Facts about McKesson's Role in COVID-19 Vaccine Distribution

Overview: McKesson is continuing its partnership with the Centers for Disease Control and Prevention (CDC) to operate as a centralized distributor of COVID-19 vaccines that require refrigerated (2-8°C) or frozen (-20°C) storage and distribution as well as associated supply kits. The U.S. government is directing all aspects of the distribution, including how many doses to send, and where and when to ship them.

Additionally, under a contract with the Department of Health and Human Services (HHS), McKesson is managing the assembly and distribution of supply kits needed to administer all potential COVID-19 vaccines.

Expertise:

- McKesson successfully collaborated with the CDC as the centralized distributor in response to the H1N1 pandemic in 2009
- McKesson has managed the distribution for the CDC's Vaccines for Children Program since 2006, shipping approximately 70 million vaccine doses annually
- McKesson is the largest U.S. seasonal flu vaccine distributor for the general public

Vaccine Supply Kits: For the Moderna COVID-19 vaccine, the ancillary supply kits include the supplies needed for 100 doses and will ship timed with the vaccines as directed by the U.S. government. For the Pfizer COVID-19 vaccine, the supply kits support 975 doses and are sent separately from the vaccine.

The government sources most of the supply kits items, which include:

- Needles and syringes
- Alcohol prep pads
- Face shields and surgical masks
- Vaccine administration sheet for healthcare providers
- Vaccination record and reminder cards
- For COVID-19 vaccines that require reconstitution with diluent or mixing with adjuvant at the point of administration, other needed supplies will also be included

Supply Chain Logistics: McKesson set up special distribution centers to manage the COVID-19 vaccine distribution program. Some topline facts include:

Cold Chain

- McKesson built large-scale, custom freezers and refrigerators with the capacity to safely store and process tens of millions of vaccine doses at strategically located distribution centers.
- McKesson ships vaccines inside small-parcel packaging designed to keep them at the appropriate temperature throughout transit to ensure their viability is maintained. These "coolers" are filled with different types of materials, such as refrigerated and frozen coolant packs, to keep the temperature in the right range based on the specific vaccine requirements.
- McKesson uses several proven monitoring devices to keep track of the integrity of cold chain shipments.
 - o Upon receipt of a shipment of vaccines from a manufacturer, McKesson verifies that the vaccines were maintained at the proper temperature while in transit.

1

- All freezers and refrigerators are equipped with sophisticated controls, monitoring systems and alarms, as well as backup power capabilities in the event of a power loss. Contingency plans are in place inclusive of backup generators, as well as other operational and physical safeguards.
- Each vaccine requires different methods to monitor its temperature during shipment. As example, for the frozen Moderna vaccine, one temperature indicator is packed inside each vaccine shipment to enable those receiving and administering the vaccine to have confidence that the cold chain was maintained during shipment.

Delivery Partners

- McKesson is working with different delivery partners, including FedEx and UPS, to manage delivery to point-of-care facilities nationwide.
 - o Delivery partners pick up the vaccines/supply kits from a McKesson distribution center and transport them via truck or airplane to the point-of-care destinations as directed by the CDC.
 - Advanced tracking devices are being used for all COVID-19 vaccine and supply kit shipments to provide the highest level of visibility within the carriers' delivery networks.

Safety for Our Workforce: We have safety measures in place for everyone working at McKesson distribution centers:

- Individuals are provided protective gear, including special clothing, gloves and facial gear while working in frozen storage environments.
- Temperature checks, face masks, practicing social distancing, and use of hand sanitizers and wipes are required.

Other Notable Facts

- As McKesson receives new vaccine orders from the U.S. government, most orders are shipped the same day or within a day to the specified point-of-care facilities nationwide.
- We have hired 1,000+ workers for this effort and expect to hire an additional 2,500+ as distribution gets underway and additional facilities come online.
- Prior to the Emergency Use Authorization order for both the Pfizer and Moderna vaccines, McKesson had prepared enough supply kits to support vaccination of more than 100 million doses.
- We have added more than 3.3 million square feet of distribution center space, including storage, to our distribution network to manage the scale of this project. For comparison, that's twice the size of New York City's Grand Central Station.
- In just one of our distribution centers, we used 3.7 million pounds of steel to create the racks that hold the supply kits. That's one-fifth as heavy as the Eiffel Tower.