company's website on the Internet at the website address listed on Schedule 11.02; or (iii) on which such documents are posted on the Company's behalf on IntraLinks, SyndTrak or another similar electronic system (a "Platform"), if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent). The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Company with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrowers hereby acknowledge that (a) the Administrative Agent may make available to the Lenders materials and/or information provided by or on behalf of the Borrowers under Sections 6.01(a), 6.01(b), 6.02(a), 6.02(b), and Section 6.03 (and any other such materials and/or information to the extent the applicable Borrower has previously consented in writing) (collectively, "Borrower Materials") by posting the Borrower Materials on a Platform and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to any of the Borrowers or their respective affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrowers hereby agree that (a) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (b) by marking Borrower Materials "PUBLIC," the Borrowers shall be deemed to have authorized the Administrative Agent and the Lenders to treat such Borrower Materials as publicly available information with respect to the Borrowers or their respective securities for purposes of United States Federal and state securities laws; (c) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of a Platform designated "Public Investor"; and (d) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of a Platform not designated "Public Investor".

6.03 **Notices**. Each Borrower shall promptly notify the Administrative Agent:

(a) of the occurrence of any Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect; and

(c) of (i) the occurrence of any ERISA Event with respect to a Pension Plan or Multiemployer Plan which would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect, or (ii) the existence of an amount of unfunded benefit liabilities (as defined in Section 4001(a)(18) of ERISA), individually or in the aggregate for all Pension Plans (excluding for purposes of such computation any Pension Plans with respect to which assets exceed benefit liabilities), which would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect.

Notification delivered to the Administrative Agent and each Lender by any Borrower under this Section 6.03 shall satisfy the notice obligation of all Borrowers hereunder. Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Company setting forth details of the occurrence referred to therein and stating what action the Company has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Preservation of Existence, Etc. Each Borrower shall, and shall cause each of its Material Subsidiaries to, (a) preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.02 and (b) take all reasonable action to maintain all governmental rights, privileges, permits, licenses and franchises necessary in the normal conduct of its business, except in connection with transactions permitted by Section 7.02 and except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.05 Maintenance of Insurance. Each Borrower shall, and shall cause each of its Material Subsidiaries to, maintain with financially sound and reputable insurance companies, insurance (including self-insurance) with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as the Company reasonably deems prudent from time to time.

6.06 Payment of Taxes. Each Borrower shall, and shall cause each of its Material Subsidiaries to, pay and discharge as the same shall become due and payable, all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets (other than obligations that a Responsible Officer is not aware of or are of a nominal amount), unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Company or such Material Subsidiary, and except to the extent that failure to so pay and discharge, either individually or in the aggregate, would not result in a Material Adverse Effect.

6.07 Compliance with Laws. Each Borrower shall, and shall cause each of its Material Subsidiaries to, comply in all material respects with the Requirements of Law applicable to it or to its business, except in such instances in which (a) a Requirement of Law is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.08 Books and Records. Each Borrower shall, and shall cause each of its Material Subsidiaries to, maintain in all material respects proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Company and such Material Subsidiary, as the case may be.

6.09 Inspection Rights. Each Borrower shall, and shall cause each of its Material Subsidiaries to, permit representatives and independent contractors of the Administrative Agent, on behalf of itself or a request of any Lender, to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at such reasonable times during normal business hours and upon reasonable advance notice to the Company and the applicable Borrower that is the subject of such inspection; provided, however, that when an Event of Default exists the representatives and independent contractors of the Administrative Agent may do any of the foregoing at the reasonable expense of the Borrowers at any time during normal business hours and upon reasonable advance notice to the Company and the applicable Borrower that is the subject of such inspection; provided, further, that so long as no Event of Default exists, no Borrower shall be required to or to cause any Material Subsidiary to permit more than one such visit or inspection on more than one occasion in any twelve-month period.

6.10 Use of Proceeds. The Borrowers shall use the proceeds of the Credit Extensions for general corporate purposes not in contravention of any Law or of any Loan Document.

6.11 Anti-Corruption Laws; Sanctions. The Borrowers shall, and shall cause each Subsidiary to, (i) conduct its businesses in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions in which any Borrower or any of its Subsidiaries conduct business, all applicable Sanctions and all applicable Anti-Money Laundering Laws

and (ii) maintain policies and procedures designed to promote and achieve compliance with all applicable anti-corruption laws and all applicable Sanctions.

Article VII
NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation (other than Obligations under Section 11.04(b) that remain contingent after termination of the Commitments and payment of all other Obligations) hereunder shall remain unpaid or unsatisfied, unless the Required Lenders waive compliance in writing:

7.01 Liens. No Borrower shall, or shall suffer or permit any of its Material Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien upon any of its property, whether now owned or hereafter acquired, other than the following:

(a) any Lien existing on property of the Company or any Material Subsidiary on the date hereof securing Indebtedness outstanding on such date and any renewals or extensions thereof; provided that the property covered thereby is not changed or increased;

(b) any Lien created under any Loan Document;

(c) Liens for taxes, fees, assessments or other governmental charges not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) carriers', warehousemen's, mechanics', materialmen's, landlords', repairmen's or other like Liens arising in the ordinary course of business which are not delinquent or remain payable without penalty;

(e) pledges or deposits required in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) Liens on the property of any Borrower or any Material Subsidiary securing (i) the non-delinquent performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, (ii) contingent obligations on surety and appeal bonds, and (iii) other non-delinquent obligations of a like nature; in each case, incurred in the ordinary course of business, provided all such Liens in the aggregate would not (even if enforced) cause a Material Adverse Effect;

(g) easements, rights-of-way, restrictions and other similar encumbrances which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; provided that (i) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Company in excess of those set forth by regulations promulgated by the FRB, and (ii) such deposit account is not intended by any Borrower or any Material Subsidiary to provide collateral to the depository institution;

(i) Liens arising out of any Qualified Receivables Transaction;

(j) Liens existing on any property or asset prior to the acquisition thereof by any Borrower or any Material Subsidiary or existing on a property or asset of a Person prior to such Person becoming a Subsidiary; provided that (x) such Liens were not granted in connection with, or in contemplation of, the acquisition of such property or such asset or such Person becoming a Subsidiary, (y) such Liens secure only the obligations secured immediately prior to the acquisition of such property or asset or Person becoming a Subsidiary (and any modifications, extensions, renewals, replacements or refinancings thereof that does not increase the amount of such original obligations) and (z) such Liens shall not apply to any other property or assets of any Borrower or the Subsidiaries, other than the proceeds of such acquired property or assets and related books and records;

(k) Liens existing on equipment, computers or software acquired by any Borrower or any Material Subsidiary at the time of Borrower's or Material Subsidiary's, as applicable, acquisition thereof, provided that such Liens are confined solely to the property so acquired or the proceeds thereof and related books and records;

(l) Liens on deposit or securities accounts (and cash and cash equivalents and other financial assets held therein) established in the ordinary course of business in favor of the financial institution at which such account is held, arising pursuant to such financial institution's standard terms and conditions governing such account and not securing Indebtedness; and

(m) Liens securing Indebtedness and other obligations (other than Indebtedness and other obligations secured by Liens described in any of the foregoing Section 7.01(a) through (l)) in an aggregate principal amount that, at the time of incurrence of such secured Indebtedness or obligations, together with all other Indebtedness or obligations secured by Liens permitted in reliance on this clause (m) at such time, does not exceed the greater of (x) $2,000,000,000 or (y) 25% of Net Worth at such time.

7.02 Consolidations and Mergers. No Borrower shall directly or indirectly, liquidate, dissolve, merge, amalgamate, consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except:

(a) any Borrower (other than the Company) may merge with: (i) the Company; provided that the Company shall be the continuing or surviving corporation; or (ii) any one or more Wholly-Owned Subsidiaries; provided that a Borrower shall be the continuing or surviving corporation and the jurisdiction of incorporation of such Borrower shall be a Designated Borrower Jurisdiction;

(b) any Borrower (other than the Company) may amalgamate with any one or more of the Company's Wholly-Owned Subsidiaries; provided that a Borrower shall be the continuing or surviving corporation and the jurisdiction of incorporation of such Borrower shall be a Designated Borrower Jurisdiction;

(c) any Borrower (other than the Company) may sell, transfer or exchange all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Company or another Borrower;

(d) the Company may convey, transfer, lease or otherwise dispose of all or substantially all of its pharmacology distribution business to a wholly-owned Domestic Subsidiary that, simultaneously therewith, executes and delivers to the Administrative Agent a joinder agreement in the form of Exhibit F hereto (the "Joinder Agreement") and becomes a Borrower under this Agreement (such wholly-owned Domestic Subsidiary that becomes a Borrower pursuant to the provisions of this Section 7.02(d), the "Additional Borrower"); provided that (i) the parties hereto acknowledge and agree that prior to the Additional Borrower becoming entitled to utilize the credit facilities provided for herein the Administrative Agent and the Lenders shall have received such "know your customer" information, Beneficial Ownership Certification, supporting resolutions, incumbency certificates, opinions of counsel and other documents or information, in form, content and scope reasonably satisfactory to the Administrative Agent, as may reasonably be required by the Administrative Agent or the Required Lenders (or in the case of "know your customer" information and Beneficial Ownership Certification, each Lender), and Notes signed by the Additional Borrower to the extent any Lenders so require, (ii) if the Administrative Agent and the Required Lenders agree that the Additional Borrower shall be entitled to receive Loans hereunder, then promptly following receipt of all such requested "know your customer" information, Beneficial Ownership Certification, resolutions, incumbency certificates, opinions of counsel and other documents or information, the Administrative Agent shall send a notice in substantially the form of Exhibit G (a "Borrower Notice") to the Company and the Lenders specifying the effective date upon which the Additional Borrower shall constitute a Borrower for purposes hereof, whereupon each of the Lenders agrees to permit the Additional Borrower to receive Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that the Additional Borrower otherwise shall be a Borrower for all purposes of this Agreement (provided that no Committed Loan Notice may be submitted by or on behalf of the Additional Borrower until the date five Business Days after such effective date), (iii)(A) the Obligations of the Company, each Designated Borrower that is a Domestic Subsidiary, and the Additional Borrower shall be joint and several in nature, (B) the Company shall execute a Guaranty in respect of the Additional Borrower prior to or on the effective date referred to above (or, if the Company has already delivered a Guaranty prior to the effective date referred to above, the Company and each then-existing Designated Borrower that is a Domestic

Subsidiary shall execute and deliver to the Administrative Agent a reaffirmation agreement, in form and substance reasonably satisfactory to the Administrative Agent, in respect of each such Person's Guaranty) and (C) the Additional Borrower shall execute a Guaranty in respect of the Company's and any Designated Borrower's Obligations hereunder prior to or on the effective date referred to above and (iv) it is understood and agreed that on and after the date on which the Additional Borrower becomes a Borrower, (A) the Additional Borrower irrevocably appoints the Company as its agent for all purposes relevant to this Agreement and each of the other Loan Documents, including (1) the giving and receipt of notices, (2) the execution and delivery of all documents, instruments and certificates contemplated herein and all modifications hereto and (3) the receipt of the proceeds of any Loans made by the Lenders to the Additional Borrower hereunder, (B) any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not the Additional Borrower or any such other Borrower joins therein and (C) any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to the Additional Borrower; and

(e) the Company may merge or consolidate with or into another Person, provided that (i) either (x) the Company shall be the continuing or surviving corporation or (y) (A) the successor Person (if other than the Company) formed by such consolidation or into which the Company is merged (the "Successor") is a corporation, limited liability company or limited partnership organized or existing under the laws of the United States, any state of the United States or the District of Columbia, and (B) the Successor (if any) shall have expressly assumed all of the Company's Obligations pursuant to documentation in form satisfactory to the Administrative Agent, and (ii) no Default or Event of Default is in effect immediately prior to or on the date of or would result from such merger or consolidation.

7.03 Use of Proceeds. No Borrower shall, or shall suffer or permit any of its Subsidiaries to, use any Credit Extension, directly or indirectly, (a) to purchase or carry Margin Stock in contravention of Regulation U issued by the Board of Governors of the Federal Reserve, (b) to repay or otherwise refinance indebtedness of the Company or others incurred to purchase or carry Margin Stock in contravention of said Regulation U, (c) to extend credit for the purpose of purchasing or carrying any Margin Stock in contravention of said Regulation U, or (d) to acquire any security in any transaction that is subject to Section 13 or 14 of the Securities Exchange Act of 1934, in contravention of said Regulation U.

7.04 Financial Covenant. The Company will not permit the Leverage Ratio as of the last day of any fiscal quarter to exceed 4.00 to 1.00; provided that upon the consummation of any Material Acquisition that involves payment of cash consideration of at least US$500,000,000 and the written election of the Company to the Administrative Agent (which shall deliver a copy to the Lenders), the maximum permitted Leverage Ratio set forth above shall increase to 4.50 to 1.00, with respect to the last day of the fiscal quarter of the Company during which such Material Acquisition is consummated and the last day of each of the next three full fiscal quarters of the Company ending after the date of the consummation of such Material Acquisition; provided, however, that the Company shall not be permitted to make such an election if the Company has theretofore made such an election unless at least one full fiscal quarter of the Company shall have ended since the date of such prior election without an increase being in effect.

Solely for purposes of determining compliance with the financial covenant set forth in this Section above and as of the last day of any fiscal quarter with respect to which the financial covenant is tested, (a)(i) the definition of Total Debt shall not include the Indebtedness of any partnership or joint venture that is not a Subsidiary of the Company and in which the Company or any of its Subsidiaries is a general partner or a joint venture to the extent that such Indebtedness is expressly made non-recourse to the Company and its Subsidiaries or (ii) for the purposes of determining Total Debt at any time after the definitive agreement for any Material Acquisition shall have been executed, any Acquisition Indebtedness with respect to such Material Acquisition shall, unless such Material Acquisition shall have been consummated, be disregarded and (b) the definition of Consolidated EBITDA shall not include any amounts contributed to the Company or any of its Subsidiaries by any such partnership or joint venture referenced in clause (a)(i) except to the extent of the amounts actually received in cash by the Company or its Subsidiaries.

7.05 Sanctions. No Borrower shall, nor shall it permit any Subsidiary to, directly or, to the knowledge of such Borrower, indirectly, use the proceeds of any Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business of or with any individual or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Arranger, Administrative Agent, or otherwise) of Sanctions.

7.06 Anti-Corruption Laws. No Borrower shall, nor shall it permit any Subsidiary to, directly or, to the knowledge of such Borrower, indirectly use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions in which any Borrower or any of its Subsidiaries conduct business.

Article VIII
EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Borrower fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan, or (ii) within five days after the same becomes due, any interest on any Loan, any facility fee or other fee due hereunder, or any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. The Company fails to perform or observe any term, covenant or agreement contained in any of Section 6.03(a), Section 6.04(a) or ARTICLE VII; or

(c) Other Defaults. Any Borrower fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or 8.01(b)) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after the date upon which written notice thereof is given to the Company by the Administrative Agent or any Lender; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Borrower herein, in any other Loan Document, or in any document delivered in connection herewith or therewith, shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. (i) The Company or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than any intercompany Indebtedness or any Indebtedness hereunder) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than $250,000,000 (such Indebtedness or Guarantee being a "Relevant Obligation") and such failure continues after the applicable grace or notice period, if any, specified in the relevant document on the date of such failure, or (B) fails to observe or perform any other agreement or condition relating to, or contained in any instrument or agreement evidencing, securing or relating to, any Relevant Obligation, and such failure continues after the applicable grace or notice period, if any, specified in the relevant document on the date of such failure, or any other event occurs, the effect of which default or other event is to cause such Relevant Obligation to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Relevant Obligation to be made, prior to its stated maturity, or such cash collateral in respect of such Relevant Obligation to be demanded (provided that (1) an Acquired Debt Default shall not constitute an Event of Default pursuant to this clause (i)(B) so long as such Acquired Debt Default is waived or cured, or the Relevant Obligation giving rise thereto is repaid, within 30 days of consummation of the transaction giving rise thereto and (2) any prepayment, repurchase, redemption or defeasance of any Acquisition Indebtedness shall not constitute an Event of Default pursuant to this clause (i)(B) if the related Material Acquisition for which such Acquisition Indebtedness was incurred is not consummated) or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which the Company or any Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which the Company or any Subsidiary is an Affected Party

(as defined in such Swap Contract) and, in either event, the Swap Termination Value owed by the Company or such Subsidiary as a result thereof is greater than $250,000,000; or

(f) Insolvency; Voluntary Proceedings. The Company or any Material Subsidiary (i) ceases or fails to be solvent, or generally fails to pay, or admits in writing its inability to pay, its debts as they become due, subject to applicable grace periods, if any, whether at stated maturity or otherwise; (ii) voluntarily ceases to conduct its business in the ordinary course; (iii) commences any Insolvency Proceeding with respect to itself; or (iv) takes any action to effectuate or authorize any of the foregoing; or

(g) Involuntary Proceedings. (i) Any involuntary Insolvency Proceeding is commenced or filed against the Company or any Material Subsidiary, or any writ, judgment, warrant of attachment, execution or similar process, is issued or levied against a substantial part of the Company's or any Material Subsidiary's properties, and any such proceeding or petition shall not be dismissed, or such writ, judgment, warrant of attachment, execution or similar process shall not be released, vacated or fully bonded within sixty (60) days after commencement, filing or levy; (ii) the Company or any Material Subsidiary admits the material allegations of a petition against it in any Insolvency Proceeding, or an order for relief (or similar order under non-U.S. law) is ordered in any Insolvency Proceeding; or (iii) the Company or any Material Subsidiary acquiesces in the appointment of a receiver, trustee, custodian, conservator, liquidator, mortgagee in possession (or agent therefor), or other similar Person for itself or a substantial portion of its property or business; or

(h) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect, or (ii) there shall exist an amount of unfunded benefit liabilities (as defined in Section 4001(a)(18) of ERISA), individually or in the aggregate for all Pension Plans (excluding for purposes of such computation any Pension Plans with respect to which assets exceed benefit liabilities), which has resulted or would reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect; or

(i) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(j) Change of Control. There occurs any Change of Control.

8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans to be terminated, whereupon such commitments shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by each Borrower;

(c) [reserved]; and

(d) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable law;

provided, however, that upon the occurrence of (i) any event described in Section 8.01(f) or (ii) an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code of the United States, except in the case of Section 8.01(g)(i), in which case upon the expiration of the 60-day period mentioned therein if the curative action mentioned in such clause is not taken, the obligation of each Lender to make Loans shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as

aforesaid shall automatically become due and payable, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans and other Obligations have automatically become immediately due and payable as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including Attorney Costs and amounts payable under ARTICLE III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including Attorney Costs and amounts payable under ARTICLE III), ratably among them in proportion to the amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Company or as otherwise required by Law.

Article IX
ADMINISTRATIVE AGENT

9.01 Appointment and Authorization of Agent.

(a) Each of the Lenders hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this ARTICLE IX are solely for the benefit of the Administrative Agent and the Lenders, and the Borrowers shall not have rights as a third party beneficiary of any of such provisions other than the provisions of Section 9.06 relating to the Company's consultation and notice rights.

(b) Notwithstanding any provision to the contrary contained elsewhere herein or in any other Loan Document, the Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall the Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in the other Loan Documents with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

9.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrowers or any Subsidiary or other Affiliate thereof as if such Person was not the Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. Neither the Agent nor any Arranger shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and, in each case, its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, neither the Agent nor any Arranger:

(a) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrowers or any of their Affiliates that is communicated to or obtained by the Person serving as the Agent, an Arranger or any of its Affiliates in any capacity.

(d) Neither the Agent nor any Arranger shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or, in the case of the Agent, as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Agent shall not be deemed to have knowledge of any Default unless and until notice describing such Default is given in writing to the Agent by a Borrower or a Lender.

(e) Neither the Agent nor any Arranger shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in ARTICLE IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

9.04 Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or any other Loan Document by or through any one or more sub-agents appointed by the Agent. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

9.05 Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice (including without limitation, telephonic or electronic notice, Committed Loan Notices and notices of prepayment), request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person or Persons. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless the Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Agent may consult with legal counsel (who may be counsel for the Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.06 Successor Agent. The Agent may at any time give notice of its resignation to the Lenders and the Company. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Company, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate

of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Agent may on behalf of the Lenders appoint a successor Agent meeting the qualifications set forth above; provided that if the Agent shall notify the Company and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective as of the Resignation Effective Date in accordance with such notice and (a) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (b) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent (other than any rights to indemnity payments or other amounts owed to the retiring (or retired) Administrative Agent as of the Resignation Effective Date), and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Company to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring Administrative Agent was acting as Administrative Agent and (ii) after such resignation for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including (a) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Lenders and (b) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

9.07 Non-Reliance on Agent, Arrangers and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor any Arranger has made any representation or warranty to it, and that no act by the Administrative Agent or any Arranger hereafter taken, including any consent to, and acceptance of any assignment or review of the affairs of any Borrower of any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent or such Arranger to any Lender as to any matter, including whether the Administrative Agent or any Arranger have disclosed material information in their (or their respective Related Parties') possession. Each Lender represents to the Administrative Agent and each Arranger that it has, independently and without reliance upon the Administrative Agent, any Arranger, any other Lender or any of their respective Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis of, appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of the Company and its Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrowers hereunder. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Arranger, any other Lender or any of their respective Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrowers. Each Lender represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility and (ii) it is engaged in making, acquiring or holding commercial loans in the ordinary course and is entering into this Agreement as a Lender for the purpose of making, acquiring or holding commercial loans and providing other facilities set forth herein as may be applicable to such Lender, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, such as a security, and each Lender agrees not to assert a claim in contravention of the foregoing, such as a claim under the federal or state securities laws. Each Lender represents and warrants that it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender, and either it, or the Person exercising

discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the documentation agents, syndication agents, bookrunners or arrangers listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder. Without limiting the foregoing, none of the Lenders or other Persons so listed shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so listed in deciding to enter into this Agreement or in taking or not taking action hereunder.

9.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

9.10 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager

made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Company or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any other Loan Document or any documents related hereto or thereto).

9.11 Recovery of Erroneous Payments. Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender, whether or not in respect of an Obligation due and owing by a Borrower at such time, where such payment is a Rescindable Amount, then in any such event, each Lender receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender in Same Day Funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender irrevocably waives any and all defenses, including any "discharge for value" (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender promptly upon determining that any payment made to such Lender comprised, in whole or in part, a Rescindable Amount.

Article X
[RESERVED]

Article XI
MISCELLANEOUS

11.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Company or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Company or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a) (other than any condition pursuant to Section 4.01(a)(vii)) without the written consent of each Lender;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) except as permitted by Section 2.15, in each case without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (v) of the second proviso to this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrowers to pay interest at the Default Rate;

(e) change Sections 2.13 or 8.03 in a manner that would alter the pro rata sharing of payments or the order of application of payments required thereby or amend the definition of "Pro Rata Share", without the written consent of each Lender;

(f) change any provision of this Section 11.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(g) release (x) the Company from any Guaranty or (y) substantially all of the value of the Guarantees without the written consent of each Lender; or

(h) change the definition of "Alternative Currency" or "Designated Borrower Jurisdiction" without the consent of each Lender.

and, provided, further, that (i) [reserved]; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (iii) Section 11.06(h) may not be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by an SPC at the time of such amendment, waiver or other modification; (iv) [reserved]; and (v) any Fee Letter may be amended, or rights or privileges thereunder waived, only in a writing executed by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender. This Agreement and other Loan Documents may be amended or supplemented by an agreement or agreements in writing entered into by the Administrative Agent and each Borrower as to which such agreement or agreements is to apply, without the need to obtain the consent of any Lender, to implement any modification necessary to effect the provisions of Section 2.15, Section 2.16 and/or Section 7.02(d) or to comply with local Law or advice of counsel in connection therewith, in each case so long as such modification does not adversely affect the rights of any Lender; provided that the Administrative Agent shall post such amendment to the Lenders (which may be posted to the approved Platform) reasonably promptly after the effectiveness thereof.58

11.02 Notices and Other Communications; Facsimile Copies.

(a) General. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for hereunder shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to any Borrower or the Administrative Agent, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening

of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. All notices hereunder to any Borrower shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier (or, to the extent permitted hereunder to be given by telephone, immediately confirmed in a writing so delivered, mailed or sent). Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to ARTICLE II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower's or the Administrative Agent's transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service through the internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to any Borrower, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each Borrower and the Administrative Agent may change its address, facsimile number, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile number, electronic mail address or telephone number for notices and other communications hereunder by notice to the Company and the Administrative Agent. Furthermore, each Public Lender (as defined in Section 6.02) agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform (as defined in Section 6.02) in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials (as defined in Section 1.01) that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrowers or their respective securities for purposes of United States Federal or state securities laws.

(e) Reliance by Agent and Lenders. The Agent and Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices) purportedly given by or on behalf of any Borrower, which

the Agent or Lender believes in good faith to have been given by a duly authorized officer or other person authorized to borrow on behalf of any Borrower, even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. Each Borrower shall indemnify the Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of such Borrower. All telephonic notices to and other communications with the Agent may be recorded by the Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender or the Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) [reserved], (c) any Lender from exercising setoff rights in accordance with Section 11.08, or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrowers agree, jointly and severally, (i) to pay or reimburse the Agent for all reasonable, documented and invoiced out-of-pocket costs and expenses incurred in connection with the syndication of the credit facilities provided for herein, the development, preparation, negotiation and execution of this Agreement and the other Loan Documents and any amendment, waiver, consent or other modification of the provisions hereof and thereof (whether or not the transactions contemplated hereby or thereby are consummated), and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs (but limited, in the case of Attorney Costs pursuant to this clause (i), to the reasonable and documented out-of-pocket fees, expenses and disbursements of (x) one primary external counsel to the Agent and (y) if necessary, one firm of external counsel retained by the Agent in each appropriate material jurisdiction (which may include a single firm of external counsel acting in multiple jurisdictions)), (ii) [reserved] and (iii) to pay or reimburse the Agent and each Lender for all reasonable, documented and invoiced out-of-pocket costs and expenses incurred in connection with the enforcement, attempted enforcement, or preservation of any rights or remedies under this Agreement or the other Loan Documents (including all such out-of-pocket costs and expenses incurred during any "workout" or restructuring in respect of the Obligations and during any legal proceeding, including any proceeding under any Debtor Relief Law), including all Attorney Costs (but limited, in the case of Attorney Costs pursuant to this clause (iii), to the reasonable and documented out-of-pocket fees, expenses and disbursements of (x) one primary external counsel to the Agent and the Lenders, taken as a whole, (y) if necessary, one firm of external counsel to the Agent and the Lenders, taken as a whole, in each appropriate material jurisdiction (which may include a single firm of external counsel acting in multiple jurisdictions) and (z) in the case of any actual or perceived conflict of interest, one additional external counsel to each group of affected persons similarly situated, taken as a whole). The foregoing costs and expenses shall include all search, filing, recording, title insurance and appraisal charges and fees and taxes related thereto, and other out-of-pocket expenses incurred by the Agent and the cost of

independent public accountants and other outside experts retained by the Agent or any Lender. All amounts due under this Section 11.04 shall be payable within 20 Business Days after demand therefor.

(b) Indemnification by the Borrowers. Whether or not the transactions contemplated hereby are consummated, the Borrowers shall jointly and severally indemnify and hold harmless the Agent (and any sub-agent thereof), each Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses and disbursements (including Attorney Costs (but limited, in the case of Attorney Costs, to the reasonable and documented out-of-pocket fees, expenses and disbursements of (x) one primary external counsel to the Indemnitees, taken as a whole, (y) if necessary, one firm of external counsel to the Indemnitees, taken as a whole, in each appropriate material jurisdiction (which may include a single firm of external counsel acting in multiple jurisdictions) and (z) in the case of any actual or perceived conflict of interest, one additional external counsel to each group of affected Indemnitees similarly situated, taken as a whole)) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnitee in any way relating to or arising out of or in connection with (i) the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby (including any Indemnitee's reliance on any Communication executed using an Electronic Signature, or in the form of an Electronic Record, that such Indemnitee reasonably believes is made by an authorized officer of the applicable Borrower), (ii) any Commitment or Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned, leased or operated by any Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to any Borrower or any of its Subsidiaries or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding) and regardless of whether any Indemnitee is a party thereto (all the foregoing, collectively, the "Indemnified Liabilities"); provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements (A) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (i) the gross negligence or willful misconduct of such Indemnitee or (ii) a material breach of the obligations of such Indemnitee under this Agreement, or (B) result from a claim not involving an act or omission of any Borrower or any of its Subsidiaries and that is brought by an Indemnitee against another Indemnitee (other than against the Arrangers or the Agent in their capacities as such).

(c) Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Agent (or any sub-agent thereof), any Arranger or any Related Party of any of the foregoing (it being acknowledged that, for the avoidance of doubt, such required amounts do not include any fees arising solely from the Fee Letters), each Lender severally agrees to pay to the Agent (or any such sub-agent), such Arranger or such Related Party, as the case may be, such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Agent (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Borrower shall assert, and each Borrower hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable not later than 20 Business Days after demand therefor.

(f) The agreements in this Section 11.04 shall survive the resignation of the Administrative Agent or any Arranger, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside. To the extent that any payment by or on behalf of a Borrower is made to the Agent or any Lender, or the Agent or any Lender exercises its right of set-off, and such payment or the proceeds of such set-off or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such set-off had not occurred, and (b) each Lender severally agrees to pay to the Agent upon demand its applicable share of any amount so recovered from or repaid by the Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to in the case of Loans (A) in Dollars, the Federal Funds Rate from time to time in effect, (B) in an Alternative Currency, the applicable Overnight Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder (except in a transaction permitted under Section 7.02) without the prior written consent of the Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 11.06(b), (ii) by way of participation in accordance with the provisions of Section 11.06(d), (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.06(f) and 11.06(i), or (iv) to an SPC in accordance with the provisions of Section 11.06(h) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 11.06(d) and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that (i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment and Loans subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "trade date" is specified in the Assignment and Assumption, as of such date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Company otherwise consents (each such consent not to be unreasonably withheld or delayed); (ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, (iii) any assignment must be approved by the Administrative Agent and, so long as no Event of Default has occurred and is continuing at the time of such assignment, the Company (each such approval not to be unreasonably withheld or delayed) unless the Person that is the proposed assignee is itself a Lender or an Affiliate of a Lender or an Approved Fund (whether or not the proposed assignee would otherwise qualify as an Eligible Assignee), (iv) [reserved] and (v) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption and (except in the case of an assignment by a Lender to its Affiliate) a processing and recordation fee of $3,500 payable on the date of effectiveness of the Assignment and Assumption by the parties thereto, provided, however, that the Administrative Agent may in its sole discretion elect to waive such processing and recordation fee in the case of any assignment, and the Eligible Assignee, if it shall not be a Lender,

shall deliver to the Administrative Agent an Administrative Questionnaire. Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 11.06(c), from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment). Upon request, each Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.06(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.06(d).

No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the "Trade Date") on which the assigning Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person (unless the Company has consented to such assignment in writing in its sole and absolute discretion, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation). Upon receipt of a list of Disqualified Institutions from the Company (or any updates thereto), the Administrative Agent shall promptly provide such list or updates, as applicable, to the Lenders (including by posting to a Platform). Any Person shall become a "Disqualified Institution" for purposes of this Agreement two (2) Business Days after the Administrative Agent provides such list or updates, as applicable, to the Lenders (including by posting to a Platform). For the avoidance of doubt, with respect to any assignee that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to the definition of "Disqualified Institution"), (x) such assignee shall not retroactively be disqualified from becoming a Lender and (y) the execution by the Company of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment in violation of this paragraph shall not be void, but the other provisions of this clause (b) shall apply.

If any assignment or participation is made to any Disqualified Institution without the Company's prior written consent in violation of the preceding paragraph, or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Company may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the Administrative Agent, (A) terminate any Commitment of such Disqualified Institution and repay all obligations of the applicable Borrower owing to such Disqualified Institution under this Agreement, and/or (B) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section), all of its interest, rights and obligations under this Agreement to one or more Eligible Assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (A) will not (x) have the right to receive information, reports or other materials provided to Lenders by the Borrowers, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter, and (y) for purposes of voting on any plan of reorganization, each Disqualified Institution party hereto hereby agrees (1) not to vote on such plan of reorganization, (2) if such Disqualified Institution does vote on such plan of reorganization notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such plan of

reorganization in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws) and (3) not to contest any request by any party for a determination by the Bankruptcy Court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(c) The Administrative Agent, acting solely for this purpose as an agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Company, at any reasonable time and from time to time upon reasonable prior notice. In addition, at any time that a request for a consent for a material or substantive change to the Loan Documents is pending, any Lender wishing to consult with other Lenders in connection therewith may request and receive from the Administrative Agent a copy of the Register.

(d) (i) Any Lender may at any time, without the consent of, or notice to, the Administrative Agent, sell participations to any Person (other than a natural person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, one or more natural persons), any Borrower, any of the Borrowers' Affiliates or Subsidiaries and any Defaulting Lender) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) unless a Default or Event of Default has occurred and is continuing, the Company shall have approved the sale of participations to such Person (such approval not to be unreasonably withheld or delayed); (ii) [Reserved]; (iii) such Lender's obligations under this Agreement shall remain unchanged; (iv) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; (v) the Borrowers, the Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement; and (vi) such Lender complies with Section 11.06(d)(ii). Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that directly affects such Participant. Subject to Section 11.06(e), the Borrowers agree that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.06(b) (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender.

(i) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Company, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) A Participant shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been

entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) As used herein, the following terms have the following meanings:

"Eligible Assignee" means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person (other than a natural person) approved by (i) the Administrative Agent and (ii) unless a Default or an Event of Default has occurred and is continuing, the Company (each such approval not to be unreasonably withheld or delayed); provided that notwithstanding the foregoing, (i) "Eligible Assignee" shall not include (x) any Borrower, any of the Borrowers' Affiliates or Subsidiaries, or any Defaulting Lender, (y) any Disqualified Institution or (z) any natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of one or more natural Persons).

The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

(h) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Company (an "SPC") the option to provide all or any part of any Committed Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Committed Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Committed Loan, the Granting Lender shall be obligated to make such Committed Loan pursuant to the terms hereof or, if it fails to do so, to make such payment to the Agent as is required under Section 2.12(b)(ii); provided, further that no such grant to an SPC shall impose Taxes or Other Taxes on any Borrower. Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Company under this Agreement (including its obligations under Section 3.04), (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Loan Document, remain the lender of record hereunder. The making of a Committed Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Committed Loan were made by such Granting Lender. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior debt of any SPC, it will not institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Company and the Administrative Agent and without paying any processing fee therefor, assign all or any portion of its right to receive payment with respect to any Committed Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Committed Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(i) Notwithstanding anything to the contrary contained herein, any Lender that is a Fund may create a security interest in all or any portion of the Loans owing to it and the Note, if any, held by it to the trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities, provided that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this

Section 11.06, (a) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents and (b) such trustee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise. For purposes of this Section 11.06(j), "Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

(j) [Reserved].

(k) [Reserved].

(l) Defaulting Lenders. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrowers and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Pro Rata Share. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this Section 11.06(l), then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

11.07 Treatment of Certain Information; Confidentiality.

The Agent and each Lender agrees to maintain, and to cause its Affiliates (including any Related Parties) to maintain, the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective auditors, partners, directors, officers, employees, agents, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; (d) to any other party hereto; (e) to the extent reasonably required, in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement (it being understood that the list of Disqualified Institutions may be disclosed to any assignee or Participant, or prospective assignee or Participant, in reliance on this clause (f)(i)), (ii) any actual or prospective counterparty (or its advisors) to any swap, derivative or other transaction relating to obligations of the Loan Parties under this Agreement, any other Loan Document or payments hereunder or thereunder or (iii) any insurers and/or risk protection providers; (g) with the consent of the Company; or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section, (ii) becomes available to the Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Company, (iii) is independently discovered or developed by such party without utilizing any Information received from any Loan Party or violating the terms of this Section or (iv) was already in such party's possession; provided, however, that to the extent permitted by applicable law or regulation, the Agent and the Lenders agree to notify the Company prior to (if reasonably practicable) or concurrently with its disclosure of such information to any third party pursuant to clauses (b) (other than in the case of routine bank examinations), (c) and (f). In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and public information about this Agreement to market data collectors, similar service providers to the lending industry, and service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement, the other Loan Documents, the Commitments, and the Credit Extensions.

For the purposes of this Section, "Information" means all information received from any Loan Party relating to any Loan Party or its business, other than any such information that is available to the Agent or any Lender or any of their respective Affiliates on a nonconfidential basis prior to disclosure by any Loan Party; provided that, in the case of any information received from a Loan Party after the date hereof (other than in connection with Section 6.03, all of which is acknowledged to constitute "Information" regardless of any marking as confidential), such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

The Agent and each of the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrowers or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

For the avoidance of doubt, nothing herein prohibits any individual from communicating or disclosing information regarding suspected violations of laws, rules, or regulations to a governmental, regulatory, or self-regulatory authority without any notification to any Person.

11.08 Set-off. In addition to any rights and remedies of the Lenders provided by law, upon the occurrence and during the continuance of any Event of Default, each Lender is authorized at any time and from time to time, without prior notice to the Borrowers, any such notice being waived by the Borrowers to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by, and other indebtedness at any time owing by, such Lender to or for the credit or the account of the respective Loan Parties against any and all Obligations owing to such Lender hereunder or under any other Loan Document, now or hereafter existing, irrespective of whether or not the Administrative Agent or such Lender shall have made demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or indebtedness. Each Lender agrees promptly to notify the Borrowers and the Administrative Agent after any such set-off and application made by such Lender; provided, however that (i) the failure to give such notice shall not affect the validity of such set-off and application and (ii) in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.18 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

11.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Company. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts. Any Communication may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.11 Integration. This Agreement, together with the other Loan Documents and any separate fee letter executed by any Borrower in connection with the Loan Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or

remedies in favor of the Agent or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

11.12 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Agent and each Lender, regardless of any investigation made by the Agent or any Lender or on their behalf and notwithstanding that the Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

11.13 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.14 Electronic Execution; Electronic Records; Counterparts. This Agreement, any Loan Document and any other Communication, including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each Borrower and each of the Administrative Agent and each Lender agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. For the avoidance of doubt, the authorization under this Section 11.14 may include use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into .pdf), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lenders may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (each, an "Electronic Copy"), which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the Administrative Agent is not under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided that without limiting the foregoing, (a) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of the Company or any Lender without further verification and (b) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by such manually executed counterpart.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means). The Administrative Agent shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution or signed using an Electronic Signature) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each Borrower and each Lender hereby waives (a) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement or any other Loan Document based solely on the lack of paper

original copies of this Agreement or such other Loan Document and (b) waives any claim against the Administrative Agent and each Lender for any liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Company to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

11.15 Replacement of Lenders. If (i) any Lender requests compensation under Section 3.04, (ii) a Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, (iii) [reserved], (iv) any Lender is a "Defaulting Lender", (v) any Lender does not consent to an amendment to the definition of "Designated Borrower Jurisdiction" that has been consented to by the Required Lenders, (vi) any Lender is a Protesting Lender under Section 2.16 or (vii) any other circumstance exists hereunder that gives any Borrower the right to replace a Lender as a party hereto, then, subject to Section 3.06(b), such Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Company shall have paid to the Administrative Agent the assignment fee specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Company (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) in the case of any such assignment resulting from clause (v) above, the applicable assignee shall have consented to the proposed amendment;

(e) in the case of any such assignment resulting from clause (vi) above, such assignee shall have consented to make Loans to the applicable Designated Foreign Borrower; and

(f) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Company to require such assignment and delegation cease to apply. Each party hereto agrees that (a) an assignment required pursuant to this Section 11.15 may be effected pursuant to an Assignment and Assumption executed by the Company, the Administrative Agent and the assignee and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to, and be bound by, the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; provided, further that any such documents shall be without recourse to or warranty by the parties thereto. Notwithstanding anything in this Section 11.15 to the contrary, the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 9.06.

11.16 Governing Law.

(a) THIS AGREEMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE, OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, TORT, OR OTHERWISE AND WHETHER AT LAW OR IN EQUITY) BASED UPON, ARISING OUT OF, OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE AGENT AND EACH LENDER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE FEDERAL DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE LOCATED IN THE CITY AND COUNTY OF NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE BORROWERS, THE AGENT AND EACH LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS. THE BORROWERS, THE AGENT AND EACH LENDER IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF *FORUM NON CONVENIENS*, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF ANY LOAN DOCUMENT OR OTHER DOCUMENT RELATED THERETO. THE BORROWERS, THE AGENT AND EACH LENDER WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY THE LAW OF SUCH STATE.

11.17 Waiver of Right to Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.18 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Agent, the Lenders and the Arrangers are arm's-length commercial transactions between the Loan Parties and their respective Affiliates, on the one hand, and the Agent, the Lenders and the Arrangers, on the other hand, (B) such Loan Party has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) such Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Agent, the Lenders and the Arrangers is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for any Loan Party or any of their respective Affiliates, or any other Person and (B) neither the Agent nor the Lenders nor any of the Arrangers has any obligation to any Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agent, the Lenders and the Arrangers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Loan Parties and their respective Affiliates, and neither the Agent nor the Lenders nor any of the Arrangers has any obligation to disclose any of such interests to any Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Loan Parties hereby waives and releases any claims that it may have against the Agent, the Lenders or the Arrangers with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 USA Patriot Act Notice. Each Lender that is subject to the Act (as hereinafter defined) and the Beneficial Ownership Regulation and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrowers that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of the Borrowers and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrowers in accordance with the Act and the Beneficial Ownership Regulation.

11.20 Judgment. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of a Borrower in respect of any such sum due from it to the Administrative Agent hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent in the Agreement Currency, the applicable Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to such Borrower (or to any other Person who may be entitled thereto under applicable law).

11.21 Acknowledgment and Consent to Bail-In of Affected Financial Institutions. Solely to the extent any Lender that is an Affected Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

11.22 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Contracts or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States) that in the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered

Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

MCKESSON CORPORATION,
a Delaware corporation

By: /s/ Akinjide Falaki
Name: Akinjide Falaki
Title: Senior Vice President and Treasurer

BANK OF AMERICA, N.A.,
as the Administrative Agent

By: /s/ Kyle D. Harding
Name: Kyle D. Harding
Title: Vice President

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Joseph L. Corah
Name: Joseph L. Corah
Title: Managing Director

JPMORGAN CHASE BANK, N.A.,
as a Lender

By: /s/ Shivam Joshi
Name: Shivam Joshi
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Andrea S. Chen
Name: Andrea S. Chen
Title: Managing Director

BARCLAYS BANK PLC,
as a Lender

By: /s/ Ronnie Glenn
Name: Ronnie Glenn
Title: Director

CITIBANK, N.A.,
as a Lender

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Nicholas Merino
Name: Nicholas Merino
Title: Authorized Signatory

BNP PARIBAS,
as a Lender

By: /s/ John Bosco
Name: John Bosco
Title: Managing Director

By: /s/ Claudia Zarate
Name: Claudia Zarate
Title: Managing Director

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By:	/s/ Ming K. Chu
Name:	Ming K. Chu
Title:	Director

By:	/s/ Marko Lukin
Name:	Marko Lukin
Title:	Vice President

HSBC BANK USA, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Virginia Cosenza
Name: Virginia Cosenza
Title: Senior Vice President #23310

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Alexander Jodry
Name: Alexander Jodry
Title: Vice President

THE BANK OF NOVA SCOTIA,
as a Lender

By: /s/ Robb Gass
Name: Robb Gass
Title: Managing Director

THE TORONTO-DOMINION BANK, NEW YORK BRANCH,
as a Lender

By: /s/ Mike Tkach
Name: Mike Tkach
Title: Authorized Signatory

TRUIST BANK,
as a Lender

By: /s/ Alexandra Korchmar
Name: Alexandra Korchmar
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Maria Massimino
Name: Maria Massimino
Title: Senior Vice President

ING BANK N.V., DUBLIN BRANCH,
as a Lender

By:	/s/Robert O'Donoghue
Name:	Robert O'Donoghue
Title:	Managing Director

By:	/s/Louis Gough
Name:	Louis Gough
Title:	Director

SOCIETE GENERALE,
as a Lender

By: /s/Shelley Yu
Name: Shelley Yu
Title: Director

UNICREDIT BANK GMBH, NEW YORK BRANCH,
as a Lender

By: /s/Mario Ferrante
Name: Mario Ferrante
Title: Managing Director

By: /s/Laura Shelmerdine
Name: Laura Shelmerdine
Title: Director

SCHEDULE 2.01

COMMITMENTS AND PRO RATA SHARES

Lender	**Commitment**	**Pro Rata Share**
Bank of America, N.A.	$85,000,000.00	8.500000000%
JPMorgan Chase Bank, N.A.	$83,750,000.00	8.375000000%
Wells Fargo Bank, National Association	$83,750,000.00	8.375000000%
Barclays Bank PLC	$83,125,000.00	8.312500000%
Citibank, N.A.	$83,125,000.00	8.312500000%
Goldman Sachs Bank USA	$83,125,000.00	8.312500000%
BNP Paribas	$51,875,000.00	5.187500000%
Deutsche Bank AG New York Branch	$50,625,000.00	5.062500000%
HSBC Bank USA, National Association	$50,625,000.00	5.062500000%
PNC Bank, National Association	$50,625,000.00	5.062500000%
The Bank of Nova Scotia	$50,625,000.00	5.062500000%
The Toronto-Dominion Bank, New York Branch	$50,625,000.00	5.062500000%
Truist Bank	$50,625,000.00	5.062500000%
U.S. Bank National Association	$50,625,000.00	5.062500000%
ING Bank N.V., Dublin Branch	$31,875,000.00	3.187500000%
Société Générale	$30,000,000.00	3.000000000%
UniCredit Bank GMBH, New York Branch	$30,000,000.00	3.000000000%
Totals:	**$1,000,000,000.00**	**100.000000000%**

SCHEDULE 11.02

ADMINISTRATIVE AGENT'S OFFICE,
CERTAIN ADDRESSES FOR NOTICES

COMPANY:

McKesson Corporation
6555 State Hwy 161
Irving, Texas 75039
Attention: Akinjide Falaki, Senior Vice President and Treasurer
Telephone: (214) 471-9033
Electronic mail: Jide.Falaki@McKesson.com

with a copy of all notices to:

McKesson Corporation
6555 State Hwy 161
Irving, Texas 75039
Attention: Sarah Ahmad Ali, Chief Counsel Securities & Corporate Finance
Telephone: (240) 701-4434
Email: Sarah.Ahmad.Ali@mckesson.com

ADMINISTRATIVE AGENT:

Administrative Agent's Contact for Payments and Requests for Credit Extensions:
Monique Earle

Bank of America, N.A.

Global Credit Operations

900 W. Trade Street, NC1-026-06-03, Charlotte, NC 28255

Office: 980.275.8381| monique.earle@bofa.com

Payment Instructions:
Bank of America, N.A.
New York, NY
ABA #: 026009593
Account #: 1366072250600
Account Name: Wire Clearing Acct for Syn Loans – LIQ
Ref: McKesson

Other Notices as Administrative Agent:
Kyle D Harding
Bank of America, N.A.
Vice President
Global Credit Operations
900 W. Trade Street., NC1-026-06-03, Charlotte, NC 28255
Office: 980.275-6132 | Fax: 704.719-5215| kyle.d.harding@bofa.com

EXHIBIT A

FORM OF COMMITTED LOAN NOTICE

Date: [_____]

To: Bank of America, N.A., as the Administrative Agent

Agency Management
Mail Code: CA5-705-04-09
555 California St
San Francisco, CA 94104
Attention: Kyle D Harding
Telephone: (980) 275-6132
Facsimile: (704) 719-5215
Electronic Mail: kyle.d.harding@bofa.com

Ladies and Gentlemen:

Reference is made to that certain 364-Day Revolving Credit Agreement, dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

The undersigned hereby requests (select one):

☐ A Borrowing of Committed Loans ☐ A conversion or continuation of Loans

1. The Borrower is__.
2. On ___(a Business Day).
3. In the amount of__.
4. Comprised of [Eurocurrency Rate Loans] [Base Rate Loans]. [Type of Committed Loan requested]
5. In the following currency: [Dollars] [Euro] [Sterling] [Canadian Dollars]
6. For Eurocurrency Rate Loans: with an Interest Period of _____ months.

[The Committed Borrowing requested herein complies with the proviso to the first sentence of Section 2.01 of the Agreement.]

[BORROWER], as [the Company] [a Designated Borrower]

By:__

Name:
Title:

EXHIBIT B

FORM OF NOTE

FOR VALUE RECEIVED, the undersigned [_____] (the "Borrower") hereby promises to pay to [_____] or registered assigns (the "Lender"), in accordance with the provisions of the Agreement (as hereinafter defined), the principal amount of each Loan from time to time made by the Lender to the Borrower under that certain 364-Day Revolving Credit Agreement, dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

The Borrower promises to pay interest on the unpaid principal amount of each Loan from the date of such Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in the currency in which such Committed Loan is denominated and in Same Day Funds at the Administrative Agent's Office for such currency. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Note is one of the Notes referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Note is also entitled to the benefits of each Guaranty. Upon the occurrence and continuation of one or more of the Events of Default specified in the Agreement, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable all as provided in the Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Note and endorse thereon the date, amount, currency and maturity of its Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[BORROWER]

By:__

Name:
Title:

LOANS AND PAYMENTS WITH RESPECT THERETO

Date	Type of Loan Made	Currency and	End of Interest Period	Amount of Principal or Interest Paid This Date	Outstanding Principal Balance This Date	Notation Made By

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date:_____,

To: Bank of America, N.A., as the Administrative Agent

Agency Management
Mail Code: CA5-705-04-09
555 California St
San Francisco, CA 94104
Attention: Kyle D Harding
Telephone: (980) 275-6132
Facsimile: (704) 719-5215
Electronic Mail: kyle.d.harding@bofa.com

Ladies and Gentlemen:

Reference is made to that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

The undersigned Responsible Officer hereby certifies as of the date hereof that he/she is the of the Company, and that, as such, he/she is authorized to execute and deliver this Compliance Certificate to the Administrative Agent on the behalf of the Company, and that:

[*Use following paragraph 1 for fiscal* ***year-end*** *financial statements***]**

1. Attached hereto as Schedule 1 are the year-end audited financial statements required by Section 6.01(a) of the Agreement for the fiscal year of the Company ended as of the above date, together with the report and opinion of an independent certified public accountant required by such Section.

[*Use following paragraph 1 for fiscal* ***quarter-end*** *financial statements]*

1. Attached hereto as Schedule 1 are the unaudited financial statements required by Section 6.01(b) of the Agreement for the fiscal quarter of the Company ended as of the above date. Such financial statements fairly present the financial condition, results of operations and cash flows of the Company and its Subsidiaries in accordance with GAAP as at such date and for such period, subject only to normal year-end audit adjustments and the absence of footnotes.

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made, or has caused to be made under his/her supervision, a detailed review of the transactions and condition (financial or otherwise) of the Company during the accounting period covered by the attached financial statements.

3. A review of the activities of the Company during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period the Company performed and observed all its Obligations under the Loan Documents, and

[*select one*:]

[to the best knowledge of the undersigned, during such fiscal period the Company performed and observed each covenant and condition of the Loan Documents applicable to it, and no Default has occurred and is continuing.]

--or--

[during such fiscal period the following covenants or conditions have not been performed or observed and the following is a list of each such Default and its nature and status:

—

__

__]

4. The financial covenant analyses and information set forth on Schedule 1 attached hereto are true and accurate on and as of the date of this Compliance Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate as of _____, _____.

MCKESSON CORPORATION

By: __

Name:
Title:

For the Quarter/Year ended _____ ("Statement Date")
SCHEDULE 1
to the Compliance Certificate

Section 7.04 – Leverage Ratio.

A. Total Debt on Statement Date[1]

1. all Indebtedness of the Company and its Subsidiaries determined on a consolidated basis:	$__
2. Indebtedness of any Receivables Subsidiary incurred in connection with a Qualified Receivables Transaction:	$__
3. Total Debt (Lines A.1 - 2):	$__

B. Consolidated EBITDA for four consecutive fiscal quarters ending on Statement Date ("Subject Period"):[2]

1. Consolidated Net Income for Subject Period:	$__
2. Consolidated interest expense for Subject Period:	$__
3. Consolidated income tax expense for Subject Period:	$__
4(a). All amounts attributable to depreciation for Subject Period:	$__
4(b). All amounts attributable to amortization for Subject Period:	$__
5. All non-cash charges or expenses (including non-cash share-based compensation expenses) for such period, excluding any non-cash charge or expense that represents an accrual for a cash expense to be taken in a future period or amortization of a prepaid cash expense:	$__
6. All restructuring, integration, and other costs and expenses for Subject Period that relate to any acquisition, merger, consolidation, amalgamation, joint venture investment, divestiture or other business combination or related transactions not prohibited hereunder:	$__
7. All LIFO inventory-related non-cash expense adjustments for Subject Period:	$__

[1] Solely for purposes of determining the compliance with the financial covenant set forth in Section 7.04, (a) the definition of Total Debt shall not include the Indebtedness of any partnership or joint venture that is not a Subsidiary of the Company and in which the Company or any of its Subsidiaries is a general partner or a joint venture to the extent that such Indebtedness is expressly made non-recourse to the Company and its Subsidiaries or (b) for the purposes of determining Total Debt at any time after the definitive agreement for any Material Acquisition shall have been executed, any Acquisition Indebtedness with respect to such Material Acquisition shall, unless such Material Acquisition shall have been consummated, be disregarded.

[2] Solely for purposes of determining the compliance with the financial covenant set forth in Section 7.04, the definition of Consolidated EBITDA shall not include any amounts contributed to the Company or any of its Subsidiaries by any partnership or joint venture that is not a Subsidiary of the Company and in which the Company or any of its Subsidiaries is a general partner or a joint venture to the extent that such Indebtedness is expressly made non-recourse to the Company and its Subsidiaries except to the extent of the amounts actually received in cash by the Company or its Subsidiaries.

8. Non-cash impairment charges for Subject Period: $

9. All net charges with respect to litigation for Subject Period: $

10. All losses, charges and expenses attributable to the early extinguishment or conversion of Indebtedness (including deferred financing expenses written off or forgiven and premiums paid): $

11. All losses on sales of assets outside the ordinary course of business for Subject Period: $

12. All other extraordinary, non-recurring or unusual noncash charges or losses for Subject Period (including, for the avoidance of doubt, any non-cash charges in respect of any claims or litigation in excess of $1,000,000,000.00 that the Company excluded from its "Adjusted Earnings (Non- GAAP)" for the fiscal quarter ended December 31, 2020, as reported in a current report on Form 8-K reporting operating results for Subject Period): $

13. Consolidated interest tax benefit for Subject Period: $

14(a). All non-cash gains for Subject Period: $

14(b). All extraordinary, non-recurring or unusual non-cash gains for Subject Period: $

15. All LIFO inventory-related non-cash credit for Subject Period: $

16. All litigation recovery gains for Subject Period: $

17. All gains on sales of assets outside of the ordinary course of business for Subject Period: $

18. Consolidated EBITDA (Lines B.1 + (2 + 3 + 4(a) + 4(b) + 5 + 6 + 7 + 8 + 9 + 10 + 11 + 12) – (13 + 14(a) + 14(b) + 15 + 16 + 17)): $

C. Leverage Ratio (Line A3 ÷ Line B18):

Must not exceed: 4.00 to 1.00.

—

EXHIBIT D

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between **[** *Insert name of Assignor* **]** (the "Assignor") and **[** *Insert name of Assignee* **]** (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____ [and is an Affiliate/Approved Fund of [identify Lender]]
3. Borrower(s): McKesson Corporation [and _____]
4. Administrative Agent Bank of America, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: The 364-Day Revolving Credit Agreement, dated as of May 8, 2025 among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent
6. Assigned Interest:

Facility Assigned	Aggregate amount of Commitment for all Lenders*	Amount of Commitment Assigned*	Percentage Assigned of Commitment[3]	CUSIP Number
Loans	$__	$__	[_____._____]%	
	$__	$__	[_____._____]%	
	$__	$__	[_____._____]%	

7. Trade Date: _____[4]

[3] Set forth, to at least 9 decimals, as a percentage of the Commitment of all Lenders thereunder.

[4] To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

Effective Date: _____, 20_____ **[**TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.**]**

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By:__

Name:
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By:__

Name:
Title:

[Consented to and][5] Accepted:
BANK OF AMERICA, N.A., as the Administrative Agent

By:__

Name:
Title:

[Consented to:
MCKESSON CORPORATION

By:__

Name:
Title:][6]

[5] To be added only if the consent of the Administrative Agent is required by the terms of Section 11.06(b) of the Credit Agreement.

[6] To be added only if the consent of the Company is required by the terms of Section 11.06(b) of the Credit Agreement and no Event of Default has occurred and is continuing as of the date of this Assignment and Assumption.

ANNEX 1 TO ASSIGNMENT AND ASSUMPTION

364-DAY REVOLVING CREDIT AGREEMENT
DATED AS OF May 8, 2025
MCKESSON CORPORATION, THE OTHER BORROWERS FROM
TIME TO TIME PARTY THERETO,
THE LENDERS FROM TIME TO TIME PARTY THERETO, AND
BANK OF AMERICA, N.A., AS THE ADMINISTRATIVE AGENT

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. **Representations and Warranties.**

1.1. **Assignor**. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Company, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Company, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. **Assignee**. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Exhibit D-5

EXHIBIT E-1

FORM OF DESIGNATED BORROWER
REQUEST AND ASSUMPTION AGREEMENT

Date: _____, _____

To: Bank of America, N.A., as the Administrative Agent

Agency Management
Mail Code: CA5-705-04-09
555 California St
San Francisco, CA 94104
Attention: Kyle D Harding
Telephone: (980) 275-6132
Facsimile: (704) 719-5215
Electronic Mail: kyle.d.harding@bofa.com

Ladies and Gentlemen:

This Designated Borrower Request and Assumption Agreement is made and delivered pursuant to Section 2.16(a) of that certain 364-Day Revolving Credit Agreement, dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent, and reference is made thereto for full particulars of the matters described therein. All capitalized terms used in this Designated Borrower Request and Assumption Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

Each of _____(the "Designated Borrower") and the Company hereby confirms, represents and warrants to the Administrative Agent and the Lenders that the Designated Borrower is a Subsidiary of the Company.

The documents required to be delivered to the Administrative Agent under Section 2.16 of the Credit Agreement will be furnished to the Administrative Agent in accordance with the requirements of the Credit Agreement.

Complete if the Designated Borrower is a Domestic Subsidiary: The true and correct U.S. taxpayer identification number of the Designated Borrower is _____.

Complete if the Designated Borrower is a Foreign Subsidiary: The true and correct unique identification number that has been issued to the Designated Borrower by its jurisdiction of organization and the name of such jurisdiction are set forth below:

Identification Number	**Jurisdiction of Organization**

The parties hereto hereby confirm that with effect from the date of the Designated Borrower Notice for the Designated Borrower, the Designated Borrower shall have obligations, duties and liabilities toward each of the other parties to the Credit Agreement identical to those which the Designated Borrower would have had if the Designated Borrower had been an original party to the Credit Agreement as a Borrower. Effective as of the date of the Designated Borrower Notice for the Designated Borrower, the Designated Borrower confirms its acceptance of, and consents to, all representations and warranties, covenants, and other terms and provisions of the Credit Agreement.

The parties hereto hereby request that the Designated Borrower be entitled to receive Loans under the Credit Agreement, and understand, acknowledge and agree that neither the Designated Borrower nor the Company on its behalf shall have any right to request any Loans for its account unless and until the date five Business Days after the effective date designated by the Administrative Agent in a Designated Borrower Notice delivered to the Company and the Lenders pursuant to Section 2.16(a) of the Credit Agreement.

This Designated Borrower Request and Assumption Agreement shall constitute a Loan Document under the Credit Agreement.

THIS DESIGNATED BORROWER REQUEST AND ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Designated Borrower Request and Assumption Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

MCKESSON CORPORATION

By:

Name:
Title:

EXHIBIT E-2

FORM OF DESIGNATED BORROWER NOTICE

Date: _____, _____

To: McKesson Corporation

The Lenders party to the Credit Agreement referred to below

Ladies and Gentlemen:

This Designated Borrower Notice is made and delivered pursuant to Section 2.16(a) of that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent, and reference is made thereto for full particulars of the matters described therein. All capitalized terms used in this Designated Borrower Notice and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

The Administrative Agent hereby notifies the Company and the Lenders that effective as of the date hereof, [_____] shall constitute a Designated Borrower for purposes of the Credit Agreement and may receive Loans for its account on the terms and conditions set forth in the Credit Agreement.

This Designated Borrower Notice shall constitute a Loan Document under the Credit Agreement.

BANK OF AMERICA, N.A.,
as the Administrative Agent

By:__

Title:__

EXHIBIT F

FORM OF JOINDER AGREEMENT

This JOINDER AGREEMENT, dated as of [_____] (this "Joinder Agreement"), is entered into among McKesson Corporation, a Delaware corporation (the "Company"), [INSERT NAME OF DOMESTIC SUBSIDIARY BORROWER], a [INSERT JURISDICTION AND TYPE OF ORGANIZATION OF DOMESTIC SUBSIDIARY BORROWER] (the "Additional Borrower"), and Bank of America, N.A., in its capacity as the Administrative Agent (in such capacity, the "Administrative Agent"), under and as defined in the Agreement referred to below.

RECITALS

A. The Company and each other Borrower party thereto have entered into that certain 364-Day Revolving Credit Agreement, dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), with the Lenders and the L/C Issuers from time to time party thereto, Bank of America, N.A., as the Administrative Agent, pursuant to which the Lenders have agreed to make certain Credit Extensions to the Borrowers on behalf and for the benefit of the Borrowers on the terms and subject to the conditions set forth therein and the other Loan Documents.

B. The Additional Borrower is a wholly owned [in]direct Domestic Subsidiary of the Company that wishes to become a Borrower party to the Agreement, entitled to receive Credit Extensions thereunder.

C. Pursuant to Section 7.02(d) of the Agreement, the Company has requested that the Additional Borrower become a Borrower party to the Agreement, entitled to receive Credit Extensions thereunder, and the Administrative Agent, Lenders, and L/C Issuers have agreed to such request.

AGREEMENT

1. 7.02(d) Domestic Subsidiary. By executing and delivering this Joinder Agreement, the Company hereby represents and warrants that the Additional Borrower is a wholly-owned [in]direct Domestic Subsidiary of the Company that, concurrent herewith, is receiving a transfer of all of the Company's pharmacology distribution business.

2. Joined as Borrower Under Agreement. By executing and delivering this Joinder Agreement as provided in Section 7.02(d) of the Agreement, the Additional Borrower hereby becomes a party to the Agreement as a Borrower thereunder with the same force and effect as if originally named therein as a Borrower and, without limiting the generality of the foregoing, hereby expressly and unconditionally assumes all obligations and liabilities of a Borrower thereunder. The Additional Borrower hereby irrevocably appoints the Company as its agent for all purposes relevant to the Agreement and each of the other Loan Documents, including (i) the giving and receipt of notices, (ii) the execution and delivery of all documents, instruments and certificates contemplated in the Agreement and all modifications thereto, and (iii) the receipt of the proceeds of any Loans made by the Lenders to any such Additional Borrower. Any acknowledgment, consent, direction, certification or other action which might otherwise be valid or effective only if given or taken by all Borrowers, or by each Borrower acting singly, shall be valid and effective if given or taken only by the Company, whether or not any such other Borrower joins therein. Any notice, demand, consent, acknowledgement, direction, certification or other communication delivered to the Company in accordance with the terms of this Agreement shall be deemed to have been delivered to such Additional Borrower.

3. Supplement to Schedules; Representations and Warranties. The information set forth in Annex I to this Joinder Agreement is hereby added to the information set forth in the schedules to the Agreement. The Additional Borrower hereby represents and warrants that each of the representations and warranties contained in Article V of the Agreement, with respect to itself, is true and correct in all material respects (or, in the case of any such representation or warranty already qualified by materiality, in all respects) on and as the date hereof (after giving effect to this Joinder Agreement) as if made on and as of such date.

4. Governing Law. This Joinder Agreement shall be governed by, and construed in accordance with, the law of the State of New York applicable to agreements made and to be performed entirely within such State; provided that the Administrative Agent and each Lender shall retain all rights arising under Federal law.

IN WITNESS WHEREOF, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

MCKESSON CORPORATION

By:__

Name:
Title:

[INSERT NAME OF DOMESTIC SUBSIDIARY BORROWER]

By:__

Name:
Title:

Accepted:

BANK OF AMERICA, N.A., as the Administrative Agent

By:__

Name:
Title:

Annex I-A
to Joinder Agreement

Supplement To Agreement Schedules

Exhibit F-3

EXHIBIT G

FORM OF BORROWER NOTICE

Date: _____, _____

To: McKesson Corporation

The Lenders party to the Agreement referred to below

Ladies and Gentlemen:

This Borrower Notice is made and delivered pursuant to Section 7.02(d) of that certain 364-Day Revolving Credit Agreement, dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"), among McKesson Corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent, and reference is made thereto for full particulars of the matters described therein. All capitalized terms used in this Borrower Notice and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

The Administrative Agent hereby notifies Company and the Lenders that effective as of the date hereof [_____] shall constitute a Borrower for purposes of the Agreement and may receive Loans for its account on the terms and conditions set forth in the Agreement.

This Borrower Notice shall constitute a Loan Document under the Agreement.

BANK OF AMERICA, N.A.,
as the Administrative Agent

By:__

Title:__

EXHIBIT H

[Reserved.]

EXHIBIT I

FORM OF GUARANTY

THIS GUARANTY dated as of [•], 20[•] (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, this "**Guaranty**"), made by and among McKesson Corporation, a Delaware corporation, (the "**Company**" and, together with any other entity that becomes a guarantor hereunder pursuant to Section 18, the "**Guarantors**") and Bank of America, N.A., as administrative agent (the "**Administrative Agent**") for the benefit of the Guaranteed Parties.

WHEREAS, reference is made to that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "**Credit Agreement**"; capitalized terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the lenders from time to time party thereto (the "**Lenders**"), and the Administrative Agent. The Lenders and the Administrative Agent are hereinafter referred to as the "**Guaranteed Parties**".

WHEREAS, the Company may be required from time to time in accordance with the terms of the Credit Agreement to cause certain of its Subsidiaries to join this Guaranty or enter into such other guarantee agreements as provided in the Credit Agreement; and

WHEREAS, each Guarantor will obtain benefits from the incurrence of Loans by any Borrower under the Credit Agreement and, accordingly, desires to execute this Guaranty in order to comply with the terms of the Credit Agreement and to induce the Lenders to make Loans to any Borrower.

NOW, THEREFORE, in consideration of the foregoing and other benefits accruing to each Guarantor, the receipt and sufficiency of which are hereby acknowledged, each Guarantor hereby makes the following representations and warranties to the Administrative Agent for the benefit of the Guaranteed Parties and hereby covenants and agrees with each other Guarantor and the Administrative Agent for the benefit of the Guaranteed Parties as follows:

Section 1. *Guaranty*. Each Guarantor, jointly and severally, hereby irrevocably and unconditionally guaranties, as primary obligor and not merely as surety to the Guaranteed Parties, the due and punctual payment in full of all Guarantied Obligations (as defined below) when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)). The term "**Guarantied Obligations**" is used herein in its most comprehensive sense and includes:

(a) any and all Obligations of each Borrower (other than the applicable Guarantor's own Obligations) now or hereafter made, incurred or created, whether absolute or contingent, liquidated or unliquidated, whether due or not due, and however arising under or in connection with the Credit Agreement and the Notes issued by any Borrower and the other Loan Documents, including those arising under successive borrowing transactions under the Credit Agreement which shall either continue the Obligations of each Borrower or from time to time renew them after they have been satisfied; and

(b) those expenses set forth in Section 8.

Section 2. *Liability of the Guarantors Absolute*. Each Guarantor agrees that its obligations under this Guaranty are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than indefeasible payment in full of the Guarantied Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) This Guaranty is a guaranty of payment when due and not of collectability.

(b) The Administrative Agent may enforce this Guaranty upon the occurrence and continuance of an Event of Default under the Credit Agreement, notwithstanding the existence of any dispute between Lenders and any Borrower with respect to the existence of such Event of Default.

(c) The obligations of each Guarantor hereunder are independent of the obligations of any other Guarantor under the Loan Documents and the obligations of any other guarantor of the obligations of any Guarantor under the Loan Documents, and a separate action or actions may be brought and prosecuted against each Guarantor whether or not any action is brought against any of such other Guarantors or any of such other guarantors and whether or not any of such other Guarantors is joined in any such action or actions.

(d) Each Guarantor's payment of a portion, but not all, of the Guarantied Obligations shall in no way limit, affect, modify or abridge such Guarantor's liability for any portion of the Guarantied Obligations that has not been paid. Without limiting the generality of the foregoing, if the Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guarantied Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guarantied Obligations that is not the subject of such suit.

(e) The Administrative Agent or any Lender, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability of this Guaranty or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability under this Guaranty, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guarantied Obligations, (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guarantied Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guarantied Obligations and take and hold security for the payment of this Guaranty or the Guarantied Obligations in accordance with any applicable security agreement; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guarantied Obligations, any other guaranties of the Guarantied Obligations, or any other obligation of any Person with respect to the Guarantied Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of the Administrative Agent or any Lender in respect of this Guaranty or the Guarantied Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that the Administrative Agent or the Lenders, or any of them, may have against any such security, as the Administrative Agent in its discretion may determine consistent with the Credit Agreement and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any other Guarantor or any security for the Guarantied Obligations; and (vi) exercise any other rights available to it under the Loan Documents. This Section 2(e) shall not modify Section 11.01 of the Credit Agreement.

(f) This Guaranty and the obligations of each Guarantor hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than indefeasible payment in full of the Guarantied Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce, or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Loan Documents, at law, in equity or otherwise) with respect to the Guarantied Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guarantied Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to Events of Default) of this Guaranty, any of the other Loan Documents or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guarantied Obligations, in each case whether or not in accordance with the terms of this Guaranty or such Loan Document or any agreement relating to such other guaranty or security; (iii) the Guarantied Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Loan Documents or from the proceeds of any security for the Guarantied Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guarantied Obligations) to the payment of indebtedness other than the Guarantied Obligations, even though the Administrative Agent or the Lenders, or any of them, might have elected to apply such payment to any part or all of the Guarantied Obligations; (v) any Lender's or the Administrative Agent's consent to the change, reorganization or termination of the corporate structure or existence

of any Guarantor or any of its Subsidiaries and to any corresponding restructuring of the Guarantied Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guarantied Obligations; (vii) any defenses, set-offs or counterclaims which any Guarantor may allege or assert against the Administrative Agent or any Lender in respect of the Guarantied Obligations, including but not limited to failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury (but excluding the defense of payment in full of the Guarantied Obligations); and (viii) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guarantied Obligations.

Section 3. *Waivers by the Guarantors*. Each Guarantor hereby waives with respect to the Guarantied Obligations, for the benefit of the Administrative Agent and the Lenders:

(a) any right to require the Administrative Agent or any Lender, as a condition of payment or performance by such Guarantor, to (i) proceed against any Guarantor, any other guarantor of the Guarantied Obligations or any other Person, (ii) proceed against or exhaust any security held from such Guarantor, any other guarantor of the Guarantied Obligations or any other Person, (iii) proceed against or have resort to any balance of any deposit account or credit on the books of the Administrative Agent or any Lender in favor of such Guarantor or any other Person, or (iv) pursue any other remedy in the power of the Administrative Agent or any Lender whatsoever;

(b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any Guarantor including any defense based on or arising out of the lack of validity or the unenforceability of the Guarantied Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of such Guarantor from any cause other than indefeasible payment in full of the Guarantied Obligations;

(c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal;

(d) any defense based upon the Administrative Agent's or any Lender's errors or omissions in the administration of the Guarantied Obligations, except behavior which amounts to bad faith;

(e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Guaranty and any legal or equitable discharge of any Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting any Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that the Administrative Agent or any Lender protect, secure, perfect or insure any security interest or lien or any property subject thereto;

(f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance of this Guaranty, notices of default under the Credit Agreement or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guarantied Obligations or any agreement related thereto, notices of any extension of credit to any Guarantor and notices of any of the matters referred to in Section 2 and any right to consent to any thereof; and

(g) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms of this Guaranty.

Section 4. *Payment by the Guarantors; Application of Payments*. Each Guarantor hereby agrees, in furtherance of the foregoing and not in limitation of any other right which the Administrative Agent or any other Person may have at law or in equity against such Guarantor by virtue hereof, that upon the failure of any Guarantor to pay any of the Guarantied Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), each Guarantor will upon demand pay, or cause to be paid, in cash, to the Administrative Agent for the ratable benefit of the Lenders holding the Guarantied Obligations, an amount equal to the sum of the unpaid principal amount of all Guarantied Obligations then due as aforesaid, accrued and unpaid interest on such Guarantied Obligations (including interest which, but for the filing of a petition in bankruptcy with respect to such Guarantor, would have accrued on such Guarantied Obligations, whether or not a claim is allowed against such Guarantor for such interest in any such

bankruptcy proceeding) and all other Guarantied Obligations then owed to the Administrative Agent and/or the Lenders as aforesaid. All such payments shall be applied promptly from time to time by the Administrative Agent:

First, to the payment of the costs and expenses of any collection or other realization under this Guaranty, including reasonable compensation to the Administrative Agent and its agents and counsel, and all expenses, liabilities and advances made or incurred by the Administrative Agent in connection therewith;

Second, to the payment of all other Guarantied Obligations to each Lender holding Guarantied Obligations its applicable share as provided in the Credit Agreement; and

Third, after payment in full of all Guarantied Obligations, to the payment to each Guarantor, or its successors or assigns, or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct, of any surplus then remaining from such payments.

Section 5. *Each Guarantor's Rights of Subrogation, Contribution, Etc*. Until the Guarantied Obligations shall have been indefeasibly paid in full and the Commitments shall have terminated, each Guarantor shall withhold exercise of (a) any claim, right or remedy, direct or indirect, such Guarantor now has or may hereafter have against any Borrower or any other Guarantor or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (i) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against any Borrower or any other Guarantor, (ii) any right to enforce, or to participate in, any claim, right or remedy that the Administrative Agent or any Lender now has or may hereafter have against any Borrower or any other Guarantor, and (iii) any benefit of, and any right to participate in, any collateral or security now or hereafter held by the Administrative Agent or any Lender, and (b) any right of contribution any Guarantor may have against any other guarantor of the Guarantied Obligations. Each Guarantor further agrees that, to the extent the agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against any Borrower or any other Guarantor or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights the Administrative Agent or any Lender may have against such Borrower or other Guarantor, to all right, title and interest the Administrative Agent or any Lender may have in any such collateral or security, and to any right the Administrative Agent or any Lender may have against such other guarantor. The Administrative Agent, on behalf of Lenders, may use, sell or dispose of any item of collateral or security as it sees fit without regard to any subrogation rights any Guarantor may have, and upon any such disposition or sale any rights of subrogation against such collateral such Guarantor may have shall terminate. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement or indemnification rights at any time when all Guarantied Obligations shall not have been paid in full, such amount shall be held in trust for the Administrative Agent on behalf of the Lenders and shall forthwith be paid over to the Administrative Agent for the benefit of the Lenders to be credited and applied against the Guarantied Obligations, whether matured or unmatured, in accordance with the terms hereof.

Section 6. *Subordination of Other Obligations*. Any indebtedness of any Guarantor now or hereafter held by any other Guarantor is hereby subordinated in right of payment to the Guarantied Obligations, and any such indebtedness of such Guarantor to any other Guarantor collected or received by such Guarantor after an Event of Default has occurred and is continuing shall be held in trust for the Administrative Agent on behalf of the Lenders and shall forthwith be paid over to the Administrative Agent for the benefit of the Lenders to be credited and applied against the Guarantied Obligations but without affecting, impairing or limiting in any manner the liability of any Guarantor under any other provision of this Guaranty.

Section 7. *Representations and Warranties of the Guarantors*. As of the date hereof, each Guarantor represents and warrants that:

(a) such Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, (ii) has the power and authority and all required governmental licenses, authorizations, consents and approvals to own its assets, carry on its business and to execute, deliver, and perform its obligations under this Guaranty, (iii) is duly qualified and is licensed and in good standing under the

laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification or license, and (iv) is in compliance with all Requirements of Law; except, with respect to clause (iii) or clause (iv), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) such Guarantor has duly executed and delivered this Guaranty, and this Guaranty constitutes its legal, valid and binding obligation, enforceable against such Guarantor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability;

(c) the execution, delivery and performance by such Guarantor of this Guaranty do not (i) require any approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority (each of the foregoing, an "Authorization"), except to the extent that failure to have obtained or completed, as applicable, such Authorization would not result in a Material Adverse Effect, (ii) contravene the terms of such Guarantor's Organization Documents, (iii) conflict with or result in any breach or contravention of, or the creation of any Lien under, any document evidencing any Contractual Obligation to which such Guarantor is a party or any order, injunction, writ or decree of any Governmental Authority to which such Guarantor or its property is subject or (iv) violate any Requirement of Law; and

(d) there are no actions, suits, proceedings, claims or disputes pending, or to the best knowledge of such Guarantor, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, against such Guarantor affecting the validity of this Guaranty or the ability of such Guarantor to perform its obligations under this Guaranty.

Section 8. *Expenses*. Each Guarantor agrees to pay, or cause to be paid, on demand, and to save the Administrative Agent and the Lenders harmless against liability for, any and all reasonable costs and expenses (including reasonable fees and disbursements of counsel and reasonable allocated costs of internal counsel) incurred or expended by the Administrative Agent or any Lender in connection with the enforcement of or preservation of any rights under this Guaranty.

Section 9. *Continuing Guaranty; Termination of Guaranty*. This Guaranty is a continuing guaranty and shall remain in effect until all of the Guarantied Obligations shall have been indefeasibly paid in full and the Commitments shall have terminated. Each Guarantor hereby irrevocably waives any right to revoke this Guaranty as to future transactions giving rise to any Guarantied Obligations. No failure or delay on the part of any Guaranteed Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 10. *Authority of any Guarantor*. It is not necessary for any Lender or the Administrative Agent to inquire into the capacity or powers of any Guarantor or the officers, directors or any agents acting or purporting to act on behalf of any Guarantor.

Section 11. *Financial Condition of the Guarantors*. Any extensions of credit may be granted to any Guarantor or continued from time to time without notice to or authorization from any other Guarantor regardless of the financial or other condition of such Guarantor at the time of any such grant or continuation. Neither the Administrative Agent nor any Lender shall have any obligation to disclose or discuss with any Guarantor their assessment, or such Guarantor's assessment, of the financial condition of any Guarantor. Each Guarantor has adequate means to obtain information from each other Guarantor on a continuing basis concerning the financial condition of such Guarantor and its ability to pay and perform its respective Guarantied Obligations for so long as this Guaranty is in effect, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of each other Guarantor and of all circumstances bearing upon the risk of nonpayment of the Guarantied Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of the Administrative Agent or any Lender to disclose any matter, fact or thing relating to the business, operations or conditions of any Guarantor now known or hereafter known by the Administrative Agent or any Lender.

Section 12. *Rights Cumulative*. The rights, powers and remedies given to the Lenders and the Administrative by this Guaranty are cumulative and shall be in addition to and independent of all rights, powers and remedies given to any Lender and the Administrative Agent by virtue of any statute or rule of law or in any of the

other Loan Documents or any agreement between any Guarantor and any Lender and/or the Administrative Agent. Any forbearance or failure to exercise, and any delay by any Lender or the Administrative Agent in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

Section 13. *Bankruptcy; Post-Petition Interest; Reinstatement of Guaranty*.

(a) So long as any Guarantied Obligations remain outstanding, each Guarantor shall not, without the prior written consent of the Administrative Agent in accordance with the terms of the Credit Agreement, commence or join with any other Person in commencing any bankruptcy, reorganization or insolvency proceedings of or against any Guarantor. The obligations of each Guarantor under this Guaranty shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of any Guarantor or by any defense which such Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guarantied Obligations which accrues after the commencement of any proceeding referred to in clause (a) above (or, if interest on any portion of the Guarantied Obligations ceases to accrue by operation of law by reason of the commencement of said proceeding, such interest as would have accrued on such portion of the Guarantied Obligations if said proceedings had not been commenced) shall be included in the Guarantied Obligations because it is the intention of each Guarantor and the Administrative Agent that the Guarantied Obligations which are guaranteed by such Guarantor pursuant to this Guaranty should be determined without regard to any rule of law or order which may relieve any Guarantor of any portion of such Guarantied Obligations. Each Guarantor will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar person to pay the Administrative Agent, or allow the claim of the Administrative Agent in respect of, any such interest accruing after the date on which such proceeding is commenced.

(c) In the event that all or any portion of the Guarantied Obligations are paid by any Guarantor, the obligations of such Guarantor hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from the Administrative Agent or any Lender as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guarantied Obligations for all purposes under this Guaranty.

Section 14. *Benefit and Binding Effect*. This Guaranty shall be binding upon each of the parties hereto and their respective successors and assigns and shall inure to the benefit of each of the parties hereto and their respective successors and assigns.

Section 15. *Amendments; Waivers*. Neither this Guaranty nor any provision hereof may be changed, waived, discharged or terminated except with the written consent of each Guarantor directly affected thereby (it being understood that the addition or release of any Guarantor hereunder shall not constitute a change, waiver, discharge or termination affecting any Guarantor other than the applicable Guarantor so added or released) and with the written consent of the applicable Persons required pursuant to Section 11.01 of the Credit Agreement at all times until the termination of this Guaranty pursuant to Section 9 hereof.

Section 16. *Set-Off*. Section 11.08 of the Credit Agreement is hereby incorporated herein by reference.

Section 17. *Limitation on Obligations of Guarantors that are Subsidiaries of the Company*. The obligations of each Guarantor that is a Subsidiary of the Company under its guarantee shall be limited to an aggregate amount equal to the largest amount that would not render such guarantee subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of applicable law.

Section 18. *Additional Guarantors*. Any Person required to become party to this Guaranty pursuant to Section 2.16 of the Credit Agreement may do so by executing and delivering a Guaranty Supplement in the form attached hereto at Exhibit I and such Person shall become a Guarantor hereunder with the same force and effect as if originally named as a Guarantor herein. The execution and delivery of any such instrument shall not require the

consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Guaranty.

Section 19. *Governing Law*.

(a) THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT EACH GUARANTEED PARTY SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS GUARANTY MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE FEDERAL DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE LOCATED IN THE CITY AND COUNTY OF NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS GUARANTY, EACH PARTY HERETO CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH PARTY TO THIS GUARANTY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS GUARANTY. EACH PARTY HERETO WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY THE LAW OF SUCH STATE.

Section 20. *Waiver of Right to Trial by Jury*.

(a) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (X) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (Y) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTY AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 21. *Notices*. Except as otherwise specified herein, all notices, requests, demands or other communications to or upon the respective parties hereto shall be sent or delivered by the methods specified in Section 11.02 of the Credit Agreement and addressed to such party at (i) in the case of any Guaranteed Party, as provided in the Credit Agreement, and (ii) in the case of any Guarantor, at its address set forth opposite its signature below; or in any case at such other address as any of the Persons listed above may hereafter notify the others in writing.

Section 22. *Counterparts*. This Guaranty may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Guaranty by telecopy or other electronic imaging means (including in .pdf format) shall be effective as delivery of a manually executed counterpart of this Guaranty.

Section 23. *Headings Descriptive*. The headings of the several Sections of this Guaranty are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Guaranty.

Section 24. *Severability.* If any provision of this Guaranty is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Guaranty shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 25. *Judgment.* If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of a Guarantor in respect of any such sum due from it to the Administrative Agent hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent in the Agreement Currency, each Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to such Guarantor (or to any other Person who may be entitled thereto under applicable law).

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto duly executed this Guaranty as of the day and year first written above.

MCKESSON CORPORATION, as Guarantor

By:__
Name:
Title:
Address:

[DESIGNATED BORROWER], as Guarantor]

By:__
Name:
Title:
Address:

Accepted and Agreed to:

BANK OF AMERICA, N.A., as
Administrative Agent

By:__
Name:
Title:

EXHIBIT I
TO GUARANTY

FORM OF
GUARANTY SUPPLEMENT

THIS SUPPLEMENT NO. [__] (this "**Guaranty Supplement**"), dated as of [•], 20[•], to the Guaranty (as defined below), is made between [ADDITIONAL GUARANTOR] and Bank of America, N.A., as administrative agent (the "**Administrative Agent**").

A. Reference is made to (i) that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") among McKesson Corporation, a Delaware corporation (the "**Company**"), the other Borrowers from time to time party thereto, the lenders from time to time party thereto (the "**Lenders**"), the Administrative Agent and (ii) that certain Guaranty, dated as of [•], 20[•] (as amended, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "**Guaranty**"), among the Company, certain subsidiaries of the Company from time to time party thereto and the Administrative Agent. Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Credit Agreement or in the Guaranty, as applicable.

B. The Guarantors have entered into the Guaranty in order to induce the Lenders to make Loans. Section 18 of the Guaranty provides that any Person required to become party to the Guaranty pursuant to Section 2.16 of the Credit Agreement may become a Guarantor under the Guaranty by the execution and delivery of an instrument in the form of this Guaranty Supplement. The undersigned (the "New Guarantor") is executing this Guaranty Supplement in accordance with the requirements of the Credit Agreement to become a Guarantor under the Guaranty in order to induce the Lenders to make Loans from time to time.

Accordingly, the Administrative Agent and the New Guarantor agree as follows:

SECTION 1. *Guaranty*.

In accordance with Section 18 of the Guaranty, the New Guarantor unconditionally guarantees the due and punctual payment in full of all Guarantied Obligations when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)). The New Guarantor acknowledges that, by signing this Guaranty Supplement and delivering it to the Administrative Agent, the New Guarantor becomes a Guarantor under the Guaranty with the same force and effect as if originally named therein as a Guarantor and the New Guarantor hereby (a) agrees to all the terms and provisions of the Guaranty applicable to it as a Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct on and as of the date hereof. Each reference to a "Guarantor" in the Guaranty shall be deemed to include the New Guarantor and each reference in any other Loan Document to a "Guarantor" or a "Loan Party" shall also be deemed to include the New Guarantor. The Guaranty is hereby incorporated herein by reference.

SECTION 2. *Representations and Warranties*. The New Guarantor represents and warrants to the Administrative Agent and the Lenders (collectively, the "**Guaranteed Parties**") that:

(a) such New Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, (ii) has the power and authority and all required governmental licenses, authorizations, consents and approvals to own its assets, carry on its business and to execute, deliver, and perform its obligations under the Guaranty, (iii) is duly qualified and is licensed and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification or license, and (iv) is in compliance with all Requirements of Law; except, with respect to clause (iii) or clause (iv), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) such New Guarantor has duly executed and delivered this Guaranty Supplement, and this Guaranty Supplement constitutes its legal, valid and binding obligation, enforceable against such New Guarantor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability;

(c) the execution, delivery and performance by such New Guarantor of this Guaranty Supplement do not (i) require any approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority (each of the foregoing, an "Authorization"), except to the extent that failure to have obtained or completed, as applicable, such Authorization would not result in a Material Adverse Effect, (ii) contravene the terms of such New Guarantor's Organization Documents, (iii) conflict with or result in any breach or contravention of, or the creation of any Lien under, any document evidencing any Contractual Obligation to which such New Guarantor is a party or any order, injunction, writ or decree of any Governmental Authority to which such Guarantor or its property is subject or (iv) violate any Requirement of Law; and

(d) there are no actions, suits, proceedings, claims or disputes pending, or to the best knowledge of such New Guarantor, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, against such New Guarantor affecting the validity of this Guaranty Supplement or the ability of such New Guarantor to perform its obligations under the Guaranty.

SECTION 3. *Counterparts*. This Guaranty Supplement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Guaranty Supplement by telecopy or other electronic imaging means (including in .pdf format) shall be effective as delivery of a manually executed counterpart of this Guaranty Supplement.

SECTION 4. *Governing Law*.

(a) THIS GUARANTY SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT EACH GUARANTEED PARTY SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS GUARANTY SUPPLEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE FEDERAL DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE LOCATED IN THE CITY AND COUNTY OF NEW YORK, AND BY EXECUTION AND DELIVERY OF THIS GUARANTY SUPPLEMENT, EACH PARTY HERETO CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH PARTY TO THIS GUARANTY SUPPLEMENT IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF *FORUM NON CONVENIENS*, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS GUARANTY SUPPLEMENT. EACH PARTY HERETO WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY THE LAW OF SUCH STATE.

SECTION 5. *Waiver of Right to Trial by Jury*.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY SUPPLEMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (X) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (Y) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTY SUPPLEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 6. *Affirmation*. Except as expressly supplemented hereby, the Guaranty shall remain in full force and effect.

SECTION 7. *Severability*. If any provision of this Guaranty Supplement is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Guaranty Supplement shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 8. *Notices*. All communications and notices hereunder shall be in writing and given as provided in Section 21 of the Guaranty.

SECTION 9. *Reimbursement*. The New Guarantor agrees to reimburse the Administrative Agent for its reasonable out-of-pocket expenses in connection with the negotiation, execution and enforcement of this Guaranty Supplement, including the reasonable and documented fees, other charges and disbursements of counsel for the Administrative Agent.

SECTION 10. *Judgment.* If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of a New Guarantor in respect of any such sum due from it to the Administrative Agent hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent in the Agreement Currency, each New Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to such New Guarantor (or to any other Person who may be entitled thereto under applicable law).

IN WITNESS WHEREOF, the New Guarantor and the Administrative Agent have duly executed this Guaranty Supplement as of the day and year first above written.

[NAME OF ADDITIONAL GUARANTOR]

By:__

Name:
Title:

Address:

BANK OF AMERICA, N.A.
as the Administrative Agent

By:__

Name:
Title:

EXHIBIT J-1

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[LENDER]

By:__

Name:
Title:

Date: _____ ___, 20[ ]

EXHIBIT J-2

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E (or W-8BEN, as applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[PARTICIPANT]

By:__

Name:
Title:

Date: _____ ___, 20[ ]

EXHIBIT J-3

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) it and/or its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[PARTICIPANT]

By:__

Name:
Title:

Date: _____ ___, 20[ ]

EXHIBIT J-4

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to that certain 364-Day Revolving Credit Agreement dated as of May 8, 2025 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among McKesson Corporation, a Delaware corporation (the "Company"), the other Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent.

Pursuant to the provisions of Section 3.01(e) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it and/or its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN, as applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN, as applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[LENDER]

By:__

Name:
Title:

Date: _____ ___, 20[ ]

EXHIBIT K

[Reserved.]

OUTSIDE DIRECTOR
Dividend Equivalent Units

McKESSON CORPORATION
STATEMENT OF TERMS AND CONDITIONS APPLICABLE TO RESTRICTED STOCK UNITS GRANTED TO OUTSIDE DIRECTORS PURSUANT TO THE 2022 STOCK PLAN

I. INTRODUCTION

The following terms and conditions shall apply to Restricted Stock Unit Awards granted under the Plan and are subject to the terms and conditions of the Plan. This Statement of Terms and Conditions is intended to meet the requirements of Code Section 409A and any regulations and rules promulgated thereunder. In the event of any inconsistency between this Statement of Terms and Conditions and the Plan, the Plan shall govern. Capitalized terms not otherwise defined in this Statement of Terms and Conditions shall have the meaning set forth in the Plan.

II. RESTRICTED STOCK UNITS

1. Award Agreement. A Restricted Stock Unit Award granted to an Outside Director under the Plan shall be evidenced by a Restricted Stock Unit Agreement to be executed by the Outside Director and the Corporation setting forth the terms and conditions of the Restricted Stock Unit Award. Each Restricted Stock Unit Grant Notice shall incorporate by reference and be subject to this Statement of Terms and Conditions, including the special terms and conditions in the Appendix for the Outside Director's country (if any) which forms part of this Statement of Terms and Conditions, and together both documents shall constitute the Restricted Stock Unit Agreement. The Restricted Stock Units are also subject to the terms and conditions of the Plan.

2. Terms and Conditions. The Administrator administering the Plan has authority to determine the Outside Directors to whom, and the time or times at which, grants of Restricted Stock Units will be made, the number of Units to be awarded, and all other terms and conditions of such awards. With respect to annual Restricted Stock Unit Awards granted to Outside Directors under the Plan, such awards shall be subject to the following terms, conditions and restrictions.

(A) Grant Date. Each Outside Director may be granted a Restricted Stock Unit Award on the date of each annual meeting of stockholders. An Outside Director that is elected to the Board between annual meetings of stockholders may also be granted a Restricted Stock Unit Award on the date that the Board determines in its sole discretion.

(B) Number of Restricted Stock Units. Unless otherwise determined by the Board or the Governance Committee of the Board (the "Governance Committee"), the number of Restricted Stock Units ("Units") granted for the annual meeting grant will be determined by dividing the Fair Market Value of a Share on the date of grant into $200,000 (with any fractional Unit rounded up to the nearest whole Unit). In addition to such grant, unless otherwise determined by the Board or the Governance Committee, the Independent Chair shall be granted an annual meeting grant determined by dividing the Fair Market Value of a Share on the date of grant into $120,000 (with any fractional Unit rounded up to the nearest whole Unit). Notwithstanding the foregoing, in no event shall the aggregate number of Units granted to any Outside Director pursuant to such annual meeting grant or grants exceed 5,000. A newly elected Outside Director may receive a prorated annual meeting grant effective upon the date of the Outside Director's election to the Board.

(C) No Restrictions. Each Restricted Stock Unit Award granted to an Outside Director will be fully vested on the date of grant.

3. Dividend Equivalents. Dividend equivalents in respect of Restricted Stock Units, if granted in tandem with such Units, will be converted into additional Restricted Stock Units, which will be subject to all of the terms and conditions of the underlying Restricted Stock Unit Award. The number of such additional Restricted Stock Units shall be calculated by dividing (a) the aggregate amount or value of the dividends paid with respect to that number of Shares equal to the number of Restricted Stock Units credited as of the record date for such dividend by (b) the Fair Market Value per Share on the payment date for such dividend.

4. Assignability. An Outside Director shall not be permitted to sell, transfer, pledge, assign or encumber Restricted Stock Units, other than pursuant to a qualified domestic relations order as defined in the Code or Title I of the U.S. Employee Retirement Income Security Act.

5. No Stockholder Rights. Neither an Outside Director nor any person entitled to exercise an Outside Director's rights in the event of the Outside Director's death shall have any of the rights of a stockholder with respect to a Restricted Stock Unit Award except to the extent that a book entry has been entered in the records of the Corporation's transfer agent with respect to the underlying Shares paid upon the settlement of any Restricted Stock Unit Award as described in Section II.6 below.

6. Time of Payment of Restricted Stock Units. Except as noted in Section II.7 below, Restricted Stock Units granted to Outside Directors shall not be paid until after the Outside Director's separation of service with the Corporation ("Automatic Deferral Requirement"). "Separation from service" shall have the meaning provided under the McKesson Corporation Deferred Compensation Administration Plan III ("DCAP III"). Payment shall be made in Shares in the form of an appropriate book entry entered in the records of the Corporation's transfer agent recording the Outside Director's unrestricted interest in the number of Shares subject to the Restricted Stock Unit Award. Any fractional Shares resulting from the accumulation of dividend equivalents shall be paid in cash.

7. Satisfaction of Director Stock Ownership Guidelines. For those Outside Directors who have met the Director Stock Ownership Guidelines in effect at the time, Restricted Stock Unit grants shall not be subject to the Automatic Deferral Requirement and such grants will be immediately converted into Shares and distributed to the Outside Director; provided, however, that the Outside Director may elect to defer receipt of the Shares underlying the Restricted Stock Units.

8. Deferrals of Restricted Stock Units. Deferrals of Restricted Stock Units, whether elective or pursuant to the Automatic Deferral Requirement, shall be subject to the terms and conditions of DCAP III.

III. MISCELLANEOUS

1. No Effect on Terms of Service with the Corporation. Nothing contained in this Statement of Terms and Conditions, the Plan or a Restricted Stock Unit Agreement shall affect the Corporation's right to terminate the service of any Outside Director.

2. Grants to Outside Directors in Foreign Countries. If an Outside Director is not a United States citizen or resident, the Board has the full discretion to deviate from this Statement of Terms and Conditions in order to adjust a Restricted Stock Unit Award to prevailing local conditions, including custom and legal and tax requirements. Furthermore, the Corporation reserves the right to impose other requirements on the Outside Director's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Outside Director to sign any additional agreements or undertaking that may be necessary to accomplish the foregoing.

3. Information Notification. Any information required to be given under the terms of a Restricted Stock Unit Award shall be addressed to the Corporation in care of its Corporate Secretary at McKesson Corporation, 6555 North State Highway 161, Irving, Texas 75039, and any notice to be given to an Outside Director shall be addressed to the Outside Director at the address indicated beneath the Outside Director's name on the Restricted Stock Unit Agreement or such other address as either party may designate in writing to the other. Any such notice

shall be deemed to have been duly given when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered or certified and deposited (postage or registration or certification fee prepaid) in a post office or branch post office. The parties may use email delivery, so long as the message is clearly marked, sent to the email address(es) set forth herein. Email delivery will be deemed to occur when the sender receives confirmation that such message has been received and read by the recipient. Emails to the Corporation shall be delivered to CorpSecretary@McKesson.com.

4. Electronic Delivery. The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

5. Administrator Decisions Conclusive. All decisions of the Administrator administering the Plan upon any questions arising under the Plan, under this Statement of Terms and Conditions, or under a Restricted Stock Unit Agreement, shall be conclusive and binding on all persons.

6. No Effect on Other Benefit Plans. Nothing herein contained shall affect an Outside Director's right, if any, to participate in and receive benefits from and in accordance with the then current provisions of any benefit plan or program offered by the Corporation.

7. Withholding. Each Outside Director shall agree to make appropriate arrangements with the Corporation for satisfaction of any applicable federal, state or local income tax withholding requirements or payroll tax requirements, if any is required.

8. Data Privacy Information and Consent.

(A) Data Collection and Usage. The Corporation may collect, process and use certain personal information about the Outside Director, including, but not limited to, the Outside Director's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares held in the Corporation, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Outside Director's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is the Outside Director's consent.

(B) Stock Plan Administration Service Providers. The Corporation transfers Data to Fidelity Stock Plan Services LLC and its affiliated companies, an independent service provider based in the United States, which is assisting the Corporation with the implementation, administration and management of the Plan. The Corporation may select a different service provider or additional service providers and share Data with such other provider serving in a similar manner. The Outside Director may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.

(C) International Data Transfers. The Corporation and its service providers are based in the United States. The Outside Director's country or jurisdiction may have different data privacy laws and protections than the United States. The Corporation's legal basis, where required, for the transfer of Data is the Outside Director's consent.

(D) Data Retention. The Corporation will hold and use the Data only as long as is necessary to implement, administer and manage the Outside Director's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax and security laws. In the latter case, the Outside Director understands and acknowledges that the Corporation's legal basis for the processing of the Outside Director's Data would be compliance with the relevant laws or regulations or the pursuit by the Corporation of respective legitimate interests not outweighed by the Outside Director's interests, rights or freedoms. When the

Corporation no longer needs the Outside Director's Data for any of the above purposes, the Outside Director understands the Corporation will remove it from its systems.

(E) Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary and the Outside Director is providing the consents herein on a purely voluntary basis. If the Outside Director does not consent, or if the Outside Director later seeks to revoke the Outside Director's consent, the Outside Director's retainer and fees from or services with the Corporation will not be affected; the only consequence of refusing or withdrawing the Outside Director's consent is that the Corporation would not be able to grant Awards to the Outside Director or administer or maintain such Awards.

(F) Data Subject Rights. The Outside Director may have a number of rights under data privacy laws in the Outside Director's jurisdiction. Depending on where the Outside Director is based, such rights may include the right to (i) inquire whether and what kind of Data the Corporation holds about the Outside Director and how it is processed, and to request access or copies of Data the Corporation processes, (ii) request the correction or supplementation of Data about the Outside Director that is inaccurate, incomplete or out-of-date in light of the purposes underlying the processing, (iii) obtain the erasure of Data no longer necessary for the purposes underlying the processing, processed based on withdrawn consent, processed for legitimate interests that, in the context of the Outside Director's objection, do not prove to be compelling, or processed in non-compliance with applicable legal requirements, (iv) request restrictions on processing of Data in certain situations where the Outside Director feels its processing is inappropriate, (v) request portability of the Outside Director's Data that the Outside Director has actively or passively provided to the Corporation (which does not include data derived or inferred from the collected data), where the processing of such Data is based on consent or the Outside Director's service on the Board and is carried out by automated means, (vi) object, in certain circumstances, to the processing of Data for legitimate interests, (vii) lodge complaints with competent authorities in the Outside Director's jurisdiction, and/or (viii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, the Outside Director can contact the Corporate Secretary.

By accepting the Award and indicating consent via the Corporation's acceptance procedure, the Outside Director is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Corporation and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

9. Severability. The provisions in this Statement of Terms and Conditions are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

10. Successors. This Statement of Terms and Conditions and the Restricted Stock Unit Agreements shall be binding upon and inure to the benefit of any successor or successors of the Corporation. "Outside Director" as used herein shall include the Outside Director's Beneficiary.

11. Delaware Law. The interpretation, performance, and enforcement of this Statement of Terms and Conditions and all Restricted Stock Unit Agreements shall be governed by the laws of the State of Delaware.

McKESSON CORPORATION
STATEMENT OF TERMS AND CONDITIONS APPLICABLE TO
RESTRICTED STOCK UNITS GRANTED TO
OUTSIDE DIRECTORS PURSUANT TO THE 2022 STOCK PLAN

I. INTRODUCTION

The following terms and conditions shall apply to Restricted Stock Unit Awards granted under the Plan and are subject to the terms and conditions of the Plan. This Statement of Terms and Conditions is intended to meet the requirements of Code Section 409A and any regulations and rules promulgated thereunder. In the event of any inconsistency between this Statement of Terms and Conditions and the Plan, the Plan shall govern. Capitalized terms not otherwise defined in this Statement of Terms and Conditions shall have the meaning set forth in the Plan.

II. RESTRICTED STOCK UNITS

1. Award Agreement. A Restricted Stock Unit Award granted to an Outside Director under the Plan shall be evidenced by a Restricted Stock Unit Agreement to be executed by the Outside Director and the Corporation setting forth the terms and conditions of the Restricted Stock Unit Award. Each Restricted Stock Unit Grant Notice shall incorporate by reference and be subject to this Statement of Terms and Conditions, including the special terms and conditions in the Appendix for the Outside Director's country (if any) which forms part of this Statement of Terms and Conditions, and together both documents shall constitute the Restricted Stock Unit Agreement. The Restricted Stock Units are also subject to the terms and conditions of the Plan.

2. Terms and Conditions. The Administrator administering the Plan has authority to determine the Outside Directors to whom, and the time or times at which, grants of Restricted Stock Units will be made, the number of Units to be awarded, and all other terms and conditions of such awards. With respect to annual Restricted Stock Unit Awards granted to Outside Directors under the Plan, such awards shall be subject to the following terms, conditions and restrictions.

(A) Grant Date. Each Outside Director may be granted a Restricted Stock Unit Award on the date of each annual meeting of stockholders. An Outside Director that is elected to the Board between annual meetings of stockholders may also be granted a Restricted Stock Unit Award on the date that the Board determines in its sole discretion.

(B) Number of Restricted Stock Units. Unless otherwise determined by the Board or the Governance Committee of the Board (the "Governance Committee"), the number of Restricted Stock Units ("Units") granted for the annual meeting grant will be determined by dividing the Fair Market Value of a Share on the date of grant into $200,000 (with any fractional Unit rounded up to the nearest whole Unit). In addition to such grant, unless otherwise determined by the Board or the Governance Committee, the Independent Chair shall be granted an annual meeting grant determined by dividing the Fair Market Value of a Share on the date of grant into $120,000 (with any fractional Unit rounded up to the nearest whole Unit). Notwithstanding the foregoing, in no event shall the aggregate number of Units granted to any Outside Director pursuant to such annual meeting grant or grants exceed 5,000. A newly elected Outside Director may receive a prorated annual meeting grant effective upon the date of the Outside Director's election to the Board.

(C) No Restrictions. Each Restricted Stock Unit Award granted to an Outside Director will be fully vested on the date of grant.

3. Dividend Equivalents. Dividend equivalents in respect of Restricted Stock Units, if granted in tandem with such Units, will be credited on behalf of an Outside Director to a deferred cash account until such time as the underlying Shares are issued.

4. Assignability. An Outside Director shall not be permitted to sell, transfer, pledge, assign or encumber Restricted Stock Units, other than pursuant to a qualified domestic relations order as defined in the Code or Title I of the U.S. Employee Retirement Income Security Act.

5. No Stockholder Rights. Neither an Outside Director nor any person entitled to exercise an Outside Director's rights in the event of the Outside Director's death shall have any of the rights of a stockholder with respect to a Restricted Stock Unit Award except to the extent that a book entry has been entered in the records of the Corporation's transfer agent with respect to the underlying Shares paid upon the settlement of any Restricted Stock Unit Award as described in Section II.6 below.

6. Time of Payment of Restricted Stock Units. Except as noted in Section II.7 below, Restricted Stock Units granted to Outside Directors shall not be paid until after the Outside Director's separation of service with the Corporation ("Automatic Deferral Requirement"). "Separation from service" shall have the meaning provided under the McKesson Corporation Deferred Compensation Administration Plan III ("DCAP III"). Payment shall be made in Shares in the form of an appropriate book entry entered in the records of the Corporation's transfer agent recording the Outside Director's unrestricted interest in the number of Shares subject to the Restricted Stock Unit Award.

7. Satisfaction of Director Stock Ownership Guidelines. For those Outside Directors who have met the Director Stock Ownership Guidelines in effect at the time, Restricted Stock Unit grants shall not be subject to the Automatic Deferral Requirement and such grants will be immediately converted into Shares and distributed to the Outside Director; provided, however, that the Outside Director may elect to defer receipt of the Shares underlying the Restricted Stock Units.

8. Deferrals of Restricted Stock Units. Deferrals of Restricted Stock Units, whether elective or pursuant to the Automatic Deferral Requirement, shall be subject to the terms and conditions of DCAP III.

III. MISCELLANEOUS

1. No Effect on Terms of Service with the Corporation. Nothing contained in this Statement of Terms and Conditions, the Plan or a Restricted Stock Unit Agreement shall affect the Corporation's right to terminate the service of any Outside Director.

2. Grants to Outside Directors in Foreign Countries. If an Outside Director is not a United States citizen or resident, the Board has the full discretion to deviate from this Statement of Terms and Conditions in order to adjust a Restricted Stock Unit Award to prevailing local conditions, including custom and legal and tax requirements. Furthermore, the Corporation reserves the right to impose other requirements on the Outside Director's participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Outside Director to sign any additional agreements or undertaking that may be necessary to accomplish the foregoing.

3. Information Notification. Any information required to be given under the terms of a Restricted Stock Unit Award shall be addressed to the Corporation in care of its Corporate Secretary at McKesson Corporation, 6555 North State Highway 161, Irving, Texas 75039, and any notice to be given to an Outside Director shall be addressed to the Outside Director at the address indicated beneath the Outside Director's name on the Restricted Stock Unit Agreement or such other address as either party may designate in writing to the other. Any such notice shall be deemed to have been duly given when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered or certified and deposited (postage or registration or certification fee prepaid) in a post office or branch post office. The parties may use email delivery, so long as the message is clearly marked, sent to the email

address(es) set forth herein. Email delivery will be deemed to occur when the sender receives confirmation that such message has been received and read by the recipient. Emails to the Corporation shall be delivered to CorpSecretary@McKesson.com.

4. Electronic Delivery. The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

5. Administrator Decisions Conclusive. All decisions of the Administrator administering the Plan upon any questions arising under the Plan, under this Statement of Terms and Conditions, or under a Restricted Stock Unit Agreement, shall be conclusive and binding on all persons.

6. No Effect on Other Benefit Plans. Nothing herein contained shall affect an Outside Director's right, if any, to participate in and receive benefits from and in accordance with the then current provisions of any benefit plan or program offered by the Corporation.

7. Withholding. Each Outside Director shall agree to make appropriate arrangements with the Corporation for satisfaction of any applicable federal, state or local income tax withholding requirements or payroll tax requirements, if any is required.

8. Data Privacy Information and Consent.

(A) Data Collection and Usage. The Corporation may collect, process and use certain personal information about the Outside Director, including, but not limited to, the Outside Director's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares held in the Corporation, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Outside Director's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is the Outside Director's consent.

(B) Stock Plan Administration Service Providers. The Corporation transfers Data to Fidelity Stock Plan Services LLC and its affiliated companies, an independent service provider based in the United States, which is assisting the Corporation with the implementation, administration and management of the Plan. The Corporation may select a different service provider or additional service providers and share Data with such other provider serving in a similar manner. The Outside Director may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.

(C) International Data Transfers. The Corporation and its service providers are based in the United States. The Outside Director's country or jurisdiction may have different data privacy laws and protections than the United States. The Corporation's legal basis, where required, for the transfer of Data is the Outside Director's consent.

(D) Data Retention. The Corporation will hold and use the Data only as long as is necessary to implement, administer and manage the Outside Director's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax and security laws. In the latter case, the Outside Director understands and acknowledges that the Corporation's legal basis for the processing of the Outside Director's Data would be compliance with the relevant laws or regulations or the pursuit by the Corporation of respective legitimate interests not outweighed by the Outside Director's interests, rights or freedoms. When the Corporation no longer needs the Outside Director's Data for any of the above purposes, the Outside Director understands the Corporation will remove it from its systems.

(E) Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary and the Outside Director is providing the consents herein on a purely voluntary basis. If the Outside Director does not consent, or if the Outside Director later seeks to revoke the Outside Director's consent, the Outside Director's retainer and fees from or services with the Corporation will not be affected; the only consequence of refusing or withdrawing the Outside Director's consent is that the Corporation would not be able to grant Awards to the Outside Director or administer or maintain such Awards.

(F) Data Subject Rights. The Outside Director may have a number of rights under data privacy laws in the Outside Director's jurisdiction. Depending on where the Outside Director is based, such rights may include the right to (i) inquire whether and what kind of Data the Corporation holds about the Outside Director and how it is processed, and to request access or copies of Data the Corporation processes, (ii) request the correction or supplementation of Data about the Outside Director that is inaccurate, incomplete or out-of-date in light of the purposes underlying the processing, (iii) obtain the erasure of Data no longer necessary for the purposes underlying the processing, processed based on withdrawn consent, processed for legitimate interests that, in the context of the Outside Director's objection, do not prove to be compelling, or processed in non-compliance with applicable legal requirements, (iv) request restrictions on processing of Data in certain situations where the Outside Director feels its processing is inappropriate, (v) request portability of the Outside Director's Data that the Outside Director has actively or passively provided to the Corporation (which does not include data derived or inferred from the collected data), where the processing of such Data is based on consent or the Outside Director's service on the Board and is carried out by automated means, (vi) object, in certain circumstances, to the processing of Data for legitimate interests, (vii) lodge complaints with competent authorities in the Outside Director's jurisdiction, and/or (viii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, the Outside Director can contact the Corporate Secretary.

By accepting the Award and indicating consent via the Corporation's acceptance procedure, the Outside Director is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Corporation and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

9. Severability. The provisions in this Statement of Terms and Conditions are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

10. Successors. This Statement of Terms and Conditions and the Restricted Stock Unit Agreements shall be binding upon and inure to the benefit of any successor or successors of the Corporation. "Outside Director" as used herein shall include the Outside Director's Beneficiary.

11. Delaware Law. The interpretation, performance, and enforcement of this Statement of Terms and Conditions and all Restricted Stock Unit Agreements shall be governed by the laws of the State of Delaware.

McKESSON CORPORATION
STATEMENT OF TERMS AND CONDITIONS APPLICABLE TO
OPTIONS, RESTRICTED STOCK, RESTRICTED STOCK UNITS
AND PERFORMANCE STOCK UNITS GRANTED TO EMPLOYEES
PURSUANT TO THE 2022 STOCK PLAN

For Grants Beginning May 20, 2025

I. INTRODUCTION

The following terms and conditions shall apply to an Award granted under the Plan and are subject to the terms and conditions of the Plan. This Statement of Terms and Conditions is intended to meet the requirements of Code Section 409A and any rules promulgated thereunder. In the event of any inconsistency between this Statement of Terms and Conditions and the Plan, the Plan shall govern. Capitalized terms not otherwise defined in this Statement of Terms and Conditions shall have the meaning set forth in the Plan.

II. OPTIONS

1. Option Agreement. An Option granted under the Plan shall be evidenced by an Option Agreement setting forth the terms and conditions of the Option, including whether the Option is an Incentive Stock Option or a Nonstatutory Stock Option and the number of Shares subject to the Option. Each Option Grant Notice shall incorporate by reference and be subject to this Statement of Terms and Conditions, including the special terms and conditions (if any) in the Appendix for the Participant's country which forms part of this Statement of Terms and Conditions, and together both documents shall constitute the Option Agreement. The Option is also subject to the terms and conditions of the Plan.

2. Exercise Price. The Exercise Price of an Option, as specified in the Option Agreement, shall be equal to or greater than the Fair Market Value of the Shares underlying the Option on the Grant Date.

3. Option Period. An Option shall be exercisable only during the applicable Option Period, and during such Option Period the exercisability of the Option shall be subject to the vesting provisions of Section II.4 as modified by the rules set forth in Sections II.5 and VI. The Option Period shall be not more than seven years from the Grant Date.

4. Vesting of Right to Exercise Options.

(A) Subject to Sections II.5 and VI, an Option shall be exercisable during the Option Period in accordance with the vesting terms and conditions established on the Grant Date and specified in the Option Grant Notice.

(B) Any vested portion of an Option not exercised hereunder shall remain outstanding and be exercisable at any time on or before the Expiration Date, subject to the rules set forth in Sections II.5 and VI. No Option may be exercised for less than 5% of the total number of Shares then available for exercise under such Option. In no event shall the Corporation be required to issue fractional Shares.

5. Limits on Option Period and Acceleration of Vesting. The Option Period may end before the Expiration Date, and in certain circumstances the vesting schedule of an Option may be accelerated (subject to the provisions of Section VI), as follows:

(A) If a Participant ceases to be a bona fide employee of the Corporation or of its Affiliates during the Option Period, then, except as otherwise set forth below in Sections II.5(B) through II.5(H), the Option

Period shall end on the earlier of (i) 90 days after the date of the Participant's termination of employment and (ii) the Expiration Date, and in all cases the Option shall be exercisable only to the extent that it was exercisable at the time of such termination of employment. If a Participant is absent from work with the Corporation or an Affiliate because of the Participant's Short-Term Disability or because the Participant is on an approved leave of absence, the Participant shall not be deemed during the period of any such absence, by virtue of such absence alone, to have terminated employment with the Corporation or an Affiliate except as the Administrator may otherwise expressly determine.

(B) Notwithstanding any other provision in this Section II.5, if a Participant's employment is terminated for Cause during the Option Period, the Option Period shall end on the date of such termination of employment and the Option shall thereupon not be exercisable to any extent whatsoever.

(C) If a Participant ceases to be a bona fide employee of the Corporation or of its Affiliates during the Option Period by reason of Long-Term Disability, the vesting schedule of the Participant's Option shall be accelerated, the Option shall become fully exercisable and the Option Period shall end on the earlier of (i) three years after the date of the Participant's termination of employment and (ii) the Expiration Date.

(D) If a Participant ceases to be a bona fide employee of the Corporation or of its Affiliates during the Option Period by reason of Early Retirement, (i) the Option shall be exercisable only to the extent that it was exercisable at the time of such retirement and (ii) the Option Period for that portion of the Option designated as a Nonstatutory Stock Option shall end on the earlier of (a) three years after the date of such retirement and (b) the Expiration Date.

(E) If a Participant ceases to be a bona fide employee of the Corporation or of its Affiliates during the Option Period by reason of Normal Retirement:

(i) If such Normal Retirement occurs prior to the first anniversary of the Grant Date of the Option, such Option shall be subject to the provisions of Section II.5(D) as though the Participant were eligible for Early Retirement; or

(ii) If such Normal Retirement occurs on or after the first anniversary of the Grant Date of an Option, (a) that portion of the Option designated as a Nonstatutory Stock Option shall continue to vest as though the Participant had continued to be employed by the Corporation or one of its Affiliates during such vesting period, and (b) the Option Period for such portion of the Option designated as a Nonstatutory Stock Option shall end on the Expiration Date.

(F) If a Participant ceases to be a bona fide employee of the Corporation or of its Affiliates during the Option Period by reason of Severance, and

(i) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the termination date; and (y) has a termination date that occurs on or after the first anniversary of the Grant Date, then (1) that portion of the Option designated as a Nonstatutory Stock Option shall continue to vest as though the Participant had continued to be employed by the Corporation or one of its Affiliates during such vesting period, and (2) the Option Period for such portion of the Option designated as a Nonstatutory Stock Option shall end on the Expiration Date;

(ii) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the termination date; and (y) has a termination

date that occurs before the first anniversary of the Grant Date, then such Option shall be subject to the Early Retirement provision in Section II.(5)(D); or

(iii) The Participant has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, and would not have attained the requirements for Normal Retirement within six months after the termination date, then (a) the vesting schedule of the Participant's Option shall be accelerated as to the portion of the Option that would have vested in accordance with the original vesting schedule as though the Participant had continued to be employed by the Corporation or one of its Affiliates for six months after the termination date, and (b) the expiration of the Option Period provided in Section II.5(A) shall apply; provided that if the Participant is also eligible for Early Retirement at the time of the termination of employment, then the expiration of the Option Period provided in Section II.5(D) shall apply.

(G) If a Participant should die (i) while in the employ of the Corporation or an Affiliate and (ii) during the Option Period, the vesting schedule of the Participant's Option shall be accelerated and the Option shall become fully exercisable, the Option Period shall end on the earlier of (a) three years after the date of death and (b) the Expiration Date, and the Participant's Beneficiary may exercise the entire unexercised portion of the then exercisable Shares covered by such Option (or any lesser amount) remaining on the date of death.

(H) If a Participant who ceases to be a bona fide employee of the Corporation or an Affiliate is subsequently rehired prior to the expiration of the Participant's Option, then the Option shall continue to remain outstanding until the earlier of (i) such time as the Participant subsequently terminates employment and (ii) the Expiration Date. Upon the Participant's subsequent termination of employment, the post-termination exercise period calculated pursuant to the terms and conditions of this Section II.5 shall be reduced by the number of days between the date of the Participant's initial termination of employment and the Participant's re-hire date; provided, however, that if the rehired Participant continues to be employed by the Corporation or an Affiliate for at least one year from the Participant's rehire date, then the post termination exercise period for the Option shall be determined in accordance with Sections II.5(A) through (G) and shall not be adjusted as described in this Section II.5(H).

6. Method of Exercise; Restriction on Sale of Shares. A Participant may exercise an Option with respect to all or any part of the exercisable Shares as follows:

(A) By giving the Corporation, or its authorized representative designated for this purpose, written notice of such exercise specifying the number of Shares as to which the Option is so exercised. Such notice shall be accompanied by an amount equal to the Exercise Price multiplied by the number of Shares exercised, in the form of any one or combination of the following: cash or a certified check, bank draft, postal or express money order payable to the order of the Corporation in lawful money of the United States. Unless otherwise determined by the Administrator in its sole discretion, the Participant may pay the Exercise Price, in whole or in part, by tendering to the Corporation or its authorized representative Shares, which have been owned by the Participant for at least six months prior to said tender, and having a Fair Market Value, as determined by the Corporation, equal to the Exercise Price, or in lieu of the delivery of actual Shares in such tender, the Corporation may accept an attestation by the Participant, in a form prescribed by the Corporation or its authorized representative, that the Participant owns sufficient Shares of record or in an account in street name to satisfy the Exercise Price, and such attestation will be deemed a tender of Shares for purposes of this method of exercise. The Corporation or its authorized representative may accept payment of the amount due upon the exercise of the Option in the form of a Participant's personal check. Payment may also be made by delivery (including by FAX transmission) to the Corporation or its authorized representative of an executed irrevocable Option exercise form together with irrevocable instructions to an approved registered investment broker to sell Shares in an amount sufficient to pay the Exercise Price plus any applicable Tax-Related Items (as defined in Section VIII.6) and to transfer the proceeds of such sale to the Corporation.

(B) If required by the Corporation, by giving satisfactory assurance in writing, signed by the Participant, the Participant shall give the Participant's assurance that the Shares subject to the Option are being purchased for investment and not with a view to the distribution thereof; provided that such assurance shall be

deemed inapplicable to (i) any sale of the Shares by such Participant made in accordance with the terms of a registration statement covering such sale, which has heretofore been (or may hereafter be) filed and become effective under the U.S. Securities Act of 1933, as amended (the "Securities Act") and with respect to which no stop order suspending the effectiveness thereof has been issued, and (ii) any other sale of the Shares with respect to which, in the opinion of counsel for the Corporation, such assurance is not required to be given in order to comply with the provisions of the Securities Act.

(C) As soon as practicable after receipt of the notice and the assurance described in Sections II.6(A) and (B), the Corporation shall, without transfer or issue tax (except for withholding tax arrangements contemplated in Section VIII.6) and without other incidental expense to the Participant, credit the purchased Shares to the Participant's brokerage account of record. If the Participant does not have a brokerage account of record, then the Corporation shall cause an appropriate book entry to be entered in the records of the Corporation's transfer agent recording the Participant's unrestricted interest in the purchased Shares; provided, however, that the time of such delivery may be postponed by the Corporation for such period as may be required for it with reasonable diligence to comply with applicable registration requirements under the Securities Act, the Exchange Act, any applicable listing requirements of any national securities exchange and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

(D) In the case of any Participant who is subject to the Stock Ownership Policy, the Administrator reserves the right to impose a restriction on the sale of Shares that such Participant receives upon the Participant's exercise of Options, unless the Participant has satisfied the ownership targets applicable to the Participant as provided in the Stock Ownership Policy.

7. Limitations on Transfer. An Option shall, during a Participant's lifetime, be exercisable only by the Participant. No Option or any right granted thereunder shall be transferable by the Participant by operation of law or otherwise, other than by will or the laws of descent and distribution. Notwithstanding the foregoing: (A) unless otherwise determined by the Administrator in its sole discretion, a Participant may designate a beneficiary to succeed, after the Participant's death, to all of the Participant's Options outstanding on the date of death; (B) a Nonstatutory Stock Option may be transferable pursuant to a qualified domestic relations order as defined in the Code or Title I of the U.S. Employee Retirement Income Security Act; and (C) any Participant, who is a senior executive officer recommended by the Chief Executive Officer of the Corporation and approved by the Administrator, may voluntarily transfer any Nonstatutory Stock Option to a Family Member as a gift or through a transfer to an entity in which more than 50% of the voting interests are owned by Family Members (or the Participant) in exchange for an interest in that entity. In the event of any attempt by a Participant to alienate, assign, pledge, hypothecate, or otherwise dispose of an Option or of any right thereunder, except as provided herein, or in the event of the levy of any attachment, execution, or similar process upon the rights or interest hereby conferred, the Corporation at its election may terminate the affected Option by notice to the Participant and the Option shall thereupon become null and void.

8. No Stockholder Rights. Neither a Participant nor any person entitled to exercise a Participant's rights in the event of the Participant's death shall have any of the rights of a stockholder with respect to the Shares subject to an Option except to the extent that a book entry has been entered in the records of the Corporation's transfer agent with respect to such Shares upon the exercise of an Option.

III. RESTRICTED STOCK

1. Restricted Stock Agreement. A Restricted Stock Award granted under the Plan shall be evidenced by a Restricted Stock Agreement to be executed by the Participant and the Corporation setting forth the terms and conditions of the Restricted Stock Award. Each Restricted Stock Grant Notice shall incorporate by reference and be subject to this Statement of Terms and Conditions, including the special terms and conditions (if any) in the Appendix for the Participant's country which forms part of this Statement of Terms and Conditions, and together both documents shall constitute the Restricted Stock Agreement. The Restricted Stock Award is also subject to the terms and conditions of the Plan.

2. Rights with Respect to Shares of Restricted Stock. Upon written acceptance of a Restricted Stock Award by a Participant, including the restrictions and other terms and conditions described in the Plan and the Restricted Stock Agreement, the Corporation shall cause an appropriate book entry to be entered in the records of the Corporation's transfer agent recording the Participant's interest in the Restricted Stock. From and after the Grant Date, the Participant shall have the rights of Common Stock ownership, including the right to vote and to receive dividends on Shares of Restricted Stock, subject to the terms, conditions and restrictions described in the Plan and the Restricted Stock Agreement.

3. Special Restrictions. Each Restricted Stock Award made under the Plan shall be subject to the following terms, conditions and restrictions and such additional terms, conditions and restrictions as may be determined by the Administrator; provided, however, that no Restricted Stock grant shall be subject to additional terms, conditions and restrictions which are more favorable to a Participant than the terms, conditions and restrictions set forth elsewhere in the Plan or the Restricted Stock Agreement.

(A) Restrictions. Until the restrictions imposed on any Restricted Stock grant shall lapse (such period of time, the "Restriction Period"), Shares of Restricted Stock granted to a Participant (i) shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of, other than pursuant to a qualified domestic relations order as defined in the Code or Title I of the U.S. Employee Retirement Income Security Act and (ii) shall, if the Participant's continuous employment with the Corporation or any of its Affiliates shall terminate for any reason (except as otherwise provided in the Plan, or in Section III.3(B) or Section III.3(C)), be returned to the Corporation forthwith, and all the rights of the Participant to such Shares shall immediately terminate. If a Participant is absent from work with the Corporation or an Affiliate because of the Participant's Short-Term Disability or because the Participant is on an approved leave of absence, the Participant shall not be deemed during the period of any such absence, by virtue of such absence alone, to have terminated employment with the Corporation or an Affiliate except as the Administrator may otherwise expressly determine.

(B) Termination of Employment by Reason of Death, Long-Term Disability or Normal Retirement. Notwithstanding any provision to the contrary contained in the Restricted Stock Grant Notice, if a Participant who has been in the continuous employment of the Corporation or any of its Affiliates since the Grant Date of a Restricted Stock Award ceases to be a bona fide employee of the Corporation or an Affiliate as a result of:

(i) Death or Long-Term Disability, then the restrictions imposed on any Restricted Stock Award shall lapse as to all Shares granted to such Participant pursuant to such Restricted Stock Award on the date of such termination; or

(ii) Normal Retirement on or after the first anniversary of the Grant Date of any time-vesting Restricted Stock Award, the restrictions applicable to such Restricted Stock Award shall continue to lapse at such time(s) as are set forth in the applicable Grant Notice, as though the Participant had continued to be employed by the Corporation or one of its Affiliates during such restricted period; provided, that notwithstanding any other provision of the Plan or this Statement of Terms and Conditions, this Section III.3(B)(ii) shall not apply to any Restricted Stock Award the vesting of which is based, in whole or in part, on attainment of performance objectives. The procedures set forth in Section VIII.6 will be applied for any taxes due upon the lapse of restrictions imposed on a Restricted Stock Award due to a Participant's Normal Retirement eligibility.

(C) Termination of Employment by Reason of Severance. Notwithstanding any provision to the contrary contained in the Restricted Stock Grant Notice, if a Participant who has been in the continuous employment of the Corporation or any of its Affiliates since the Grant Date of a Restricted Stock Award ceases to be a bona fide employee of the Corporation or an Affiliate as a result of Severance, and:

(i) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the

requirements for Normal Retirement within six months after the Participant's termination date and (y) has a termination date that occurs on or after the first anniversary of the Grant Date of any time-vesting Restricted Stock Award, then such time-vesting Restricted Stock Award shall be subject to the Normal Retirement provisions of Section III.3(B);

(ii) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the Participant's termination date and (y) has a termination date that occurs before the first anniversary of the Grant Date of any time-vesting Restricted Stock Award, then the Shares subject to the Restricted Stock Award that continue to have restrictions that have not yet lapsed shall immediately be returned to the Company for no consideration, and all the rights of the Participant to such unvested Shares shall immediately terminate; or

(iii) The Participant has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, and would not have attained the requirements for Normal Retirement within six months after the Participant's termination date, then the restrictions applicable to any time-vesting Restricted Stock Award shall lapse upon the Participant's termination date, as to such Shares of Restricted Stock that would have vested at such time(s) as are set forth in the applicable Grant Notice as if the Participant had continued to be employed by the Corporation or one of its Affiliates during the six-month period after the Participant's termination date.

Notwithstanding the foregoing, this Section III.3(C) shall not apply to any Restricted Stock Award the vesting of which is based, in whole or in part, on attainment of performance objectives. The procedures set forth in Section VIII.6 will be applied for any taxes due upon the lapse of restrictions imposed on a Restricted Stock Award due to a Participant's Normal Retirement eligibility.

(D) Restriction on Sale of Shares. In the case of any Participant who is subject to the Stock Ownership Policy, the Administrator reserves the right to impose a restriction on the sale of Shares that such Participant receives upon the vesting and settlement of a Restricted Stock Award, unless the Participant has satisfied the ownership targets applicable to the Participant as provided in the Stock Ownership Policy.

4. Dividends. Cash dividends paid with respect to Restricted Stock during the Restriction Period shall be credited on behalf of the Participant to a deferred cash account (in a manner designed to comply with Code Section 409A) and the restrictions on such cash dividends shall lapse at the same time that the restrictions lapse on the associated Restricted Stock Award. Stock dividends paid with respect to Restricted Stock during the Restriction Period shall be treated as Restricted Stock which shall be subject to the same restrictions as the original award for the duration of the Restriction Period.

5. Election to Recognize Gross Income in the Year of Grant. If any Participant who is a U.S. taxpayer validly elects within 30 days of the Grant Date, to include in gross income for federal income tax purposes an amount equal to the Fair Market Value of the Shares of Restricted Stock granted on the Grant Date, such Participant shall (at the same time or prior to the date that the Participant files the Participant's election with the Internal Revenue Service) (A) pay to the Corporation, or make arrangements satisfactory to the Administrator to pay to the Corporation in the year of such grant, any federal, state or local taxes required to be withheld with respect to such Shares in accordance with Section VIII.6, and (B) provide the Administrator with a copy of the election filed with the Internal Revenue Service.

6. Restrictive Legend. Each book entry in the records of the Corporation's transfer agent evidencing Shares granted pursuant to a Restricted Stock grant may bear an appropriate legend referring to the terms, conditions and restrictions described in the Plan and/or the Restricted Stock Agreement.

7. Expiration of Restriction Period. If and when the Restriction Period applicable to the Restricted Stock expires without a prior forfeiture, Shares shall be credited to the Participant's brokerage account of record. If

the Participant does not have a brokerage account of record, then the Corporation shall cause an appropriate book entry recording the Participant's interest in the unrestricted Shares to be entered on the records of the Corporation's transfer agent; provided, however, that the time of such delivery may be postponed by the Corporation for such period as may be required for it with reasonable diligence to comply with applicable registration requirements under the Securities Act, the Exchange Act, any applicable listing requirements of any national securities exchange and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

IV. RESTRICTED STOCK UNITS

1. Restricted Stock Unit Agreement. Restricted Stock Units granted under the Plan shall be evidenced by a Restricted Stock Unit Agreement to be executed by the Participant and the Corporation setting forth the terms and conditions of the Restricted Stock Units. Each Restricted Stock Unit Grant Notice shall incorporate by reference and be subject to this Statement of Terms and Conditions, including the special terms and conditions (if any) in the Appendix for the Participant's country which forms part of this Statement of Terms and Conditions, and together both documents shall constitute the Restricted Stock Unit Agreement. The Restricted Stock Units are also subject to the terms and conditions of the Plan.

2. Special Restrictions. Restricted Stock Units granted under the Plan shall be subject to the following terms, conditions and restrictions and such additional terms, conditions and restrictions as may be determined by the Administrator, consistent with the terms of the Plan.

(A) Restrictions. If a Participant ceases to be a bona fide employee of the Corporation or any Affiliate (except as otherwise provided in the Plan, or in Section IV.2(B) or Section IV.2(C)) prior to the lapse of the restrictions imposed on the Award, the unvested Restricted Stock Units shall be canceled, and all the rights of the Participant to such Awards shall immediately terminate. If a Participant is absent from work with the Corporation or an Affiliate because of the Participant's Short-Term Disability or because the Participant is on an approved leave of absence, the Participant shall not be deemed during the period of any such absence, by virtue of such absence alone, to have terminated employment with the Corporation or an Affiliate except as the Administrator may otherwise expressly determine.

(B) Termination of Employment by Reason of Death, Long-Term Disability or Normal Retirement. Notwithstanding any provision contained to the contrary in the Restricted Stock Unit Grant Notice, if a Participant who has been in the continuous employment of the Corporation or any of its Affiliates since the Grant Date of such Award ceases to be a bona fide employee of the Corporation or an Affiliate as a result of:

(i) Death or Long-Term Disability, then the restrictions imposed on any Award of Restricted Stock Units shall lapse on the date of such termination; or

(ii) Normal Retirement on or after the first anniversary of the Grant Date of any time-vesting Restricted Stock Units, the restrictions applicable to such Restricted Stock Units shall continue to lapse at such time(s) as are set forth in the applicable Grant Notice, as though the Participant had continued to be employed by the Corporation or one of its Affiliates during such restricted period.

(C) Termination of Employment by Reason of Severance. Notwithstanding any provision to the contrary contained in the Restricted Stock Unit Grant Notice, if a Participant who has been in the continuous employment of the Corporation or any of its Affiliates since the Grant Date of a Restricted Stock Unit Award ceases to be a bona fide employee of the Corporation or an Affiliate as a result of Severance, and:

(i) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the Participant's termination date and (y) has a termination date that occurs on or after the first anniversary of the Grant Date of any time-vesting

Restricted Stock Unit Award, then such time-vesting Restricted Stock Unit Award shall be subject to the Normal Retirement provisions of Section IV.2(B)(ii);

(ii) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the Participant's termination date and (y) has a termination date that occurs before the first anniversary of the Grant Date of any time-vesting Restricted Stock Unit Award, then the unvested portion of such time-vesting Restricted Stock Unit Award shall be canceled, and all the rights of the Participant to such unvested Restricted Stock Unit Award shall immediately terminate; or

(iii) The Participant has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, and would not have attained the requirements for Normal Retirement within six months after the Participant's termination date, then the restrictions applicable to any time-vesting Restricted Stock Unit Award shall lapse upon the termination date, as to such Restricted Stock Units that would have vested at such time(s) as are set forth in the applicable Grant Notice as if the Participant had continued to be employed by the Corporation or one of its Affiliates during the six-month period after the termination date.

(D) Restriction on Sale of Shares. In the case of any Participant who is subject to the Stock Ownership Policy, the Administrator reserves the right to impose a restriction on the sale of Shares that such Participant receives upon the settlement of Restricted Stock Units, unless the Participant has satisfied the ownership targets applicable to the Participant as provided in the Stock Ownership Policy.

3. Dividend Equivalents. Subject to the discretion of the Compensation Committee, dividend equivalents shall be credited in respect of Restricted Stock Units. Cash dividends shall be credited on behalf of the Participant to a deferred cash account (in a manner designed to comply with Code Section 409A) and the restrictions on such cash dividends shall lapse at the same time that the restrictions lapse on the associated Award of Restricted Stock Units, and cash dividends shall be paid in a lump sum at the same time that the Shares underlying the Restricted Stock Unit Award, and to which the cash dividends relate, are distributed. Stock dividends shall be converted into additional Restricted Stock Units, which will be subject to all of the terms and conditions of the underlying Restricted Stock Units, including the same vesting restrictions as the underlying Award.

4. Assignability. A Participant shall not be permitted to sell, transfer, pledge, assign or encumber Restricted Stock Units, other than pursuant to a qualified domestic relations order as defined in the Code or Title I of the U.S. Employee Retirement Income Security Act.

5. No Stockholder Rights. Neither a Participant nor any person entitled to exercise a Participant's rights in the event of the Participant's death shall have any of the rights of a stockholder with respect to an Award of Restricted Stock Units except to the extent that a book entry has been entered in the records of the Corporation's transfer agent with respect to the Shares paid upon the settlement of any vested Restricted Stock Units.

6. Time of Payment of Restricted Stock Units. Upon the lapse of the restriction imposed on Restricted Stock Units, all Restricted Stock Units that were not otherwise previously forfeited shall be paid to the Participant as soon as reasonably practicable after the restrictions lapse. Payment shall be made in Shares to the Participant's brokerage account of record. If the Participant does not have a brokerage account of record, then the Corporation shall cause an appropriate book entry to be entered in the records of the Corporation's transfer agent recording the Participant's unrestricted interest in the number of Shares subject to the Restricted Stock Units; provided, however, that the time of such delivery may be postponed by the Corporation for such period as may be required for it with reasonable diligence to comply with applicable registration requirements under the Securities Act, the Exchange Act, any applicable listing requirements of any national securities exchange and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

7. Notwithstanding the foregoing, if a Participant becomes eligible for Normal Retirement, or is eligible for additional vesting under Section IV.2(C)(iii), prior to the date of the lapse of restrictions imposed on Restricted Stock Units and the vesting provisions of Section IV.2(B)(ii) or Section IV.2(C)(iii) apply, then such Restricted Stock Units shall be paid to the Participant's brokerage account of record as soon as reasonably practicable after the earlier of the Participant's Separation from Service or the originally scheduled vesting date (in any event before the end of the calendar year in which such date occurs), subject to the delay of payment (if applicable) provided in Section VIII.14. The procedures set forth in Section VIII.6 will be applied for any taxes due upon the lapse of restrictions imposed on a Restricted Stock Unit Award due to a Participant's Normal Retirement eligibility or additional vesting as provided in Section IV.2(C)(iii).

V. PERFORMANCE STOCK UNITS

1. Award Agreement. Performance Stock Unit Awards shall be evidenced by a Performance Stock Unit Agreement to be executed by the Participant and the Corporation setting forth the terms and conditions of the Performance Stock Unit Award. Performance Stock Unit Awards are "Performance Awards" as provided under Section 10 of the Plan. Each Performance Stock Unit Grant Notice shall incorporate by reference and be subject to this Statement of Terms and Conditions, including the special terms and conditions (if any) in the Appendix for the Participant's country which forms part of this Statement of Terms and Conditions, and together both documents shall constitute the Performance Stock Unit Agreement. Performance Stock Unit Awards are also subject to the terms and conditions of the Plan.

2. Performance Criteria. The performance criteria to be used by the Compensation Committee for any Performance Stock Unit Award may be any of the following, either alone or in any combination, which may be expressed with respect to the Corporation or one or more operating units or groups, as the Compensation Committee may determine: cash flow; cash flow from operations; total earnings; earnings per share, diluted or basic; earnings per share from continuing operations, diluted or basic; earnings before interest and taxes; earnings before interest, taxes, depreciation, and amortization; earnings from operations; net asset turnover; inventory turnover; capital expenditures; net earnings; operating earnings; gross or operating margin; debt; working capital; return on equity; return on net assets; return on total assets; return on investment; return on capital; return on committed capital; return on invested capital; return on sales; net or gross sales; market share; economic value added; cost of capital; change in assets; expense reduction levels; debt reduction; productivity; stock price; customer satisfaction; employee satisfaction; total shareholder return; average invested capital; credit rating; gross margin; operating expenses; operating expenses as a percentage of revenue; succession plan development and implementation; non-financial priorities (as may be determined by the Compensation Committee); or any other financial, non-financial, operational, strategic, or individual criteria as may be determined by the Compensation Committee. In addition, such performance goals may be based upon the attainment of specified levels of the Corporation's performance under one or more of the measures described above relative to the performance of other corporations and may be (but need not be) different from year-to-year, and different performance objectives may be applicable to different Participants.

3. Number of Shares Granted Based on Performance. The performance period of a Performance Stock Unit Award shall be greater than one year, and performance shall be based on such criteria as identified in Section V.2 above as the Compensation Committee shall determine in its discretion at the beginning of the performance period. Following the end of the performance period, the Compensation Committee shall determine the extent to which the criteria have been achieved and shall authorize the grant and issuance of Shares in respect of the Performance Stock Unit Award.

4. Special Conditions. Performance Stock Unit Awards shall be subject to the following terms, conditions and restrictions and such additional terms, conditions and restrictions as may be determined by the Compensation Committee, consistent with the terms of the Plan.

(A) Forfeiture. If a Participant ceases to be a bona fide employee of the Corporation or any Affiliate (except as otherwise provided in the Plan or in Section V.4(B) or Section V.4(C)) prior to the end of the

performance period, any then-outstanding Performance Stock Units shall be canceled, and all the rights of the Participant to such Award shall immediately terminate. If a Participant is absent from work with the Corporation or an Affiliate because of the Participant's Short-Term Disability or because the Participant is on an approved leave of absence, the Participant shall not be deemed during the period of any such absence, by virtue of such absence alone, to have terminated employment with the Corporation or an Affiliate except as the Compensation Committee may otherwise expressly determine.

(B) Termination of Employment by Reason of Death, Long-Term Disability or Normal Retirement. Notwithstanding any provision contained herein or in the Plan or the Award Agreement to the contrary, if a Participant who has been in the continuous employment of the Corporation or any of its Affiliates since the Grant Date of such Award ceases to be a bona fide employee of the Corporation or an Affiliate as a result of:

(i) Death or Long-Term Disability, the Participant shall be eligible to receive, following completion of the applicable performance period, a prorated portion of each such Performance Stock Unit Award, equal to (1) the target number of Performance Stock Units subject to such Award, *multiplied by* (2) the performance criteria determined by the Compensation Committee to apply to such Award, *multiplied by* (3) a fraction, the numerator of which is the number of whole calendar months, rounded down to the nearest whole month, during which the Participant provided Service to the Corporation or an Affiliate during the performance period applicable to such Award, and the denominator of which is the number of calendar months in such performance period; provided, that for purposes of this clause (3), "whole calendar months" shall be calculated commencing on the applicable Grant Date; provided, however, that in no event shall such amount exceed any applicable cap or limitation set forth in the Performance Stock Unit Grant Notice; or

(ii) Normal Retirement on or after the first anniversary of the Grant Date, the Participant shall be eligible to vest in such Performance Stock Unit Award following completion of the applicable performance period, as though the Participant had continued to be employed by the Corporation or one of its Affiliates through the date on which the Compensation Committee determines performance against the applicable performance goals.

Amounts, if any, to be paid under this Section V.4(B) shall be paid in accordance with Section V.8 and, if applicable, Section VIII.14.

(C) Termination of Employment by Reason of Severance. Notwithstanding any provision to the contrary, if the Participant has been in the continuous employment of the Corporation or any of its Affiliates since the Grant Date and ceases to be a bona fide employee of the Corporation or an Affiliate as a result of Severance, and:

(i) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the Participant's termination date and (y) has a termination date that occurs on or after the first anniversary of the Grant Date of any Performance Stock Unit Award, then such Performance Stock Unit Award shall be subject to the Normal Retirement provisions of Section V.4(B)(ii); or

(ii) The Participant (x) either (a) has attained the requirements for Normal Retirement on or prior to the Participant's termination date or (b) has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, but would have attained the requirements for Normal Retirement within six months after the Participant's termination date and (y) has a termination date that occurs before the first anniversary of the Grant Date of any Performance Stock Unit Award, then any then-outstanding Performance Stock Units shall be canceled, and all the rights of the Participant to such Award shall immediately terminate; or

(iii) The Participant has not attained the requirements for Normal Retirement on or prior to the Participant's termination date, and would not have attained the requirements for Normal Retirement within six months after the Participant's termination date, then if such Participant's termination date is no greater than six months prior to the date on which the Compensation Committee determines performance against the applicable performance goals, such Participant shall be eligible to vest in such Performance Stock Unit Award following completion of the applicable performance period, as though the Participant had continued to be employed by the Corporation or one of its Affiliates through such performance determination date.

Amounts, if any, to be paid under this Section V.4(C) shall be paid in accordance with Section V.8 and, if applicable, Section VIII.14.

(D) Restriction on Sale of Shares. In the case of any Participant who is subject to the Stock Ownership Policy, the Administrator reserves the right to impose a restriction on the sale of Shares that such Participant receives with respect to the settlement of a Performance Stock Unit Award, unless the Participant has satisfied the ownership targets applicable to the Participant as provided in the Stock Ownership Policy.

5. Dividend Equivalents. Unless otherwise determined by the Compensation Committee in its sole discretion, Dividend Equivalents shall not accrue or be payable with respect to Performance Stock Unit Awards during the performance period.

6. Assignability. A Participant shall not be permitted to sell, transfer, pledge, assign or encumber all or any portion of a Performance Stock Unit Award.

7. No Stockholder Rights. Neither a Participant nor any person entitled to exercise a Participant's rights in the event of the Participant's death shall have any of the rights of a stockholder with respect to a Performance Stock Unit Award, except to the extent that a book entry has been entered in the records of the Corporation's transfer agent with respect to the Shares paid upon the settlement of any Performance Stock Unit Award.

8. Time of Payment of Performance Stock Units. The Compensation Committee shall determine the extent to which Shares are payable pursuant to a Performance Stock Unit Award as soon as practicable following the end of the performance period, and such Shares shall be paid as soon as practicable thereafter and in any event no later than the end of the period under which payment would be deemed to be a "short-term deferral" as defined in the regulations under Code Section 409A. Payment shall be made in the form of Shares to the Participant's brokerage account of record. If the Participant does not have a brokerage account of record, then the Corporation shall cause an appropriate book entry to be entered in the records of the Corporation's transfer agent recording the Participant's unrestricted interest in the number of Shares earned pursuant to the Performance Stock Unit Award; provided, however, that the time of such delivery may be postponed by the Corporation for such period as may be required for it with reasonable diligence to comply with applicable registration requirements under the Securities Act, the Exchange Act, any applicable listing requirements of any national securities exchange and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

VI. SPECIAL FORFEITURE AND REPAYMENT RULES

Any other provision of this Statement of Terms and Conditions to the contrary notwithstanding, if the Administrator determines that a Participant has engaged in any of the actions described in 3 below, the consequences set forth in 1 and 2 below shall result:

1. Any outstanding Option shall immediately and automatically terminate, be forfeited and shall cease to be exercisable, without limitation. In addition, any Award of Restricted Stock or Restricted Stock Units as to which the restrictions have not lapsed shall immediately and automatically be forfeited, any Performance Stock Unit Awards shall immediately and automatically be forfeited and any such Shares of Restricted Stock shall be

returned to the Corporation and all of the rights of the Participant to such Awards and the underlying Shares shall immediately terminate.

2. If the Participant exercised an Option within 12 months prior to the date upon which the Corporation discovered that the Participant engaged in any actions described in 3 below, the Participant, upon written notice from the Corporation, shall immediately pay to the Corporation the gross pre-tax economic value realized or obtained by the exercise of such Option measured at the date of exercise. In addition, if the restrictions imposed on any Award of Restricted Stock or Restricted Stock Units (including any unpaid dividends or Dividend Equivalents) lapsed, or any Performance Stock Unit Award was settled, within 12 months prior to the date the Corporation discovered that the Participant engaged in any action described in 3 below, the Participant, upon written notice from the Corporation, shall immediately pay to the Corporation the gross pre-tax economic value realized or obtained with respect to such Award, measured at the date such Award vested.

3. The consequences described in 1 and 2 above shall apply if the Participant, either before or after termination of employment with the Corporation or its Affiliates:

(A) Discloses to others, or takes or uses for the Participant's own purpose or the purpose of others, any trade secrets, confidential information, knowledge, data or know-how or any other proprietary information or intellectual property belonging to the Corporation or its Affiliates and obtained by the Participant during the term of the Participant's employment, whether or not they are the Participant's work product. Examples of such confidential information or trade secrets include, without limitation, customer lists, supplier lists, pricing and cost data, computer programs, delivery routes, advertising plans, wage and salary data, financial information, research and development plans, processes, equipment, product information and all other types and categories of information as to which the Participant knows or has reason to know that the Corporation or its Affiliates intends or expects secrecy to be maintained;

(B) Fails to promptly return all documents and other tangible items belonging to the Corporation or its Affiliates in the Participant's possession or control, including all complete or partial copies, recordings, abstracts, notes or reproductions of any kind made from or about such documents or information contained therein, upon termination of employment with the Corporation or its Affiliates, whether pursuant to retirement or otherwise;

(C) Fails to provide the Corporation with at least 30 days' written notice prior to directly or indirectly engaging in, becoming employed by, or rendering services, advice or assistance to any business in competition with the Corporation or its Affiliates. As used herein, "business in competition" means any person, organization or enterprise which is engaged in or is about to become engaged in any line of business engaged in by the Corporation or its Affiliates at the time of the termination of the Participant's employment with the Corporation or its Affiliates;

(D) Fails to inform any new employer, before accepting employment, of the terms of this paragraph and of the Participant's continuing obligation to maintain the confidentiality of the trade secrets and other confidential information belonging to the Corporation or its Affiliates and obtained by the Participant during the term of the Participant's employment with the Corporation or any of its Affiliates;

(E) Induces or attempts to induce, directly or indirectly, any of the customers of the Corporation or its Affiliates, employees, representatives or consultants to terminate, discontinue or cease working with or for the Corporation or its Affiliates, or to breach any contract with the Corporation or any of its Affiliates, in order to work with or for, or enter into a contract with, the Participant or any third party;

(F) Engages in conduct which is not in good faith and which disrupts, damages, impairs or interferes with the business, reputation or employees of the Corporation or its Affiliates; or

(G) Fails to meet the Participant's continuing obligations with respect to non-disclosure, non-competition and/or non-solicitation under the Participant's agreement with the Corporation or any Affiliate.

The Administrator shall determine in its sole discretion whether the Participant has engaged in any of the acts set forth in (A) through (G) above, and its determination shall be conclusive and binding on all interested persons.

Any provision of this Section VI which is determined by a court of competent jurisdiction to be invalid or unenforceable should be construed or limited in a manner that is valid and enforceable and that comes closest to the business objectives intended by such invalid or unenforceable provision, without invalidating or rendering unenforceable the remaining provisions of this Section VI.

VII. CHANGE IN CONTROL

1. If as a result of a Change in Control, the Common Stock ceases to be listed for trading on a national securities exchange (an "Exchange"), any Option, Restricted Stock Award, Restricted Stock Unit Award or Performance Stock Unit Award that is unvested on the effective date of the Change in Control shall continue to vest according to the terms and conditions of such Award, provided that such Award is replaced with an award for voting securities of the resulting corporation or the acquiring corporation, as the case may be, (including without limitation, the voting securities of any corporation which as a result of the Change in Control owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) (the "Surviving Company") which are traded on an Exchange (a "Replacement Award"), which Replacement Award, (i) in the case of an Option, shall consist of an option with the number of underlying shares and exercise price determined in a manner consistent with Code Section 424(a) with vesting and any other terms continuing in the same manner as the replaced Option; (ii) in the case of a Performance Stock Unit Award, shall consist of restricted stock or restricted stock units with a value (determined using the Surviving Company's stock price as of the effective date of the Change in Control) equal to the value of the Performance Stock Unit Award (determined using the Corporation's stock price and assuming attainment of target performance or actual performance achieved, if greater, as of the effective date of the Change in Control), with any restrictions on such Replacement Award lapsing at the end of the measuring period over which performance for the replaced Performance Stock Unit Award was to be measured prior to the granting of the Replacement Award; and (iii) in the case of a Restricted Stock Award or Restricted Stock Unit Award, shall consist of restricted stock or restricted stock units with a value (determined using the Surviving Company's stock price as of the effective date of the Change in Control) equal to the value of the Restricted Stock Award or Restricted Stock Unit Award (determined using the Corporation's stock price as of the effective date of the Change in Control), with any restrictions on such restricted stock or restricted stock units lapsing at the same time and manner as the replaced Award; provided, however, that in the event of the Participant's involuntary Separation from Service by the Corporation without Cause or Separation from Service by the Participant for Good Reason during the vesting period of any Replacement Award, the Replacement Award shall immediately vest and be paid as soon as practicable following such Separation from Service (subject to Section VIII.14), based on the Fair Market Value of the underlying shares on the vesting date, or in the case of options, based on the excess of the Fair Market Value of the underlying shares over the option exercise price on the vesting date. If any Option, Restricted Stock Award, Restricted Stock Unit Award or Performance Stock Unit Award that is unvested at the effective time of the Change in Control is not replaced with a Replacement Award, such Award shall immediately vest and, in the case of a Performance Stock Unit Award, shall vest based upon deemed attainment of target performance or actual performance achieved, if greater.

If as a result of a Change in Control, the Common Stock continues to be listed for trading on an Exchange, any unvested Option, Restricted Stock Award, or Restricted Stock Unit Award shall continue to vest according to the terms and conditions of such Award and any Performance Stock Unit Award shall be replaced with a Restricted Stock Unit Award where the number of shares subject to such Restricted Stock Unit Award shall be equal to the number of Shares assuming attainment of target performance or actual performance achieved, if greater, as of the effective date of the Change in Control with any restrictions on such Restricted Stock Unit Award lapsing at the end of the measuring period over which performance for the replaced Performance Stock Unit Award was to be

measured prior to the granting of the Replacement Award; provided however, that, in the event of the Participant's involuntary Separation from Service by the Corporation without Cause or Separation from Service by the Participant for Good Reason during the vesting period of an Award, such Award shall immediately vest and be paid as soon as practicable following such Separation from Service (subject to Section VIII.14).

VIII. MISCELLANEOUS

1. No Effect on Terms of Employment. Participation in the Plan shall not create a right to further employment with the Participant's employer (the "Employer") and shall not interfere with the ability of the Employer to terminate, with or without cause, or change the terms of employment of a Participant at any time.

2. Grants to Participants in Foreign Countries. In making grants to Participants in foreign countries, the Administrator has the full discretion to deviate from this Statement of Terms and Conditions in order to adjust grants under the Plan to prevailing local conditions, including custom and legal and tax requirements. Furthermore, the Corporation reserves the right to impose other requirements on the Participant's participation in the Plan on the Award and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertaking that may be necessary to accomplish the foregoing.

3. Information Notification. Any information required to be given under the terms of an Award shall be addressed to the Corporation in care of its Corporate Secretary at McKesson Corporation, 6555 North State Highway 161, Irving, Texas 75039, and any notice to be given to a Participant shall be addressed to such Participant at the address indicated beneath the Participant's name on the Award Agreement or such other address as either party may designate in writing to the other. Any such notice shall be deemed to have been duly given when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered or certified and deposited (postage or registration or certification fee prepaid) in a post office or branch post office. The parties may use email delivery, so long as the message is clearly marked, sent to the email address(es) set forth herein, and a delivery receipt and a read receipt are made part of the message. Email delivery will be deemed to occur when the sender receives confirmation that such message has been received and read by the recipient. Emails to the Corporation shall be delivered to CorpSecretary@McKesson.com.

4. Administrator Decisions Conclusive. All decisions of the Administrator administering the Plan upon any questions arising under the Plan or under an Award Agreement, shall be conclusive and binding on all interested persons.

5. No Effect on Other Benefit Plans. Nothing herein contained shall affect a Participant's right to participate in and receive benefits from and in accordance with the then current provisions of any pensions, insurance or other employment welfare plan or program offered by the Corporation.

6. Withholding. Regardless of any action the Corporation or the Employer takes with respect to any federal, state or local income tax, social insurance contributions, payroll tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount actually withheld by the Corporation or the Employer. The Participant further acknowledges that the Corporation and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant, vesting, settlement or exercise of the Award, as applicable, the subsequent sale of Shares acquired pursuant to the Plan and the receipt of any dividends and/or dividend equivalents; and (2) do not commit and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant has become subject to tax in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, the Participant acknowledges that the Corporation and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Participant will pay or make adequate arrangements satisfactory to the Corporation and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (1) withholding from the Participant's wages or other cash compensation paid to the Participant by the Corporation and/or the Employer; (2) withholding from proceeds of the sale of Shares acquired under the Plan either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Participant's behalf pursuant to this authorization and any other authorization the Corporation and/or the broker designated by the Corporation may require the Participant to sign in connection with the sale of Shares); (3) withholding Shares to be issued upon grant, vesting, settlement or exercise, as applicable; or (4) any other method of withholding determined by the Corporation and to the extent required by applicable law or the Plan, approved by the Compensation Committee. Calculation of the number of Shares to be withheld shall be made based on the closing price of the Common Stock on the New York Stock Exchange on the date that the amount of tax to be withheld is determined. In no event, however, shall the Corporation be required to issue fractional Shares. With respect to an Award other than an Option, if adequate arrangements to satisfy the obligations with regards to all Tax-Related Items are not made by the Participant with the Corporation and/or the Employer prior to the relevant taxable or tax withholding event, the Corporation will satisfy such obligations as provided above in clause (3) of this paragraph.

The Corporation or the Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates in the Participant's jurisdiction(s). If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant will be deemed to have been issued the full number of Shares subject to the Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan. In the event any excess amounts are withheld to satisfy the obligation for Tax-Related Items, the Participant may be entitled to receive a refund of any over-withheld amount (with no entitlement to the Share equivalent), or if not refunded by the Corporation or the Employer, the Participant must seek a refund from the local tax authorities to the extent the Participant wishes to recover the over-withheld amount in the form of a refund. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Corporation and/or the Employer.

Finally, the Participant shall pay to the Corporation or the Employer any amount of Tax-Related Items that the Corporation or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Corporation may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with the Participant's obligations in connection with the Tax-Related Items.

The Administrator shall be authorized to establish such rules, forms and procedures as it deems necessary to implement the foregoing.

7. Successors. The Award Agreements shall be binding upon and inure to the benefit of any successor or successors of the Corporation. "Participant" as used herein shall include the Participant's Beneficiary.

8. Delaware Law. The interpretation, performance, and enforcement of all Award Agreements shall be governed by the laws of the State of Delaware.

9. Nature of Grant. In accepting the grant, the Participant acknowledges that:

(A) the Plan is established voluntarily by the Corporation, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Corporation at any time;

(B) the grant of the Award is exceptional, voluntary and occasional and does not create any contractual or other right to receive future Award grants, or benefits in lieu of Awards, even if Awards have been granted repeatedly in the past;

(C) all decisions with respect to future Awards, if any, will be at the sole discretion of the Corporation;

(D) the Participant is voluntarily participating in the Plan;

(E) the Award and the Shares subject to the Award, and the income from and value of same, are not part of normal or expected compensation for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

(F) the Award will not be interpreted to form an employment contract or relationship with the Corporation; and furthermore, the Award will not be interpreted to form an employment contract with any subsidiary or Affiliate of the Corporation;

(G) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(H) if the underlying Shares do not increase in value, the Options will have no value;

(I) no claim or entitlement to compensation or damages shall arise from forfeiture of the Award or the recovery by the Corporation of any Shares underlying the Award resulting from (i) termination of the Participant's employment with the Employer or the Corporation or one of its Affiliates (for any reason whatsoever, and whether or not such forfeiture is later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any) and/or (ii) the application of any clawback or compensation recoupment policy as described in Section VIII.15 below; and in consideration of the grant of the Award to which the Participant is not otherwise entitled, the Participant irrevocably releases the Corporation or its Affiliates from any such claim that may arise; provided that, notwithstanding the foregoing, in the event any such claim is found by a court of competent jurisdiction to have arisen, then, by accepting the Award, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim;

(J) for purposes of an Award, the Participant's employment relationship will be considered terminated as of the date the Participant is no longer a bona fide employee of the Corporation, the Employer or one of the Corporation's other Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any), and unless otherwise expressly provided in this Award Agreement or determined by the Corporation in its sole discretion, the Participant's right to receive Awards and vest in Awards under the Plan, if any, will terminate effective as of such date and will not be extended by any notice period mandated under local law (for example, the Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment agreement, if any); similarly, any right to exercise Options under the Plan after termination of employment will be measured as of the date the Participant is no longer a bona fide employee of the Corporation, the Employer or one of the Corporation's other Affiliates and will not be extended by any notice period mandated under local law; the Administrator shall have the sole discretion to determine when the Participant is no longer a bona fide employee for purposes of an Award (including whether the Participant may still be considered to be providing services while on a leave of absence);

(K) the Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding participation in the Plan or the Participant's acquisition or sale of Shares; and

(L) the Participant is hereby advised to consult with the Participant's own personal tax, legal and financial advisors regarding Participant's participation in the Plan before taking any action related to the Plan.

10. ***Data Privacy Information and Consent.***

(A) ***Data Collection and Usage. The Corporation and the Employer may collect, process and use certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all Options, Restricted Stock, Restricted Stock Units, Performance Stock Units, Other Share-Based Awards, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor ("Data"), for the purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is the Participant's consent.***

(B) ***Stock Plan Administration Service Providers. The Corporation transfers Data to Fidelity Stock Plan Services LLC and its affiliated companies, an independent service provider based in the United States, which is assisting the Corporation with the implementation, administration and management of the Plan. The Corporation may select a different service provider or additional service providers and share Data with such other provider serving in a similar manner. The Participant may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.***

(C) ***International Data Transfers. The Corporation and its service providers are based in the United States. The Participant's country or jurisdiction may have different data privacy laws and protections than the United States. The Corporation's legal basis, where required, for the transfer of Data is the Participant's consent.***

(D) ***Data Retention. The Corporation will hold and use the Data only as long as is necessary to implement, administer and manage the Participant's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax and security laws. In the latter case, the Participant understands and acknowledges that the Corporation's legal basis for the processing of the Participant's Data would be compliance with the relevant laws or regulations or the pursuit by the Corporation of respective legitimate interests not outweighed by the Participant's interests, rights or freedoms. When the Corporation no longer needs the Participant's Data for any of the above purposes, the Participant understands the Corporation will remove it from its systems.***

(E) ***Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary and the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later seeks to revoke the Participant's consent, the Participant's salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing the Participant's consent is that the Corporation would not be able to grant Awards to the Participant or administer or maintain such Awards.***

(F) ***Data Subject Rights. The Participant may have a number of rights under data privacy laws in the Participant's jurisdiction. Depending on where the Participant is based, such rights may include the right to (i) inquire whether and what kind of Data the Corporation holds about the Participant and how it is processed, and to request access or copies of Data the Corporation processes, (ii) request the correction or supplementation of Data about the Participant that is inaccurate, incomplete or out-of-date in light of the purposes underlying the processing, (iii) obtain the erasure of Data no longer necessary for the purposes underlying the processing, processed based on withdrawn consent, processed for legitimate interests that, in the context of the Participant's objection, do not prove to be compelling, or processed in non-compliance with applicable legal requirements, (iv) request restrictions on processing of Data in certain situations where the Participant feels its processing is inappropriate, (v) request portability of the Participant's Data that the Participant has actively or passively provided to the Corporation (which does not include data derived or inferred from the collected data), where the processing of such Data is based on consent or the Participant's employment and is carried out by automated means, (vi) object, in certain circumstances, to the processing of Data for***

legitimate interests, (vii) lodge complaints with competent authorities in the Participant's jurisdiction, and/or (viii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, the Participant can contact his or her local human resources representative.

By accepting the Award and indicating consent via the Corporation's acceptance procedure, the Participant is declaring that he or she agrees with the data processing practices described herein and consents to the collection, processing and use of Data by the Corporation and the transfer of Data to the recipients mentioned above, including recipients located in countries which do not adduce an adequate level of protection from a European (or other non-U.S.) data protection law perspective, for the purposes described above.

11. Severability. The provisions in this Statement of Terms and Conditions are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

12. Language. The Participant acknowledges that the Participant is proficient in the English language or has consulted with an advisor who is sufficiently proficient in the English language, and, accordingly, understands the provisions of the Plan and this Statement of Terms and Conditions. If the Participant has received this Statement of Terms and Conditions or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control unless otherwise required by local law.

13. Electronic Delivery. The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

14. Section 409A. If (A) the Participant is a Specified Employee at the time of the Participant's Separation from Service, and (B) some or any portion of the amounts payable to the Participant, if any, when considered together with any other payments or benefits which may be considered deferred compensation under section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A") and subject to the plan aggregation rules under Treasury Regulation section 1.409A-1(c)(3)(viii) (together, the "Deferred Compensation Benefits") would result in the imposition of additional tax under Section 409A if paid to the Participant on or within the six month period following the Separation from Service, then to the extent such portion of the Deferred Compensation Benefits resulting in the imposition of additional tax would otherwise have been payable on or within the first six months following the Separation from Service, it will instead become payable on the first payroll date that occurs in the seventh month following the Separation from Service (or such longer period as is required to avoid the imposition of additional tax under Section 409A). All subsequent Deferred Compensation Benefits, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit.

15. Recoupment. The Participant acknowledges that any Award granted under the Plan or a predecessor to the Plan shall be subject to the McKesson Corporation Compensation Recoupment Policy and the McKesson Corporation Financial Restatement Compensation Recoupment Policy, as amended from time to time, which are incorporated herein by reference. As an additional condition of receiving the Award, the Participant agrees that the grant of the Award and any benefits or proceeds therefrom that the Participant may receive hereunder shall be subject to forfeiture and/or repayment to the Corporation to the extent required to comply with any requirements imposed under applicable laws and/or the rules and regulations of the securities exchange or inter-dealer quotation system on which the Shares are listed or quoted.

IX. DEFINITIONS

When capitalized in this Statement of Terms and Conditions, the following terms shall have the meaning set forth below:

1. "Award Agreement" means an agreement between the Participant and the Corporation evidencing the grant of an Option, Restricted Stock Award, Restricted Stock Unit Award, Performance Stock Unit Award or Other Share-Based Award, as applicable.

2. "Cause" means termination of the Participant's employment with the Corporation or an Affiliate upon the Participant's negligent or willful engagement in misconduct which, in the sole determination of the Chief Executive Officer of the Corporation (or the Chief Executive Officer's designee), is injurious to the Corporation, its employees, or its customers; provided, however, that if the Participant is an executive officer (including, for the avoidance of doubt, the Chief Executive Officer), at the time of such determination, such determination shall be made by the Compensation Committee (or the Compensation Committee's designee).

3. "Early Retirement" means a termination of employment (other than due to death, Long-Term Disability or for Cause) which occurs prior to Normal Retirement but on or after the date on which the Participant's age (expressed in terms of years and completed months) plus service with the Corporation or an Affiliate equals 65. For purposes of determining eligibility for Early Retirement, the term "service" shall include years and completed whole months of service.

4. "Family Member" means any person identified as an "immediate family" member in Rule 16(a)-1(e) of the Exchange Act, as such Rule may be amended from time to time. Notwithstanding the foregoing, the Administrator may designate any other person(s) or entity(ies) as a "family member."

5. "Good Reason" means any of the following actions, if taken without the express written consent of the Participant:

(A) Any material change by the Corporation in the Participant's functions, duties, or responsibilities, which change would cause the Participant's position with the Corporation to become of less dignity, responsibility, importance, or scope from the position and attributes that applied to the Participant immediately prior to the Change in Control; provided, however, that, in the case of any Participant who is not an executive officer of the Corporation or any of its Affiliates immediately prior to the Change in Control, any such change attributable to the Corporation's no longer being a company with publicly traded common stock shall not constitute Good Reason; and provided, further, that, in the case of any Participant who is not an executive officer of the Corporation or any of its Affiliates immediately prior to the Change in Control, a reduction in the Participant's functions, duties or responsibilities solely by virtue of the Corporation being acquired and made part of a larger entity (for example, if following a Change in Control the Participant retains the Participant's position, or has a comparable position, with respect to a division or subsidiary of the acquirer that contains the Corporation's business) shall not constitute Good Reason;

(B) Any significant reduction in the Participant's aggregate base annual salary and target incentive opportunity, as in effect immediately prior to the Change in Control;

(C) Any material failure by the Corporation to comply with any of the provisions of an Award subsequent to a Change in Control; or

(D) The Corporation's requiring the Participant to be based at any location which would increase the Participant's regular one-way commute by more than 25 miles from that in effect immediately preceding the Change in Control, except for travel reasonably required in the performance of the Participant's responsibilities; or

(E) In the case of any Participant who is an executive officer of the Corporation or any of its Affiliates immediately prior to the Change in Control, any change in the person to whom the Participant reports, as this relationship existed immediately prior to a Change in Control; provided that the Participant gives notice to the Corporation of the existence of the Good Reason condition within 30 days of the initial existence of the Good Reason condition and the Corporation is provided 30 days after receipt of the Participant's notice to remedy the Good Reason condition; and provided further that the Participant's Separation from Service must occur within six months from the initial existence of the Good Reason condition if the Corporation does not remedy such condition for such separation to be considered to be for Good Reason.

6. "Expiration Date" means the date that an Option expires as set forth in the Option Grant Notice as the "Expiration Date."

7. "Grant Date" means the date the Administrator grants the Award.

8. "Grant Notice" means the notice of an Award granted to the Participant, which sets forth certain terms of such Award.

9. "Long-Term Disability" means a physical or mental condition in respect of which the administrator of the Corporation's long-term disability plan has determined that the Participant is eligible to receive income replacement benefits; or, if the Participant is not then a participant in the Corporation's long-term disability plan, a physical or mental condition that the administrator of the Corporation's long-term disability plan determines would have rendered the Participant eligible to receive income replacement benefits, had the Participant been enrolled in such plan.

10. "Normal Retirement" means termination of employment (other than due to death, Long-Term Disability or for Cause) at or after age 55 with at least 10 years of service with the Corporation or an Affiliate. For purposes of determining eligibility for Normal Retirement, "service" shall mean completed whole years of service (12 consecutive months).

11. "Option Period" means the period commencing on the Grant Date of an Option and, except at otherwise provided in Section II.5, ending on the Expiration Date.

12. "Separation from Service" means termination of employment with the Corporation or an Affiliate. A Participant shall be deemed to have had a Separation from Service if the Participant's service with the Corporation or an Affiliate is reduced to an annual rate that is equal to or less than 20% of the services rendered, on average, during the immediately preceding three years of service with the Corporation or an Affiliate (or, if providing service to the Corporation or an Affiliate for less than three years, such lesser period).

13. "Severance" means termination of employment with the Corporation or an Affiliate, and qualification for participation in and entitlement to benefits under the McKesson Corporation Severance Pay Plan or the McKesson Corporation Severance Policy for Executive Employees, as applicable, in accordance with the terms and conditions of such plans. A Participant outside the United States who is not qualified for participation in and entitlement to the benefits under such plans will nonetheless be treated for the limited purposes of his or her Awards, and subject to the provisions of Section VIII.9 of this Statement of Terms and Conditions, as terminated by reason of Severance to the extent his or her employment with the Corporation or an Affiliate is terminated and he or she would satisfy the conditions for termination for reason of Severance but for the fact that such plan is only applicable to employees of the Corporation or an Affiliate in the United States who qualify for participation in that plan.

14. "Short-Term Disability" means short-term disability as defined in the Corporation's short-term disability plan.

15. "Specified Employee" means those employees identified by the Corporation as "Specified Employees" for purposes of Code Section 409A.

16. "Stock Ownership Policy" means the Corporation's Stock Ownership Policy, as amended from time to time, which can be found on McKNet. A Participant or a Participant's beneficiary may also request a copy of the Stock Ownership Policy by writing to the Corporate Secretary at McKesson Corporation, 6555 North State Highway 161, Irving, Texas 75039 or emailing CorpSecretary@McKesson.com.

FORM OF
MCKESSON CORPORATION 2022 STOCK PLAN
RESTRICTED STOCK UNIT GRANT NOTICE

Grantee Name:	
Number of RSUs Granted:	
Date of Grant:	

Vesting Schedule: **100% vested on grant date.**

McKesson Corporation (the "Company") is pleased to grant you restricted stock units ("RSUs") under the Company's 2022 Stock Plan, as may be amended from time to time (the "Plan") to receive shares of common stock of the Company ("Shares"). This Grant Notice ("Notice"), together with the Statement of Terms and Conditions, as provided as an attachment to this Notice (the "ST&Cs"), constitute your Restricted Stock Unit Agreement, which along with the Plan set forth the terms of your grant.

Below is a list of documents that are made available to you in connection with this Notice. **PLEASE BE SURE TO READ THESE DOCUMENTS BECAUSE THEY CONTAIN IMPORTANT INFORMATION SPECIFIC TO THIS GRANT OF RSUs.** This grant, along with any other outstanding awards under the Plan, can be viewed on the Fidelity web site at *www.Netbenefits.com*.

By signing below, I acknowledge that:

1. I agree to receive copies of the stockholder information, including copies of any annual report, proxy and Form 10-K, from the Investors section of the McKesson website at www.mckesson.com; and
2. I also acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are available upon written or telephonic request to the Corporate Secretary (1-855-466-2547); and
3. I have access to the Company's web site; and
4. I consent to receiving electronically a copy of the documents set forth above and attachments to this Notice; and
5. The Plan and ST&Cs are incorporated by reference to this Notice; and
6. The Company recommends that the Grantee consult with a tax advisor prior to accepting this grant of RSUs; and
7. I accept ALL the terms and conditions as set forth in the Plan and the ST&Cs applicable to this grant of RSUs.

IN WITNESS WHEREOF, the Grantee has executed this Agreement, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Grant Date.
By:

Brian S. Tyler
Chief Executive Officer
McKesson Corporation

Grantee Signature Date

ATTACHMENTS:
* 2022 Stock Plan
* 2022 Stock Plan Prospectus for Non-Employee Directors
* ST&Cs
* Hedging and Pledging Policy
* Appendix (Outside U.S. - country specific)

April 2024

Employee

FORM OF
MCKESSON CORPORATION 2022 STOCK PLAN
RESTRICTED STOCK UNIT GRANT NOTICE

Grantee Name:	
Number of RSUs Granted:	
Date of Grant:	
Vesting Schedule:	Please see Appendix

McKesson Corporation (the "Company") is pleased to grant you restricted stock units ("RSUs") under the Company's 2022 Stock Plan (the "Plan") which represent the contingent right to receive shares of common stock of the Company ("Shares"). This Grant Notice ("Notice"), together with the Statement of Terms and Conditions, as provided as an attachment to this Notice (the "ST&Cs"), constitute your Restricted Stock Unit Agreement. Your Restricted Stock Unit Agreement and your RSUs are subject to the terms of the Plan. The Financial Restatement Compensation Recoupment Policy, the Company's Compensation Recoupment Policy (together, the "Recoupment Policies") and the Company's Stock Ownership Policy (the "Stock Ownership Policy") are incorporated by reference into this Notice.

Below is a list of documents that are made available to you in connection with this Notice. **PLEASE BE SURE TO READ THESE DOCUMENTS BECAUSE THEY CONTAIN IMPORTANT INFORMATION SPECIFIC TO THIS GRANT OF RSUs.** This grant, along with any other outstanding awards under the Plan, can be viewed on the Fidelity web site at *www.Netbenefits.com*.

By signing below, I acknowledge that:

1. I agree to receive copies of the Plan, the Plan prospectus and other Plan information, including information prepared to comply with the laws outside the United States, from the Company's website and stockholder information, including copies of any annual report, proxy and Form 10-K, from the Investors section of the McKesson website at *www.mckesson.com*; and
2. I also acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are available upon written or telephonic request to the Corporate Secretary (1-855-466-2547); and
3. I have access to the Company's web site; and
4. I consent to receiving electronically a copy of the documents set forth above and attachments to this Notice; and
5. The Plan, the Recoupment Policies, the Stock Ownership Policy and ST&Cs are incorporated by reference into this Notice; and
6. The Company recommends that the Grantee consult with a tax advisor prior to accepting this grant of RSUs; and
7. I accept ALL the terms and conditions as set forth in the Plan and ST&Cs applicable to this grant of RSUs.

IN WITNESS WHEREOF, the Grantee has executed this Agreement, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Grant Date.

Brian S. Tyler
Chief Executive Officer
McKesson Corporation

Grantee Signature

Date

ATTACHMENTS:
* 2022 Stock Plan
* 2022 Stock Plan Prospectus
* ST&Cs Applicable to _____
* Compensation Recoupment Policies
* Hedging and Pledging Policy (Section 16 only)
* Stock Ownership Policy (EOT only)
* Appendix (Outside U.S. – country-specific)

April 2024

FORM OF
MCKESSON CORPORATION 2022 STOCK PLAN
PERFORMANCE STOCK UNIT GRANT NOTICE

Grantee Name:	
Target PSUs Granted:	
Date of Grant:	
Performance Period:	FY 20__ - FY 20__

McKesson Corporation (the "Company") is pleased to grant you target performance stock units ("PSUs") under the Company's 2022 Stock Plan (the "Plan"). This Grant Notice ("Notice"), together with the Statement of Terms and Conditions, as provided with this Notice (the "ST&Cs"), constitute your Performance Stock Unit Agreement. Your Performance Stock Unit Agreement and your PSUs are subject to the terms of the Plan. The Company's Compensation Recoupment Policy, Financial Restatement Compensation Recoupment Policy (together, the "Recoupment Policies"), and the Company's Stock Ownership Policy (the "Stock Ownership Policy") are incorporated by reference into this Notice.

Your PSUs will be earned subject to the Company's attainment of performance goals that have been pre-established by the Compensation and Talent Committee (the "Committee") of the Company's Board of Directors. You may receive 0% - 200% of the target number of PSUs set forth above. PSUs, if earned, will be paid in the form of shares of the Company's Common Stock ("Shares") that are not subject to any further vesting restrictions. The Committee has the sole discretion to determine the Company's performance against the pre-established goals after completion of the performance period, and to authorize the grant of Shares.

Below is a list of documents that are made available to you in connection with this Notice. **PLEASE BE SURE TO READ THESE DOCUMENTS BECAUSE THEY CONTAIN IMPORTANT INFORMATION SPECIFIC TO THIS GRANT OF PSUs.** This grant, along with any other outstanding awards under the Plan, can be viewed on the Fidelity web site at *www.Netbenefits.com*.

By signing below, I acknowledge that:

8. I agree to receive copies of the Plan, the Plan prospectus and other Plan information, including information prepared to comply with the laws outside the United States, from the Company's website and stockholder information, including copies of any annual report, proxy and Form 10-K, from the Investors section of the McKesson website at *www.mckesson.com*; and
9. I also acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are available upon written or telephonic request to the Corporate Secretary (1-855-466-2547); and
10. I have access to the Company's web site; and
11. I consent to receiving electronically a copy of the documents set forth above and attachments to this Notice; and
12. The Plan, the Recoupment Policies, the Stock Ownership Policy and ST&Cs are incorporated by reference into this Notice; and
13. I should consult with a tax advisor prior to accepting this grant of PSUs or taking any other action with respect to this grant of PSUs; and
14. I accept ALL the terms and conditions as set forth in the Plan and ST&Cs applicable to this grant of PSUs.

IN WITNESS WHEREOF, the Grantee has executed this Agreement, and the Company has caused these presents to be executed in its name and on its behalf, all as of the Grant Date.

Brian S. Tyler
Chief Executive Officer
McKesson Corporation

Grantee Signature

Date

Plan Documents and Related Policies
* 2022 Stock Plan
* 2022 Stock Plan Prospectus
* ST&Cs Applicable to _____
* Compensation Recoupment Policies
* Hedging and Pledging Policy (Section 16 only)
* Stock Ownership Policy (EOT only)
* Appendix (Outside U.S. - country specific)
April 2024

Exhibit 21

SUBSIDIARIES OF THE REGISTRANT

There is no parent of the Company. The following is a listing of the significant subsidiaries of the Company.

	JURISDICTION OF ORGANIZATION
McKesson International Bermuda IP3A Limited	Bermuda
McKesson Medical-Surgical Supply Chain Services LLC	United States
McKesson Plasma and Biologics LLC	United States
McKesson UK Finance I Limited	United Kingdom
McKesson UK Finance II Limited	United Kingdom
McKesson US Finance Corporation	United States
Northstar Healthcare Holdings Unlimited Company	Ireland

Exhibit 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in McKesson Corporation Registration Statement Nos. 333-84806, 333-163642, 333-190847, 333-213488, 333-249817, 333-266356, 333-266357, and 333-273632 on Form S-8, and Registration Statement No. 333-269523 all on Form S-3, of our reports dated May 8, 2025, relating to the consolidated financial statements and consolidated financial statement schedule of McKesson Corporation and subsidiaries, and the effectiveness of McKesson Corporation's internal control over financial reporting, appearing in this Annual Report on Form 10-K of McKesson Corporation for the year ended March 31, 2025.

/s/ Deloitte & Touche LLP

Dallas, Texas
May 8, 2025

Exhibit 31.1

CERTIFICATION PURSUANT TO

RULE 13a-14(a) AND RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian S. Tyler, certify that:

1. I have reviewed this annual report on Form 10-K of McKesson Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Brian S. Tyler

Brian S. Tyler
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO

RULE 13a-14(a) AND RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Britt J. Vitalone, certify that:

1. I have reviewed this annual report on Form 10-K of McKesson Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Britt J. Vitalone

Britt J. Vitalone

Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of McKesson Corporation (the "Company") on Form 10-K for the year ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacities and on the dates indicated below, each hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of their knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Brian S. Tyler

Brian S. Tyler
Chief Executive Officer
May 8, 2025

/s/ Britt J. Vitalone

Britt J. Vitalone
Executive Vice President and Chief Financial Officer
May 8, 2025

This certification accompanies the Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002, and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to McKesson Corporation and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.