

2022 Environmental, Social and Governance (ESG) Report Appendix





Table of contents

| Corporate profile | 3 |
|--|----|
| ESG strategy and governance | 2 |
| ESG prioritization assessment | 8 |
| Stakeholder engagement | ę |
| Protecting data privacy and upholding information security | 20 |
| Human capital and diversity data | 2 |
| United Nations (UN) Sustainable Development Goals | 3 |
| Social compliance audit summary | 35 |
| Environmental data | 37 |
| Global Reporting Initiative (GRI) index | 43 |
| Sustainability Accounting Standards Board (SASB) Index | 59 |





Organization Details

- CVS Health Corporation
- Public Corporation
- Headquartered in Woonsocket, RI
- Operates in the United States in 50 states plus the District of Columbia and Puerto Rico
- More than 300,000 colleagues
- Our Purpose: Bringing our heart to every moment of your health

Corporate profile

Our Locations

9,000+

retail locations

1,100+

walk-in medical clinic (MinuteClinic®) locations over 110M

pharmacy benefit manager (PBM) plan members

nearly 5M

consumers visit CVS Health® locations daily

85%

of Americans live within 10 miles of a CVS® location

over 24M

medical members

Financial Results

Our employees earned

\$19.3B

in wages

\$2.9B

in benefits

Economic Impact

\$322.5B

in total revenues

\$5.1B

to providers of capital

\$6.1B

in income, property and employer taxes in the U.S.

\$260M+

in charitable contributions, employee giving, in-store fundraising and in-kind donations

ESG strategy and governance

Our Board of Directors and our President and Chief Executive Officer (CEO) lead governance of our ESG framework. The Nominating and Corporate Governance Committee of the Board of Directors is formally charged with oversight of ESG strategy and performance, along with our President and Chief Executive Officer.

Our Chief Sustainability Officer (CSO) shares relevant ESG-related impacts, risks and opportunities with the Nominating and Corporate Governance Committee semiannually and the entire Board annually. Additionally, the full Board reviews our annual ESG Report and receives an annual ESG update from our CSO.

In 2022, the Nominating and Corporate Governance Committee was engaged in several key ESG topics, including:

- Climate change reporting and risks
- Progress toward achieving emissions reduction targets, including net-zero targets
- Renewable energy procurement
- Philanthropic programs and investments
- Health equity
- Diversity, equity and inclusion

At these presentations, the Committee assesses how to support new initiatives through action and approval.

Strategy

Our CSO is responsible for developing our ESG strategy and ensuring we are making progress against our goals. Under this direction, the ESG and Philanthropy team regularly works with leaders to align our strategy with key business imperatives and collaborate with colleagues throughout the Company on programs and initiatives that drive social and environmental impact.

Our ESG Steering and Operating Committees are charged with advancing ESG initiatives and progress to achieving our *Healthy 2030* goals. The ESG Steering Committee comprises senior leaders across the company at the vice president level and above, including representatives from HR, legal, finance and each of our business units. The ESG Operating Committee is comprised of leaders



at the director level and above responsible for leading the day-to-day initiatives driving our progress. We regularly evaluate more than 100 risks through an ongoing process managed by our Enterprise Risk and Resilience (ERR) Program. These include immediate risks, such as severe weather events, and long-term risks that can influence our business and value chain elements. We ensure business continuity plans are in place for our colleagues and our customers for risks of all types

- natural, technological, humancaused and others.

Through our ESG strategy, we have established several policies that govern our approach to issues of importance to our business and our stakeholders, including our Climate Change Policy, Human Rights
Policy, Forestry Policy, Timber
Commodities Policy, and Privacy
Commitments, all located in our online Resource Library. These policies are reviewed and updated, as needed, on an annual basis.



Remuneration

To advance our ESG strategy, we have identified key colleagues and business leaders with direct oversight of initiatives that will help us achieve our goals. These colleagues drive performance and meet established targets as part of their business plans and annual goals. This includes members of our ESG Steering and Operating Committees, as well as key senior leaders. Remuneration of these colleagues is partially linked to performance against these business plans.

In support of our long-established Strategic Diversity Management Framework, we have committed to progressing in racial, ethnic and gender representation. Colleagues at levels of Senior Vice President and above have an additional award modifier reflecting this goal and we are expanding this to include Vice Presidents and above in 2023.

Healthy 2030 Strategy

Healthy 2030 supports advancement of our roadmap in four key areas:



Healthy People

We are committed to delivering health care products and services that make the health care experience simple, equitable, convenient and deeply personal for each of us.



Healthy Business

We are a business that is inclusive and committed to creating value for our colleagues, shareholders, business partners and supply chain.

Priority topics aligned with this pillar:

- Access to quality health care
- Health equity
- Mental health
- Patient and customer safety
- Responding to public health challenges
- Safe and affordable housing
- Pricing of drugs and services

- Prescription drug misuse
- Advancing public health
- Public policy
- Chronic disease prevention and management
- Medication adherence
- Maternal health

Priority topics aligned with this pillar:

- Diversity, equity and inclusion
- Colleague health and safety
- Workforce development
- Wages and benefits
- Data protection and privacy
- Human rights

- Governance
- Responsible marketing and advertising
- Public policy
- Ethics and compliance
- Risk management

Healthy 2030 Strategy

Healthy 2030 supports advancement of our roadmap in four key areas:



Healthy Community

We are committed to improving the health and well-being of our communities and advancing health equity to ensure everyone has a fair and just opportunity to be as healthy as possible.



Healthy Planet

We are committed to achieving net-zero emissions, reducing waste, providing customers with sustainable product offerings, and embedding sustainable practices across our supply chain.

Priority topics aligned with this pillar:

- Access to quality health care
- Community investments

Health equity

- Smoking cessation
- Social determinants of health

Priority topics aligned with this pillar:

- Climate action
- Sustainable operations
- Sustainable packaging
- Waste reduction

- Supply chain sustainability
- Deforestation
- Product quality and ingredients
- Water stewardship

ESG prioritization assessment

CVS Health's ESG priority topics represent the areas in which the company has the most significant economic, environmental and social impacts, as well as the topics that most influence the decisions of our stakeholders and governance over our priorities. These topics inform our ESG strategy and goals, as well as our approach to transparent reporting.

Every two years, we carry out a full prioritization assessment to better reflect our growing business, strategy and stakeholder expectations. In 2021, we conducted a comprehensive ESG prioritization assessment in accordance with the **Global Reporting Initiative (GRI)** Standards. This included topics from our previous assessments and uncovered emerging topics through internal and external stakeholder engagement, competitive benchmarking, and review of the media and industry landscape. We evaluated roughly 100 priority topics that CVS Health stakeholders care about, and for which CVS Health has a significant level of influence.

In 2022, we saw an opportunity to engage our growing and diverse leadership team in review of our ESG priority topics. We conducted a survey of vice presidents and above across our company, and interviews with key executive leaders. The results of this survey indicated that our existing priority topics remain relevant. CVS Health leaders feel

that the Company has a clear role to play in ensuring equitable access to quality health care, as well as combating climate change as it directly impacts human health. As our business evolves, we will continue to monitor these topics and trends and will conduct a full ESG prioritization assessment in the second half of 2023 in accordance with the GRI Standards.

The prioritization assessment reflects the experiences and evolving conversations of our policymakers, shareholders, regulatory bodies, patients, colleagues and business partners since our last assessment. It showed that stakeholders continue to align to our *Healthy 2030* strategy, reflecting a continuous increase in importance and prioritization of topics addressing diversity, equity and inclusion, climate action, human capital and health related topics.

More information can be found **on our website**.



CVS Health maintains regular, open communication with various stakeholders who help us best understand how to advance our purpose and *Healthy 2030* strategy. We are fortunate to have many partners engaged in our work, and we are committed to establishing a two-way dialogue with advocates, policymakers, shareholders, clients, customers, colleagues and patients. We rely on their insights and feedback to develop and execute our ESG strategy. More information on recent collaborations can be found on the **Stakeholder Engagement** section of our website.



Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|------------------------|---|---|
| Patients and consumers | In-person interactions Telehealth appointments Virtual consultations Focus groups Customer relations inquiries Surveys Social media Websites Mail/email | Access to quality health care Pricing of drugs and services Prescription drug misuse Climate action Deforestation Diversity, equity and inclusion Product quality and ingredients Responsible marketing and advertising Public policy tobacco cessation Addressing the opioid epidemic Water efficiency Chemical management Wages and benefits Employee health and safety Packaging (and reducing single-use plastics) Energy efficiency Human rights |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|-------------------|--|---|
| Colleagues | Meetings and interviews with subject matter experts Engagement surveys Training and professional development opportunities CVS Health intranet Colleague Resource Groups (CRGs) virtual meetings Town Hall meetings Weekly emails from leadership with enterprise updates Memos from CEO Social Justice and Equity online resource center Enterprise blog regarding enterprise Social Justice and Equity work COVID-19 online resource center Executive Diversity Council (the DMLC) Business Unit Specific Diversity Councils | Colleague health, safety and well-being Climate action Providing access to mental health treatment Health equity Recycling and waste management Human rights Driving behavior change Product at CVS Pharmacy® Employee engagement Diversity, equity and inclusion Supporting women's health Water stewardship and efficiency Responsible marketing Deforestation Reducing food insecurity |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|-------------------------------|---|--|
| Investors and Stockholders | Annual stockholders meeting Quarterly earnings calls Phone briefings Email correspondence Response to ratings and rankings Conferences Surveys and data requests Website | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|-------------------|---|--|
| Suppliers | Meetings Phone briefings Conferences and events Factory audits Human Rights Policy Code of Conduct Training and workshops Surveys and audits | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|---------------------------|---|--|
| Government and regulators | Virtual and in-person meetings or briefings Email correspondence White papers and other briefing materials Trade organizations Participation in coalitions Roundtable discussions Public events Sponsorship of events Speaking engagements Media engagements | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|--|---|--|
| Nonprofit organizations and NGOs | Roundtables Strategic relationships Participation on boards and advisory councils Attending annual meetings In-person and virtual engagement meetings Webinars | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|----------------------------|--|--|
| Industry groups and forums | Conferences In-person and virtual meetings | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action Human rights |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|-------------------|--|--|
| Local communities | Community engagement programs Virtual volunteering Board memberships Event sponsorship Grantmaking | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|-------------------|---|--|
| Clients | In-person and virtual meetings Phone Email correspondence Surveys Disclosure requests | Access to quality health care Pricing of drugs and services Prescription drug misuse Climate action Deforestation Diversity, equity and inclusion Product quality and ingredients Responsible marketing and advertising Public policy Tobacco cessation Addressing the opioid epidemic Water efficiency Chemical management Wages and benefits Employee health and safety Packaging (and reducing single-use plastics) Energy efficiency Human rights |

Stakeholder groups and engagement types

| Stakeholder Group | Stakeholder Engagement Channels | Top Issues Raised |
|-------------------|--|--|
| Media | Direct outreach Website Social media Responses to inquiries | Access to quality health care Pricing of drugs and services Diversity, equity and inclusion Health equity Simplifying the health care experience Mental health Pandemic response Prescription drug misuse Social determinants of health Chronic disease prevention and management Data protection and privacy Wages and benefits Disaster response and resilience Product development/design Targeted community investments Patient and customer safety Climate action |

Protecting data privacy and upholding information security

Safeguarding the data and information we receive about our members, patients, customers and colleagues is of the utmost importance to us. Under the leadership of our Chief Privacy Officer, we regularly monitor and assess compliance with global data privacy regulatory requirements, identify and mitigate privacy risk, provide privacy training across the enterprise, and partner with business areas to integrate privacy into the design and development of systems, processes, products and services.

In 2022, global cyber attacks grew to an unprecedented volume. CVS Health, like all companies, experienced many such attacks on our technology systems. Such attacks, including the increase in ransomware threats throughout the health care industry in 2022, did not materially impact CVS Health. Our Information Security program, led by our Chief Information Security Officer, ensures that CVS Health has implemented comprehensive defensive controls to protect our company, customers and colleagues.

We continue to make significant investments in our cybersecurity program, modernizing our capabilities and accelerating our ability to adapt to a changing cyber landscape. Our team of cybersecurity experts uses advanced protection technologies to identify, detect and respond to cyber threats. An example of this is our deployment of many machine-

learning models to detect complex threats. Our teams regularly practice responding to different types of attacks through planned scenarios.

Our robust cybersecurity program enables business resiliency. We continuously monitor our third parties' ability to deliver services securely, and we are building zero-trust principles into our operating models.

We collaborate across the health care, retail and financial services sectors through participation in Information Sharing and Analysis Centers (ISACs), allowing us to collaborate with corporate and government entities to create a more robust joint defense.

We continue to build digital trust into our omnichannel customer experiences through integrated data security and privacy safeguards.



Workforce diversity data

Total employee count 316,975 as of 12/31/2022 Additional workforce diversity data is also available in our **Consolidated Employer Information report EEO-1**

The percentages in the tables throughout this section may not total 100 percent due to rounding.

Employment + Type

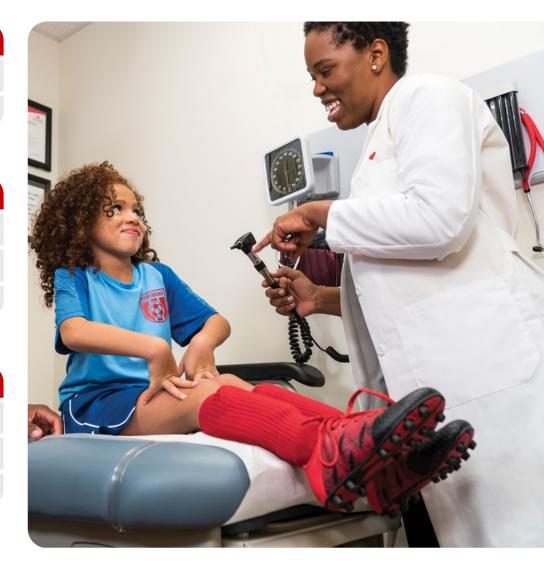
| Туре | 2022 | 2021 | 2020 |
|-----------|------|------|------|
| Full-time | 73% | 72% | 71% |
| Part-time | 27% | 28% | 29% |

Employment + Gender

| Gender | 2022 | 2021 | 2020 |
|-------------|------|------|------|
| Female | 70% | 71% | 70% |
| Male | 30% | 29% | 30% |
| Unspecified | <1% | <1% | 0% |

Employment + Age

| Age | 2022 | 2021 | 2020 |
|----------|------|------|------|
| Up to 24 | 18% | 18% | 16% |
| 24 to 54 | 65% | 66% | 68% |
| 55+ | 16% | 16% | 16% |



Employment + Ethnicity

| Ethnicity | 2022 | 2021 | 2020 |
|--|------|------|------|
| White (not Hispanic or Latino) | 49% | 52% | 53% |
| Black/African American (not Hispanic or Latino) | 18% | 17% | 16% |
| Hispanic/Latino | 16% | 14% | 15% |
| Asian (not Hispanic or Latino) | 12% | 10% | 11% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 1% | <1% | 1% |
| American Indian/ Alaskan Native (not Hispanic or Latino) | <1% | <1% | 0% |
| Two or more races | 4% | 3% | 3% |
| Unspecified | 1% | 3% | 1% |

Board of Directors + Gender

Total board member count: 12 as of 12/31/2022

| Gender | 2022 | 2021 | 2020 |
|--------|------|------|------|
| Female | 42% | 38% | 31% |
| Male | 58% | 62% | 69% |

Vice President and Above + Gender

Total employee count, vice president and above: 519 as of 12/31/2022

| Gender | 2022 | 2021 | 2020 |
|-------------|------|------|------|
| Female | 39% | 39% | 39% |
| Male | 60% | 60% | 61% |
| Unspecified | <1% | 1% | 0% |

Manager Level and Above + Gender¹

Total employee count, manager level and above: 31,826 as of 12/31/2022

| Gender | 20221 | 2021 | 2020 |
|-------------|-------|------|------|
| Female | 55% | 55% | 52% |
| Male | 44% | 45% | 48% |
| Unspecified | <1% | 0% | 0% |

^{&#}x27;In 2022, colleagues in the "Manager Level and Above" category include all colleagues with one or more direct reports; prior years include colleagues coded at the "Manager Level and Above," whether or not those colleagues had direct reports.

Vice President and Above + Race/Ethnicity

Total employee count, vice president and above: 519 as of 12/31/2022

| Race/Ethnicity | 2022 | 2021 | 2020 |
|---|------|------|------|
| White (not Hispanic or Latino) | 79% | 80% | 86% |
| Black/African American (not Hispanic or Latino) | 6% | 6% | 4% |
| Hispanic/Latino | 3% | 2% | 1% |
| Asian (not Hispanic or Latino) | 10% | 8% | 7% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | <1% | 0% | <1% |
| American Indian/Alaskan Native (not Hispanic or Latino) | <1% | 0% | <1% |
| Two or more Races | 1% | 0% | 0% |
| Unspecified | <1% | 2% | <1% |

Manager Level and Above + Ethnicity

Total employee count, manager level and above: 31,826 as of 12/31/2022

| Ethnicity | 2022 | 2021 | 2020 |
|---|------|------|------|
| White (not Hispanic or Latino) | 64% | 65% | 67% |
| Black/African American (not Hispanic or Latino) | 10% | 9% | 8% |
| Hispanic/Latino | 9% | 8% | 7% |
| Asian (not Hispanic or Latino) | 13% | 12% | 14% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 1% | 1% | 1% |
| American Indian/Alaskan Native (not Hispanic or Latino) | <1% | 0% | 0% |
| Two or more Races | 2% | 0% | 0% |
| Unspecified | 1% | 3% | 1% |

Gender and Ethnicity breakdown by role Historical data for 2017 – 2021 is available in past ESG Reports **on our website**

Nurses + Gender

| Gender | 2022 |
|-------------|------|
| Female | 94% |
| Male | 6% |
| Unspecified | 0% |

Physician Assistants + Gender

| Gender | 2022 |
|-------------|------|
| Female | 93% |
| Male | 7% |
| Unspecified | 0% |

Nurses + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic or Latino) | 69% |
| Black/African American (not Hispanic or Latino) | 15% |
| Hispanic/Latino | 6% |
| Asian (not Hispanic or Latino) | 7% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | <1% |
| American Indian/Alaskan Native (not Hispanic or Latino) | <1% |
| Two or more Races | 2% |
| Unspecified | 1% |

Physician Assistants + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic or Latino) | 58% |
| Black/African American (not Hispanic or Latino) | 17% |
| Hispanic/Latino | 5% |
| Asian (not Hispanic or Latino) | 16% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 1% |
| American Indian/Alaskan Native (not Hispanic or Latino) | <1% |
| Two or more Races | 2% |
| Unspecified | 1% |

Pharmacists + Gender

| Gender | 2022 |
|-------------|------|
| Female | 62% |
| Male | 37% |
| Unspecified | 0% |

Pharmacy Technicians + Gender

| Gender | 2022 |
|-------------|------|
| Female | 81% |
| Male | 19% |
| Unspecified | 1% |

Pharmacists + Race/Ethnicity

| • | |
|---|------|
| Race/Ethnicity | 2022 |
| White (not Hispanic or Latino) | 55% |
| Black/African American (not Hispanic or Latino) | 11% |
| Hispanic/Latino | 4% |
| Asian (not Hispanic or Latino) | 26% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 1% |
| American Indian/Alaskan Native (not Hispanic or Latino) | <1% |
| Two or more Races | 2% |
| Unspecified | 1% |
| | |

Pharmacy Technicians + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic or Latino) | 43% |
| Black/African American (not Hispanic or Latino) | 18% |
| Hispanic/Latino | 18% |
| Asian (not Hispanic or Latino) | 14% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 1% |
| American Indian/Alaskan Native (not Hispanic or Latino) | <1% |
| Two or more Races | 5% |
| Unspecified | 1% |

Medical Directors + Gender

| Gender | 2022 |
|-------------|------|
| Female | 59% |
| Male | 41% |
| Unspecified | 0% |

Social Workers + Gender

| Gender | 2022 |
|-------------|------|
| Female | 95% |
| Male | 5% |
| Unspecified | 0% |

Medical Directors + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic or Latino) | 63% |
| Black/African American (not Hispanic or Latino) | 13% |
| Hispanic/Latino | 4% |
| Asian (not Hispanic or Latino) | 18% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 0% |
| American Indian/Alaskan Native (not Hispanic or Latino) | 0% |
| Two or more Races | 1% |
| Unspecified | <1% |

Social Workers + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic or Latino) | 63% |
| Black/African American (not Hispanic or Latino) | 27% |
| Hispanic/Latino | 8% |
| Asian (not Hispanic or Latino) | 0% |
| Native Hawaiian or Other Pacific Islander (not Hispanic or Latino) | 0% |
| American Indian/Alaskan Native (not Hispanic or Latino) | 0% |
| Two or more Races | 2% |
| Unspecified | 0% |

Care Concierge + Gender

| Gender | 2022 |
|-------------|------|
| Female | 85% |
| Male | 14% |
| Unspecified | 1% |

Care Concierge + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic) | 32% |
| Black/African American (not Hispanic) | 39% |
| Hispanic | 18% |
| Asian (not Hispanic) | 2% |
| Native Hawaiian or Other Pacific Islander (not Hispanic) | <1% |
| American Indian/Alaskan Native (not Hispanic) | 1% |
| Two or more Races | 7% |
| Unspecified | 1% |

Field Leadership + Gender

| Gender | 2022 |
|-------------|------|
| Female | 39% |
| Male | 61% |
| Unspecified | <1% |

Field Leadership + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic) | 72% |
| Black/African American (not Hispanic) | 7% |
| Hispanic | 5% |
| Asian (not Hispanic) | 12% |
| Native Hawaiian or Other Pacific Islander (not Hispanic) | 1% |
| American Indian/Alaskan Native (not Hispanic) | <1% |
| Two or more Races | 2% |
| Unspecified | 1% |

Distribution Center + Gender

| Gender | 2022 |
|-------------|------|
| Female | 44% |
| Male | 55% |
| Unspecified | <1% |

Distribution Center + Race/Ethnicity

| Race/Ethnicity | 2022 |
|---|------|
| White (not Hispanic) | 38% |
| Black/African American (not Hispanic) | 24% |
| Hispanic | 29% |
| Asian (not Hispanic) | 4% |
| Native Hawaiian or Other Pacific Islander (not Hispanic) | 1% |
| American Indian/Alaskan Native (not Hispanic) | <1% |
| Two or more Races | 3% |
| Unspecified | 1% |

Occupational data¹

| Occupational Data | 2022 |
|--|--|
| Number of Work-Related Fatalities | Company-wide: 2 Retail: 1 Distribution Centers: 0 |
| Rate of Work-Related Fatalities ² | Company-wide: 0.000843 Retail: 0.000793 Distribution Centers: 0 |
| Number of Recordable Injuries | Company-wide: 4387 Retail: 3423 Distribution Centers: 614 |
| Rate of Recordable Injuries ² | Company-wide: 1.849 Retail: 2.716 Distribution Centers: 7.964 |
| List of the main types of work-related injury | Needlestick (Retail) Fall, Slip or Trip (Retail & DC) Lifting (Retail & DC) Fall on Same Level (Retail) Bodily Reaction (Retail & DC) Lifting/Moving Totes for Restocking (Retail & DC) Strain or Sprain (DC) Pushing/Pulling (DC) |
| Number of hours worked | Company-wide: 474,555,107 Retail: 252,084,759 Distribution Centers: 15,419,119 |

At CVS Health, we are committed to the health, safety and well-being of our colleagues, customers, contractors, vendors and other key stakeholders. Our occupational health and safety (OHS) program applies to our entire operations, including employees, clients, contractors, suppliers and other visitors to our facilities. Learn more in our **OHS Statement**.

This data does not include temporary labor. Temporary labor contracts are such that the companies that provide temporary labor are responsible for reporting their own injuries.

²Rates are calculated based on 200,000 hours.

Employee engagement data

| Employee engagement data | 2022 |
|--|---|
| Levels of employee engagement | 77% of the workforce was actively engaged in 2022. We offer our Colleague Engagement Survey annually, and in 2022, 77% of participating colleagues scored favorable (78% of women and 75% of men). |
| Average hours of training per employee per year | CVS Health offers several resources and programs that attract, engage, develop, advance and retain colleagues. We provide a robust online orientation program that pairs new hires with seasoned colleagues. The training continues throughout a colleague's career through in-person, virtual and self-paced learning at all levels. We also provide tools and workshops for colleagues to manage their career development. Our training practices consider updated, tech-enabled tools and keep our colleagues informed of new industry developments relevant to their roles. During the year ended December 31, 2022, CVS Health colleagues invested approximately 17 million hours of learning and development courses. |
| | Our colleague development program also promotes the importance of compliance across our business. CVS Health colleagues demonstrate this commitment through our annual Code of Conduct and Compliance training, which nearly 100% of active colleagues completed in 2022. In 2022, we launched more than 70 different training courses as part of our Enterprise Compliance Training Program |
| Paid parental leave | Full-time employees with 12 months of continuous service and who welcome a new child into their home are eligible to take up to four weeks away from work at 100% of their pay to ensure the newest addition to their family gets off to a strong start in life. In 2022, 7,884 colleagues requested an average of six weeks of paid parental leave, comprised of 72% women and 28% men. |

Job security and pay practices data

| Job security and pay practices data | 2022 |
|--|--|
| New employee hires | 136,643 new employee hires in 202267% female32% male<1% unspecified |
| Rate of employee turnover | Involuntary employee turnover in 2022 was 6.3%; among all involuntary turnover, females represented 65%, males represented 35%, and those who did not specify a gender represented <1%. Voluntary turnover in 2022 was 37.8%; among all voluntary turnover, females represented 70%, males represented 29%, and those who did not specify a gender represented <1%. |
| Ratio of entry level wage to minimum wage | 1.95 |
| Percentage of employees earning minimum wage | 100% |
| Median annual compensation | 2022: \$39,520 |

Average hourly wage by region

| Location State | Avg. Pay Hourly Rate |
|----------------|-------------------------|
| AK | \$37.09 |
| AL | \$26.40 |
| AR | \$30.82 |
| AZ | \$34.02 |
| CA | \$29.35 |
| со | \$36.73 |
| СТ | \$37.06 |
| DC | \$27.14 |
| DE | \$25.85 |
| FL | \$27.04 |
| GA | \$27.16 |
| НІ | \$23.48 |
| IA | \$27.56 |
| ID | \$31.51 |
| IL | \$34.81 |
| IN | \$26.82 |
| KS | \$32.46 |
| ку | \$29.14 |

| Location State | Avg. Pay Hourly Rate |
|----------------|-------------------------|
| LA | \$27.91 |
| MA | \$30.72 |
| MD | \$28.37 |
| ME | \$32.10 |
| MI | \$27.37 |
| MN | \$35.38 |
| МО | \$28.89 |
| MS | \$27.10 |
| МТ | \$31.92 |
| NC | \$29.17 |
| ND | \$30.18 |
| NE | \$32.54 |
| NH | \$31.96 |
| NJ | \$28.96 |
| NM | \$29.20 |
| NV | \$27.97 |
| NY | \$27.97 |
| ОН | \$29.32 |

| Location State | Avg. Pay Hourly Rate |
|----------------|-------------------------|
| ок | \$27.79 |
| OR | \$36.42 |
| PA | \$29.25 |
| PR | \$22.73 |
| RI | \$40.60 |
| sc | \$27.36 |
| SD | \$38.49 |
| TN | \$25.98 |
| тх | \$29.02 |
| UT | \$32.66 |
| VA | \$28.96 |
| VT | \$31.31 |
| WA | \$39.07 |
| WI | \$31.11 |
| wv | \$28.16 |
| WY | \$39.24 |

United Nations (UN) Sustainable Development Goals

Our Healthy 2030 ESG strategy is aligned with the United Nations Sustainable Development Goals (SDGs), 17 aspirational goals designed to facilitate significant global development by 2030. The SDGs serve as a framework to guide how companies, governments and non-governmental organizations contribute to a more just, healthier and sustainable future. We believe we can most meaningfully contribute to eight SDGs that closely align with our business impact and ESG initiatives, and we work to advance these goals each year through efforts implemented across our enterprise.

To further our progress against these goals, we collaborate with organizations that help us to advance our ESG strategy — including the United Nations Global Compact (UNGC). CVS Health was the first U.S. pharmacy chain to hold membership in the UNGC, which confirms our commitment to the Compact's 10 principles with respect to human rights, labor, the environment and anti-corruption.



Our contributions to the Sustainable Development Goals



Goal 2: Zero Hunger

We recognize the impact healthy food can have in making healthier happen and are committed to breaking down barriers to access and reducing food insecurity in the communities where we live and work. In 2022, we provided more than \$27 million to Feeding America to support local food banks across the U.S. In collaboration with local communities, our colleagues donated their time to volunteer at local food banks and soup kitchens. Through our Health Zones initiative, we provided one million pounds of food to those who are food insecure, and established new healthy programs. For example, in Greater Atlanta, we are teaming up with local partners to provide healthy cooking classes to low-income seniors managing chronic conditions



Goal 3: Good Health and Well-Being

As a leading health solutions company, providing access and affordable care is central to everything we do. We are making healthier happen for the nearly 5 million customers who walk through our stores each day, our 24.4 million medical benefit members, more than 110 million PBM plan members, and the over 47 million consumers who access our digital tools¹. Through our innovative business model, we are redefining health care delivery. We continue to expand our digital offerings to reach more patients with convenient and affordable care. For example, since 2020, we have provided 30 million mental health virtual care visits to patients across all CVS Health services.



Goal 4: Quality Education

We are committed to supporting the career aspirations of our colleagues, their families, and future health care leaders within our communities. We offer scholarships for the children of our colleagues as they pursue their educational careers. We invest in tomorrow's health care leaders through scholarship programs for students pursuing their education at accredited schools of pharmacy, nursing, physician assistance, social work and mental health. Through these programs, we provide more than \$3.25 million annually. And to ensure that the diversity of the health care workforce reflects the diversity of patients, we ensure that 25 percent of scholarships are awarded to diverse candidates.



Goal 5: Gender Equality

Our workforce is comprised of 70 percent female colleagues. We are proud to have strong female senior leadership representation. Key leadership positions, including Chief Executive Officer, Chief Customer Officer (CCO) and Co-President of CVS Retail, Chief Strategy Officer, and Chief People Officer (CPO), as well as five seats on our Board of Directors, are held by women. We support our female colleagues at all tiers through internal initiatives such as our Network for Executive Women and our Women Inspiring Success and Excellence (WISE) CRG.

¹ https://s2.q4cdn.com/447711729/files/doc_downloads/other_documents/Investor-Fact-Sheet.pdf

Our contributions to the Sustainable Development Goals



Goal 8: Decent Work and Economic Growth

Our business' health depends on the work of our colleagues and supply chain partners. With an innovative workforce and dedicated leadership team, in 2022 we were able to hire more than 136,000 new colleagues, and paid out \$19 billion in wages; \$2.9 billion in benefits; and \$6.1 billion in income, property and employer taxes in the U.S.

Through our workforce development programs, we offer pre-employment training, skill building and education to individuals before they join an additional, more hands-on program with CVS Health, or other organizations. These programs prepare participants for employment opportunities in CVS Health and other companies. This also allows our team to have a future pipeline of talent more prepared to engage with the workforce based on established relationships developed during these training programs. We're investing in the next generation of health care providers through our scholarship programs for future pharmacists, nurse practitioners, social workers and mental health professionals.



Goal 12: Responsible Consumption and Production

As a health solutions company, we know that the health of all people is directly connected to the health of our planet. We're committed to reducing the impacts of our operations and employ robust waste management practices to divert waste from landfill, increase the recyclability of our products, and engage customers on our journey. In 2022, we diverted 52 percent of all waste from landfill, and completed waste audits at corporate headquarters. Through our network of more than 4,600 drug disposal units, we have facilitated safe disposal of over 5 million pounds of prescription medication. We also added How2Recycle messaging to 60 percent of our store brand products to help consumers properly dispose of products.



Goal 13: Climate Action

At CVS Health, we are committed to leadership that preserves the planet, improves the health of all communities, and mitigates climate risks. In 2022, we made significant progress toward our goal of achieving 50 percent renewable energy by 2040. In August, we reached **our first agreement to purchase clean, renewable energy** through a 42-megawatt share of the Mammoth Central solar facility in Indiana. We remain on track to meet the science-based, emissions reduction targets that have set us on a path to carbon neutrality by 2030 and net zero emissions across our value chain by 2050.



Goal 15: Life on Land

Our efforts to transform the health of our planet include reducing our consumption of natural resources. All palm oil used in our store brand products is sourced sustainably by our suppliers in compliance with our **Responsible Palm Oil Policy**. To continue to reduce the impacts of our operations, we are investing in digital tools and solutions to reduce our paper usage, including through receipts at CVS Pharmacy. We are striving to have all paper-based store brands packaging come from certified sustainable sources by 2025. We enforce these commitments in various policies, including our **Forestry Policy**, **Timber Commodities Policy**, **Anti-deforestation Commitment**, and **Responsible Sourcing Standard**.

Colleague health, safety and well-being

As a company that is meaningfully impacting public health issues, the safety, health and well-being of our colleagues is our top priority. We actively encourage our colleagues to take care of their own health and provide programs and tools to improve financial, emotional and physical well-being to all colleagues, not just those enrolled in benefits. We recognize how vital our colleagues are to our success and strive to offer them competitive and comprehensive wages and benefits. We do this by investing in their health through employee health insurance premiums, health-savings accounts, medical, prescription, dental and vision coverage, parental leaves, partner and family sick time and other programs that support our colleagues on their holistic journey to well-being. We also strive to provide pay, benefits and services that meet the varying needs of our colleagues. We offer market-competitive pay, stock grants and bonuses, an Employee Stock Purchase Plan, health care and retirement benefits.

Our Total Rewards philosophy is straightforward — provide competitive pay and benefits and a fulfilling work experience that help attract and retain talented colleagues and engage them in our journey to bringing our heart to every moment of health. Our Total Rewards are made up of four key components — compensation programs, health benefits, financial benefits and time away from work. Additionally, our My Well-being program offers personalized and holistic support.

As an equal opportunity and affirmative action employer, we do not discriminate in recruiting,

hiring or promotion based on race, ethnicity, sex/gender, sexual orientation, gender identity or expression, age, disability, or protected veteran status or on any other basis or characteristic prohibited by applicable federal, state or local law.

To learn more about working at CVS Health and our colleague health and safety measures, access our **Benefits page** and **Employee & Consumer Rights commitment**.



Social compliance audit summary

As indicated in our **Human Rights Policy**, we require our suppliers and their factories to provide fair and safe working conditions for all workers, and to treat their employees with dignity and respect. Our Ethical Sourcing & Customs Trade Partnership Against Terrorism (CTPAT) Compliance Program requires all new and existing factories within scope to undergo risk-based audits. These risk-based audits are conducted by our independent third party UL Solutions, and focus on social, legal and trade security standards. Since 2015, we have mandated that factories, along with their suppliers, participate annually in e-learning courses on those topics.

CVS Health maintains a strict zero-tolerance policy when auditing factories and we take this commitment seriously. If a zero-tolerance issue is found, the factory is immediately put on probation and orders are canceled. Alert Notification issues are serious issues that require immediate action. If an Alert Notification issue is found during an audit, factories

must provide evidence that the issue has been addressed and undergo a verification process. Failure to successfully complete the verification process will result in the factory being placed on probation. A probationary period lasts one year, after which we conduct a new audit to determine if we will work together again.



Social compliance audit summary

| Zero Tolerance Issues | Number of Audits Found to Have an Issue¹ |
|--|---|
| Child Labor | 0 |
| Abuse and Harassment | 0 |
| Bribery | 0 |
| Forced or Prison Labor, Human Trafficking | 1 |
| Confirmed Falsified Audit Report and/or Business License | 0 |
| Intentional Non-Disclosure of Finished Goods Subcontracting (Tier 1 and Tier 5 Subcontractors) | 0 |
| Life Threatening Conditions ² | 0 |

| | Life Threatening Finding |
|----------|-------------------------------------|
| | (Locked/Blocked Exits, |
| | Blocked Pathways) AND |
| nd | Non-Disclosure of |
| ind to | Finished Goods |
| gly | Subcontracting (Tier 1 and |
| gıy ' | Tier 5 Subcontractors) ² |

Number of Audits Found to Have an Issue¹

14

3

0

Alert Notification Issues

Life Threatening Finding

(Locked/Blocked Exits,

Blocked Pathways)

Discrimination

Missing Business License

Non-D Finishe Subco Tier 5 S

Action Taken

All factories provided evidence that the issue(s) had been corrected within the required timeframe. 12 factories underwent the Verification process, which confirmed the issue(s) were not reoccurring. One factory underwent the Verification process, which confirmed the issue(s) were not reoccurring, however a new issue was identified. Additional Verification did not take place due to order cancellation.

All factories provided evidence that the issue(s) had been corrected within the required timeframe. All factories underwent the Verification process, which confirmed the issue(s) were not reoccurring.

| Disclosure of ed Goods ontracting (Tier 1 and Subcontractors) | The suppliers provided information on their Tier 1 subcontractor within the required timeframe. All Tier 1 subcontractors were audited, and passed their audit. There were no non-disclosed Tier 5 subcontractors. |
|--|--|
|--|--|

N/A

| Passport Retention | 0 | N/A |
|--------------------|---|-----|

The factory provided evidence that the issue(s) had been corrected within the required timeframe and underwent the Verification process, which confirmed the issue(s) were not reoccurring. The supplier provided information on their Tier 1 subcontractor within the required timeframe. Their Tier 1 subcontractor was audited, and passed their audit.

^{&#}x27;To align with how Social Compliance audit data is tracked internally, the methodology for disclosing Zero Tolerance and Alert Notification issues was changed in 2022 from number of factories found to have an issue to number of audits found thave an issue.

²"Life Threatening Conditions" as a Zero Tolerance Issue is for situations in which CVS Health feels a factory is knowingly putting workers in harm by purposefully preventing or making it challenging for them to exit (ex: permanently locking/blocking exits and/or evacuation pathways). "Life Threatening Finding" as an Alert Notification Issue captures situations in which there is no harmful intent on the part of the factory.

Additional information on our climate-related progress, including our TCFD reporting, can be found on our **website**.

Total Energy Usage by Type (2020-2022)

| Year | Electricity (Million MWH) | Natural Gas (Million Therms) | Propane & Oil (Therms) | Fuel Consumption (Million Gallons) ¹ |
|------|---------------------------------|---------------------------------------|------------------------------|---|
| 2020 | 2.5 | 13.4 | 423,517 | 10.3 |
| 2021 | 2.4 | 14.4 | 466,025 | 11.8 |
| 2022 | 2.2 | 22.5 | 551,822 | 5.85 |

Progress Towards 1.5-degree SBT 2020-2022, 2019 baseline

| Year | CO ₂ e¹ (MT) | Reduction against baseline |
|-------------|-------------------------|-------------------------------|
| 2019 | 1,193,890 | N/A |
| 2020 | 1,142,764 | -4% |
| 2021 | 1,070,042 | -11% |
| 2022 | 1,036,511 | -13% |
| 2030 Target | 570,349 | -47% |

¹Scope 1 and 2 market-based method

GHG Emissions by Scope 2020-2022

A breakdown of Scope 1, 2 and 3 data are included below. The baseline year for data provided is 2019; the standards used are in accordance with the Greenhouse Gas Protocol published by the World Resources Institute and the World Business Council for Sustainable Development, as well as the Climate Registry's General Reporting Protocol; and the consolidation approach is based on operational control.

CVS Health Scope 1 and 2 data has been externally assured. Historical assurance statements (including for earlier years, beginning with 2016) can be found on our website.

GHG Emissions (Metric Tonnes of CO,e) 2020-2022

| Scope 1 Breakdown | 2022 Tonnes of CO ₂ e | 2022 % of total emissions | 2021 Tonnes of CO ₂ e | 2021 % of total emissions | 2020 Tonnes of CO ₂ e | 2020 % of total emissions |
|------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|
| Scope 1 Total | 250,022 | 24% | 188,257 | 18% | 165,384 | 14% |
| Natural Gas | 120,005 | 12% | 76,472 | 7% | 71,341 | 6% |
| Other Fuels | 3,073 | 0% | 3,006 | 0% | 2,788 | 0% |
| Corporate Fleets | 19,190 | 2% | 9,133 | 1% | 10,287 | 1% |
| Private Delivery Fleet | 31,385 | 3% | 30,763 | 3% | 29,488 | 3% |
| Refrigerants | 71,098 | 7% | 65,946 | 6% | 49,317 | 4% |
| Air Fleet | 5,271 | 1% | 3,016 | 0% | 3,164 | 0% |

| Scope 2 Breakdown | 2022 Tonnes of CO ₂ e | 2022 % of total emissions | 2021 Tonnes of CO ₂ e | 2021 % of total emissions | 2020 Tonnes of CO ₂ e | 2020 % of total emissions |
|--|--|---------------------------------|--|---------------------------------|--|---------------------------------|
| Scope 2 ¹ Total | 786,489 | 76% | 881,786 | 82% | 977,380 | 86% |
| Electricity¹, Steam and Chilled Water | 786,489 | 76% | 881,786 | 82% | 977,380 | 86% |
| Scope 1 and 2¹ Total | 1,036,511 | 100% | 1,070,042 | 100% | 1,142,764 | 100% |

GHG Emissions (Metric Tonnes of CO₂e) 2019-2022

In 2023, CVS Health undertook a comprehensive review of its GHG emissions reporting methodology in alignment with the GHG Protocol published by the WRI and WBCSD. As a result of this review, new sources of Scope 3 emissions have been included and the prior datasets have been refined. The Scope 3 emissions for all years presented in the table below reflect the updated methodology.

Scope 3 emissions from 2019-2021 were also re-evaluated in accordance with the new methodology and have been restated here. Scope 3 emissions for 2022 have been externally assured and assurance statements can be found **on our website**.

| Scope 3 Breakdown | 2022 Tonnes of CO ₂ e | 2022 % of total emissions | 2021 Tonnes of CO ₂ e | 2021 % of total emissions | 2020 Tonnes of CO ₂ e | 2020 % of total emissions | 2019 Tonnes of CO ₂ e | 2019 % of total emissions |
|--|--|---------------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|
| Scope 3 Total | 14,472,715 | 100% | 8,833,505 | 100% | 12,164,187 | 100% | 24,608,123 | 100% |
| Purchased Goods and Services | 12,959,465 | 89.5% | 7,636,483 | 86.4% | 10,855,635 | 89% | 23,184,944 | 94% |
| 2. Capital Goods | 171,511 | 1% | 811,709 | 9% | 961,988 | 8% | 1,011,730 | 4% |
| Fuel and Energy Related Activities | 306,957 | 2% | 50,881 | 0.6% | 49,817 | 0.4% | 51,657 | 0.2% |
| 4. Upstream Transportation | 434,434 | 3% | _ | - % | _ | - % | _ | - % |
| 5. Waste | 103,198 | 0.7% | 132,727 | 1.5% | 101,043 | 0.8% | 116,374 | 0.5% |
| 6. Business Travel | 39,737 | 0.3% | 28,826 | 0.3% | 24,656 | 0.2% | 106,796 | 0.4% |
| Business Air Travel | 11,011 | — % | 6,000 | — % | 12,289 | — % | 77,964 | - % |
| Rental Cars | 5,909 | — % | 3,382 | — % | 3,098 | — % | 10,199 | - % |
| Personal Cars | 19,303 | — % | 19,444 | — % | 9,268 | — % | 18,632 | - % |
| Hotel Stays | 2,256 | — % | _ | — % | _ | — % | _ | - % |
| Rail Travel | 66 | - % | _ | - % | _ | - % | _ | - % |

GHG Emissions (Metric Tonnes of ${\rm CO_2e}$) 2019-2022

| Scope 3 Breakdown | 2022 Tonnes of CO2e | 2022 % of total emissions | 2021 Tonnes of CO2e | 2021 % of total emissions | 2020 Tonnes of CO2e | 2020 % of total emissions | 2019 Tonnes of CO2e | 2019 % of total emissions |
|--|---------------------------|---------------------------------|---------------------------|---------------------------------|---------------------------|---------------------------------|---------------------------|---------------------------------|
| 7. Employee Commuting | 437,707 | 3% | 20,404 | 0.2% | 20,400 | 0.2% | 20,400 | 0.1% |
| 8. Upstream Leased Assets | 19,706 | 0.1% | - | — % | _ | —% | _ | - % |
| Downstream Transportation & Distribution | _ | — % | 152,475 | 1.7% | 150,648 | 1% | 116,222 | 0.5% |
| 10. Processing of Sold Products | _ | — % | - | — % | - | — % | - | - % |
| 11. Use of Sold Products | _ | — % | - | — % | _ | —% | _ | - % |
| 12. End-of-Life of Sold Products | _ | - % | - | — % | _ | —% | _ | - % |
| 13. Downstream Leased Assets | _ | —% | - | —% | _ | —% | - | - % |
| 14. Franchises | _ | — % | _ | —% | _ | —% | _ | —% |
| 15. Investments | _ | - % | - | - % | _ | - % | _ | - % |

Regulated waste disposal methods 2020-2022¹

| Waste Disposal Methods | 2022² Waste in Tonnes | 2022 % | 2021 Waste in Tonnes | 2021 % | 2020 Waste in Tonnes | 2020 % |
|--|-----------------------------|-----------|----------------------------|-----------|----------------------------|-----------|
| Waste Recovered (including Energy Recovery) | 3,271 | 35% | 2,430 | 43% | 2,331 | 56% |
| Waste Recycled | 4,455 | 45% | 1,780 | 32% | 744 | 17% |
| Waste Reused | 0.2 | <1% | 0.2 | 0% | 0.2 | <1% |
| Waste Incinerated | 1,796 | 19% | 1,139 | 20% | 1,038 | 24% |
| Waste to Landfill | 84 | <1% | 291 | 5% | 159 | 4% |
| Total Waste Generated ³ | 9,606 | 100% | 5,640 | 100% | 4,272 | 100% |

¹This table was renamed from "Hazardous Waste Disposal Methods" to "Regulated Waste Disposal Methods" in 2022 to more accurately characterize the waste included. ²Totals do not add to 100 due to rounding.

³ The waste categories included are hazardous waste, hazardous pharmaceutical waste, non-hazardous regulated waste, non-hazardous pharmaceutical waste, and organics.

Recycling Figures 2022

Our overall diversion rate for 2022 is 52%

- 197,051 tons were recycled through all programs at retail stores, corporate offices and distribution centers (including Coram, Caremark and Omnicare)
- 8.5 tons of plastic bags were diverted from landfills to our plastic bag recycling program
- Other recycling figures:
 - 8.8 tons of mixed paper
 - 1.89 tons of plastic bottles and cans
 - 2,162 tons of white paper

Water Use Intensity Measurement (2020-2022)

| Year | Total Water Usage (ML) | SF of Retail Space (Millions) | Normalized Water Usage (Per SF of Retail Space in ML) |
|------|---------------------------|----------------------------------|---|
| 2020 | 5,612 | 80.4 | 0.00007 |
| 2021 | 5,728 | 79.9 | 0.000072 |
| 2022 | 6,303 | 78.9 | 0.00008 |

Global Reporting Initiative (GRI) index

The 2022 CVS Health ESG report has been developed in accordance with the GRI Standards (2021) for the period from January 1, 2022 to December 31, 2022. CVS Health also supports the Culture of Health for Business Framework, which was developed in 2019 by a group of leading companies, nonprofits and academia with support from the Robert Wood Johnson Foundation. Disclosures reflected within that Framework are included within our GRI Index disclosures.



Organizational & Reporting

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|---|
| 2-1 | Organization details | Corporate Profile, p. 3, 2022 ESG Report Appendix CVS Health Corporation is a publicly traded corporation on the New York Stock Exchange. Ticker Symbol: CVS Corporate Headquarters is located at: CVS Health 1 CVS Drive Woonsocket, RI 02895 |
| 2-2 | Entities included in the organization's sustainability reporting | About this Report, p. 38, 2022 ESG Report 2022 Proxy Statement |
| 2-3 | Reporting period, frequency and contact point | About this Report, p. 38, 2022 ESG Report Reporting period covers calendar year 2022, January 1 – December 31, 2022 Both sustainability and financial reporting cycles at CVS Health run on a calendar year. Report publication, April 7, 2023 CSR@CVSHealth.com CVS Health Corporation Attn: SVP and CSO, Corporate Social Responsibility & Philanthropy 1 CVS Drive, Woonsocket, RI 02895 401-765-1500 |
| 2-4 | Restatements of information | We have made no material restatements of information provided in previous ESG Reports. |
| 2-5 | External Assurance | We do not have a formal policy for external assurance at this time. We use an external third party, Apex Company, to verify our carbon footprint and water data. Verification statements of past reports can be found on our website |
| 2-6 | Activities, value chain and other business relationships | Corporate Profile, p. 3, 2022 ESG Report Appendix Creating Value About this Report, p. 38, 2022 ESG Report |

Organizational & Reporting

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|-------------------------------|---|
| 2-7 | Employees | All work is performed by our company's employees, with a large majority of them performing retail-related duties in our over 9,000+ retail locations located primarily in the U.S. CVS Health Workforce Data, p. 21, 2022 ESG Report Appendix |
| 2-8 | Workers who are not employees | CVS Health employees are both full and part-time employees as well as third-party contractors. CVS Health Workforce Data, p. 21, 2022 ESG Report Appendix; About this Report, p. 38, 2022 ESG Report Requirements 2-8-b and 2-8-c: Confidentiality constraints: We do not publicly disclose this data. CVS Health contractors are not included within the boundaries of our reporting as they are considered employees of their respective organizations we do business with. |

Governance

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|---|
| 2-9 | Governance structure and composition | ESG Strategy & Governance, p. 4, 2022 ESG Report Appendix Committees of the Board, 2022 Proxy Statement |
| 2-10 | Nomination and the selection of the highest governance body | CVS Health Corporate Governance Guidelines |
| 2-11 | Chair of the highest governance body | Board Structure and Processes, 2022 Proxy Statement Roger M. Farah serves as Independent Chair of our Board of Directors |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | ESG Strategy & Governance, p. 4, 2022 ESG Report Appendix |
| 2-13 | Delegation of responsibility for managing impacts | ESG Strategy & Governance, p. 4, 2022 ESG Report Appendix |
| 2-14 | Role of the highest governance body in sustainability reporting | ESG Strategy & Governance, p. 4, 2022 ESG Report Appendix |
| 2-15 | Conflicts of interest | Related Person Transaction Policy, <u>2022 Proxy Statement</u> <u>Corporate Governance Guidelines</u> |

Governance

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 2-16 | Communication of critical concerns | ESG Strategy & Governance, p. 4, 2022 ESG Report Appendix Stakeholder Engagement, p. 9, 2022 ESG Report Appendix Information unavailable/incomplete. There are many ways in which critical concerns of stakeholders are brought to our Board of Directors. Our President and CEO and executive leadership team bring these issues to our Board on an ongoing basis |
| 2-17 | Collective knowledge of the highest governance body | Committees of the Board, 2022 Proxy Statement CVS Health Corporate Governance Guidelines |
| 2-18 | Evaluation of the performance of the highest governance body | CVS Health Corporate Governance Guidelines |
| 2-19 | Remuneration policies | Compensation Discussion and Analysis, 2022 Proxy Statement CVS Health Corporate Governance Guidelines |
| 2-20 | Process to determine remuneration | Compensation Discussion and Analysis, 2022 Proxy Statement CVS Health Corporate Governance Guidelines |
| 2-21 | Annual total compensation ratio | Compensation Discussion and Analysis, 2022 Proxy Statement |

Strategy

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|--|
| 2-22 | Statement on sustainable development strategy | Letter from Chief Executive Officer and Chair of the Board, p. 3, 2022 ESG Report Letter from Chief Sustainability Officer, p. 4, 2022 ESG Report |

Ethics and Integrity

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|---|
| 2-23 | Policy commitments | All CVS Health colleagues, members of its Board of Directors, and suppliers, are required to acknowledge receipt of the Code of Conduct and Human Rights Policy annually. Additionally, all colleagues must complete an annual Code of Conduct and Compliance training. All colleagues must undergo annual Code of Conduct and Compliance training. In 2022, nearly 100% of active colleagues completed this training. CVS Health Code of Conduct CVS Health Human Rights Policy |
| 2-24 | Embedding policy commitments | All CVS Health colleagues, members of its Board of Directors, and suppliers, are required to acknowledge receipt of the Code of Conduct and Human Rights Policy annually. Additionally, all colleagues must complete an annual Code of Conduct and Compliance training. All colleagues must undergo annual Code of Conduct and Compliance training. In 2022, nearly 100% of active colleagues completed this training. CVS Health Code of Conduct CVS Health Human Rights Policy |
| 2-25 | Process to remediate negative impacts | CVS Health Human Rights Policy |
| 2-26 | Mechanisms for seeking advice and raising concerns | CVS Health Code of Conduct CVS Health Ethics Line 1-877-CVS-2040 |
| 2-27 | Compliance with laws and regulations | CVS Health Form 10-K Any significant instances of noncompliance with laws and regulations and material fines in the current and prior reporting periods are set forth in our annual reports on Forms 10-K filed with the SEC, which include our audited financial statements. |
| 2-28 | Membership associations | Stakeholder Engagement, p. 9, 2022 ESG Report Appendix |

Stakeholder Engagement

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|------------------------------------|--|
| 2-29 | Approach to stakeholder engagement | Stakeholder Engagement, p. 9, 2022 ESG Report Appendix |
| 2-30 | Collective bargaining agreements | As of December 31, 2022, 8.7% of employees were covered by collective bargaining agreements. In the fall of 2021, CVS Health finalized the negotiation of a successor collective bargaining agreement with eight union locals representing our employees in many of our California retail locations. Through good faith negotiations we were able to address the concerns of our employees related to health care costs, store safety and wages. The final agreement was endorsed by all of the unions and overwhelmingly ratified by our employees. |

Material Topics

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--------------------------------------|---|
| 3-1 | Process to determine material topics | About this Report, p. 38, 2022 ESG Report ESG Prioritization Assessment, p. 8, 2022 ESG Report Appendix |
| 3-2 | List of material topics | ESG Prioritization Assessment, p. 8, 2022 ESG Report Appendix About this Report, p. 38, 2022 ESG Report |
| 3-3 | Management of material topics | Corporate Profile, p. 3, 2022 ESG Report Appendix ESG Strategy & Governance, p. 4, 2022 ESG Report Appendix ESG Prioritization Assessment, p. 8, 2022 ESG Report Appendix |

201: Economic Performance

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 201-1 | Direct economic value generated and distributed | Corporate Profile, p. 3, 2022 ESG Report Appendix CVS Health does not currently capture EVG&D data by country/region/market levels. |
| 201-2 | Financial implications and other risks and opportunities due to climate change | TCFD Report 2022 CDP Climate Change |
| 201-3 | Defined benefit plan obligations and other retirement plans | Reporting in Accordance with GRI: If the organization cannot comply with a disclosure or with a requirement in a disclosure, then the organization is required to specify in the GRI content index the disclosure or the requirement it cannot comply with, and provide a reason for omission with an explanation. |
| 201-4 | Financial assistance received from government | Reporting in Accordance with GRI: If the organization cannot comply with a disclosure or with a requirement in a disclosure, then the organization is required to specify in the GRI content index the disclosure or the requirement it cannot comply with, and provide a reason for omission with an explanation. |

203: Indirect Economic Impacts

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|---|
| 203-1 | Infrastructure investments and services supported | In 2022, we provided more than \$260 million in philanthropic giving. Healthy Community, p. 24, 2022 ESG Report |
| 203-2 | Significant indirect economic impacts | Workforce Initiatives, p. 19, 2022 ESG Report Diverse Marketplace, p. 18, 2022 ESG Report |

204: Procurement Practices

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|--|
| 204-1 | Proportion of spending on local suppliers | More than \$129 million was spent on diverse and small business suppliers located in Rhode Island and Connecticut. |

205: Anti-Corruption

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 205-1 | Operations assessed for risks related to corruption | Social Compliance Audit Summary, p. 35, 2022 ESG Report Appendix |
| 205-2 | Communication and training about anti-corruption policies and procedures | 100% of CVS Health colleagues are required to acknowledge receipt of the Code of Conduct and complete an annual Code of Conduct and Compliance training. Members of our Board of Directors, when doing work for CVS Health, as well as our supplier partners, are also governed by the Code of Conduct. Code of Conduct |
| 205-3 | Confirmed incidents of corruption and actions taken | Social Compliance Audit Summary, p. 35, 2022 ESG Report Appendix |

301: Materials

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 301-1 | Materials used by weight or volume | Information unavailable: The only information that we have available is what we report in the ReSource: Plastic Progress Report and data is self-reported to us by suppliers. We are currently in the process of developing an internal data system that will allow us to report additional data in the future. |
| 301-2 | Recycled input materials used | Information unavailable: The only information that we have available is what we report in the ReSource: Plastic Progress Report and data is self-reported to us by suppliers. We are currently in the process of developing an internal data system that will allow us to report additional data in the future. |
| 301-3 | Reclaimed products and their packaging materials | Information unavailable: The only information that we have available is what we report in the ReSource: Plastic Progress Report and data is self-reported to us by suppliers. We are currently in the process of developing an internal data system that will allow us to report additional data in the future. |

302: Energy

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 302-1 | Energy consumption within the organization | Total Energy Usage by Type, GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix CVS Health annual CDP Submission Energy Consumption (Global), p. 59, 2022 ESG Report Appendix |
| 302-2 | Energy consumption outside of the organization | Total Energy Usage by Type, GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix CVS Health annual CDP Submission Energy Consumption (Global), p. 59, 2022 ESG Report Appendix |
| 302-3 | Energy intensity | Total Energy Usage by Type, GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix CVS Health annual CDP Submission Energy Consumption (Global), p. 59, 2022 ESG Report Appendix |
| 302-4 | Reduction of energy consumption | Total Energy Usage by Type, GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix CVS Health annual CDP Submission Energy Consumption (Global), p. 59, 2022 ESG Report Appendix |
| 302-5 | Reductions in energy requirements of products and services | Total Energy Usage by Type, GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix CVS Health annual CDP Submission Energy Consumption (Global), p. 59, 2022 ESG Report Appendix |

303: Water & Effluents

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|---|
| 303-1 | Interactions with water as a shared resource | Water Use Intensity Measurement, Environmental Data, p. 42, 2022 ESG Report Appendix Water Management, p. 59, 2022 ESG Report Appendix CVS Health annual CDP Water Security Submission |
| 303-2 | Management of water discharge-related impacts | Water Use Intensity Measurement, Environmental Data, p. 42, 2022 ESG Report Appendix Water Management, p. 59, 2022 ESG Report Appendix CVS Health annual CDP Water Security Submission |
| 303-3 | Water withdrawal | Water Use Intensity Measurement, Environmental Data, p. 42, 2022 ESG Report Appendix Water Management, p. 59, 2022 ESG Report Appendix CVS Health annual CDP Water Security Submission |
| 303-4 | Water discharge | Not applicable: Nearly all of our water is discharged to local municipal treatment plants or to groundwater from irrigation; a small subset of sites, about 105, discharge into local septic systems. The rest discharge into municipal sewers. |
| 303-5 | Water consumption | Not applicable: We do not store water. |

305: Emissions

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|--|
| 305-1 | Direct (Scope 1) GHG emissions | GHG Emissions, Environmental Data, p. 38, 2022 ESG Report Appendix |
| 305-2 | Energy indirect (Scope 2) GHG emissions | GHG Emissions, Environmental Data, p. 38, 2022 ESG Report Appendix |
| 305-3 | Other indirect (Scope 3) GHG emissions | GHG Emissions, Environmental Data, p. 39–40, 2022 ESG Report Appendix |
| 305-4 | GHG emissions intensity | GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix CDP Climate Change |
| 305-5 | Reduction of GHG emissions | GHG Emissions, Environmental Data, p. 37, 2022 ESG Report Appendix |
| 305-6 | Emissions of ozone-depleting substances (ODS) | CVS Health is not a significant emitter of ozone-depleting substances, NO_x , So_x , or other significant air emissions. Not Applicable: CVS Health determined not material. |
| 305-7 | Nitrogen oxides (NO $_{\rm x}$), sulfur oxides (SO $_{\rm x}$), and other significant air emissions | CVS Health is not a significant emitter of ozone-depleting substances, NO_x , So_x , or other significant air emissions. Not Applicable: CVS Health determined not material. |

306: Waste

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 306-1 | Waste generation and significant waste- related impacts | Regulated Waste Disposal Methods, p. 41, 2022 ESG Report Appendix Embedding Sustainability at Retail, Meeting Ambitious Sustainable Packaging Goals, p. 37, 2022 ESG Report Minimizing Waste and Increasing Recycling, p. 69-71, 2018 CSR Report Decreasing Waste, Increasing Recycling, p. 100-104, 2019 CSR Report Reducing Waste and Expanding Recycling, p. 118-119, 2020 CSR Report |
| 306-2 | Management of significant waste-related impacts | Regulated Waste Disposal Methods, p. 41, 2022 ESG Report Appendix Recycling Impact, p. 42, 2022 ESG Report Appendix |
| 306-3 | Waste generated | Regulated Waste Disposal Methods, p. 41, 2022 ESG Report Appendix Recycling Impact, p. 42, 2022 ESG Report Appendix Waste Management, p. 60, 2022 ESG Report Appendix |

306: Waste

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|------------------------------|--|
| 306-4 | Waste diverted from disposal | Regulated Waste Disposal Methods, p. 41, 2022 ESG Report Appendix Recycling Impact, p. 42, 2022 ESG Report Appendix |
| 306-5 | Waste directed to disposal | Regulated Waste Disposal Methods, p. 41, 2022 ESG Report Appendix Recycling Impact, p. 42, 2022 ESG Report Appendix |

308: Supplier Environmental Assessment

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 308-1 | New suppliers that were screened using environmental criteria | CVS Health includes environmental guidance in supplier requests for proposals. We also evaluate the factories of our store brand suppliers for environmental criteria through our social compliance program. CVS Health and suppliers are engaged in legal agreements and therefore subject to confidentiality. |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | CVS Health and suppliers are engaged in legal agreements and therefore subject to confidentiality. |

401: Employment

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 401-1 | New employee hires and employee turnover | Confidentiality constraints: CVS Health considers these data points confidential. |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | CVS Health Benefits |
| 401-3 | Parental leave | Occupational Health & Safety Statement CVS Health Code of Conduct Human Capital and Workforce Diversity, p. 29, 2022 ESG Report Appendix |

403: Occupational Health and Safety

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|---|
| 403-1 | Occupational health and safety management system | Occupational Health & Safety Statement CVS Health Code of Conduct Human Capital and Diversity Data, p. 21, 2022 ESG Report Appendix |
| 403-2 | Hazard identification, risk assessment, and incident investigation | Occupational Health & Safety Statement CVS Health Code of Conduct Making healthier happen for colleagues, p. 21, 2022 ESG Report |
| 403-3 | Occupational health services | Occupational Health & Safety Statement CVS Health Code of Conduct Making healthier happen for colleagues, p. 21, 2022 ESG Report |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | Occupational Health & Safety Statement CVS Health Code of Conduct Human Capital and Diversity Data, p. 21, 2022 ESG Report Appendix |
| 403-5 | Worker training on occupational health and safety | Occupational Health & Safety Statement CVS Health Code of Conduct Human Capital and Diversity Data, p. 21, 2022 ESG Report Appendix |
| 403-6 | Promotion of worker health | Making healthier happen for colleagues, p. 21, 2022 ESG Report |
| 403-7 | Prevention and mitigation of occupational health and safety impact directly linked by business relationships | Occupational Health & Safety Statement CVS Health Code of Conduct Human Capital and Diversity Data, p. 21, 2022 ESG Report Appendix |
| 403-8 | Workers covered by an occupational health and safety management system | Occupational Health & Safety Statement CVS Health Code of Conduct Occupational Data, p. 28, 2022 ESG Report Appendix |
| 403-9 | Work-related injuries | Occupational Data, p. 28, 2022 ESG Report Appendix |
| 403-10 | Work-related ill health | Occupational Data, p. 28, 2022 ESG Report Appendix |

404: Training and Education

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 404-1 | Average hours of training per year per employee | Information unavailable: We do not track training hours by gender or employee category. We are working internally to determine data collection abilities for the future. |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Workforce Initiatives, p. 19, 2022 ESG Report |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | Confidentiality constraints: CVS Health considers these data points confidential. |

405: Diversity and Equal Opportunity

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|---|
| 405-1 | Diversity of governance bodies and employees | Diversity, Equity and Inclusion, p. 16, 2022 ESG Report Human Capital and Diversity Data, p. 21, 2022 ESG Report Appendix Director Qualification Criteria Diversity, 2022 Proxy Statement |
| 405-2 | Ratio of basic salary and remuneration of women to men | Confidentiality constraints: CVS Health considers these data points confidential. |

408: Child Labor

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|--|
| 408-1 | Operations and suppliers at significant risk for incidents of child labor | All factories within scope for the Ethical Sourcing & Customs Trade Partnership Against Terrorism (CTPAT) Compliance Program are considered to have significant risk for incidents of child labor. Social Compliance Audit Summary, p.35, 2022 ESG Report Appendix |

414: Supplier Social Assessment

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|---|
| 414-1 | New suppliers that were screened using social criteria | Social Compliance Audit Summary, p.35, 2022 ESG Report Appendix |
| 414-2 | Negative social impacts in the supply chain and actions taken | Social Compliance Audit Summary, p.35, 2022 ESG Report Appendix |

415: Public Policy

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|-------------------------|--|
| 415-1 | Political contributions | CVS Health Website: Political Activities and Contributions |

416: Customer Health and Safety

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|--|
| 416-1 | Assessment of the health and safety impacts of product and service categories | CVS Health assesses 100% of our store brand products through our robust quality assurance processes. This includes the factory the product is manufactured in, as well as adherence to our Supplier Ethical Standards , Responsible Sourcing Standard , Restricted Substances List , Chemical Safety Policy , and Responsible Palm Oil Policy , among others. |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Social Compliance Audit Summary, p.36, 2022 ESG Report Appendix |

417: Marketing and Labeling

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|---|--|
| 417-1 | Requirements for product and service information and labeling | Diverse Marketplace, p. 18, 2022 ESG Report CVS Health Website: Tested to Be Trusted Cosmetic Safety Policy CVS Store Brand Restricted Substances List Commitment to Responsible Marketing Practices |
| 417-2 | Incidents of non-compliance concerning product and service information and labeling | Information incomplete: Information for these data points is incomplete and we are working internally to determine data collection abilities for the future. |
| 417-3 | Incidents of non-compliance concerning marketing communications | Information incomplete: Information for these data points is incomplete and we are working internally to determine data collection abilities for the future. |

418: Customer Privacy

| GRI Disclosure No. | GRI Disclosure Title | 2022 CVS Health Response |
|--------------------|--|--|
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | We publicly report breaches as required to the U.S. Department of Health and Human Services (HHS) Office of Civil Rights. See Breach Portal . |

Sustainability Accounting Standards Board (SASB) Index

CVS Health reports in alignment with the Sustainability Accounting Standards Board (SASB). The below provides disclosures CVS Health has deemed relevant to its business within the following SASB industry categories: Health care (Drug Retailers and Managed Care) and other industries (Insurance, Multiline and Specialty Retailers and Distributors, Food Retailers and Distributors, and Household and Personal Products).

Environment

| Energy Consumption (Global) | 2022 |
|--|---------------|
| Total Energy | 11,264,947 GJ |
| Proportion of power use from renewable sources | 0.23% |
| Proportion of power use from grid electricity | 99.77% |

| Water Management | 2022 |
|--|---|
| Total water withdrawn | 6,303 m³ |
| Percent water withdrawn in regions with High or Extremely High Baseline Water Stress | 36% |
| Total water consumed | 1,765 m³ |
| Percent water consumed in regions with High or Extremely High Baseline Water Stress | 49% |
| Description of water management risks and discussion of strategies and practices to mitigate those risks | Responsible Water Use Policy, CVS Health annual CDP Water Security Submission |



Environment

| Waste Management | 2022 |
|--|-------------------------|
| Total amount of hazardous pharmaceutical waste | 3951.98 metric tons (t) |
| (1) Percent incinerated | 36.15% |
| (2) Percent recycled or treated | 63.85% |
| (3) Percent landfilled | 0% |
| Total amount of non-hazardous pharmaceutical waste | 309.01 metric tons (t) |
| (1) Percent incinerated | 99.89% |
| (2) Percent recycled or treated | 0.11% |
| (3) Percent landfilled | 0% |

Leadership and Governance

| Systemic Risk Management | 2022 |
|---|----------------------|
| Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities | 2022 Proxy Statement |

Human Capital

| Employee Health & Safety | 2022 |
|--|--|
| Total recordable incident rate (TRIR) | 1.849 |
| Days away, restricted or transferred (DART) rate | Company-wide: 0.762 Retail: 0.973 Distribution Center: 5.618 |

| Employee Recruitment, Development & Retention | 2022 |
|---|------|
| Physicians | |
| (1) Voluntary turnover rate | 7% |
| Voluntary turnover rate - Female | 53% |
| Voluntary turnover rate - Male | 47% |
| Voluntary turnover rate - Unspecified | 0% |
| (2) Involuntary turnover rate | 1% |
| Involuntary turnover rate - Female | 29% |
| Involuntary turnover rate - Male | 71% |
| Involuntary turnover rate - Unspecified | 0% |

Human Capital

| Employee Recruitment, Development & Retention | 2022 | |
|---|------|--|
| Non-physician health care practitioners | | |
| (1) Voluntary turnover rate | 26% | |
| Voluntary turnover rate - Female | 93% | |
| Voluntary turnover rate - Male | 7% | |
| Voluntary turnover rate - Unspecified | <1% | |
| (2) Involuntary turnover rate | 4% | |
| Involuntary turnover rate - Female | 86% | |
| Involuntary turnover rate - Male | 14% | |
| Involuntary turnover rate - Unspecified | <1% | |
| All other employees | | |
| (1) Voluntary turnover rate | 23% | |
| Voluntary turnover rate - Female | 69% | |
| Voluntary turnover rate - Male | 31% | |
| Voluntary turnover rate - Unspecified | <1% | |

| Employee Recruitment, Development & Retention | 2022 |
|---|--------------------------|
| All other employees | |
| (2) Involuntary turnover rate | 7% |
| Involuntary turnover rate - Female | 68% |
| Involuntary turnover rate - Male | 31% |
| Involuntary turnover rate - Unspecified | <1% |
| Description of talent recruitment and retention efforts for health care practitioners | Health Care Careers Site |

| Labor Practices | 2022 |
|------------------------------------|---------|
| Average Hourly Wage | \$29.93 |
| Management | |
| Percentage Female | 55% |
| Percentage White | 64% |
| Percentage Hispanic | 9% |
| Percentage Black | 10% |
| Percentage Asian | 13% |
| Percentage more than one ethnicity | 2% |
| Percentage unknown | 1% |

Human Capital

| Labor Practices | 2022 |
|--|-------------|
| All other employees | |
| Percentage Female | 72% |
| Percentage Hispanic | 17% |
| Percentage White | 47% |
| Percentage Black | 19% |
| Percentage Asian | 12% |
| Percentage more than one ethnicity | 4% |
| Percentage unknown | 1% |
| | |
| Incorporation of Environmental, Social and Governance Factors in Investment Management | 2022 |
| Total invested assets, by industry and asset class | Investments |

Social Capital

| Data Security & Privacy | 2022 |
|---|---|
| Description of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII) | Data Protection and Privacy, 2022 ESG Report Appendix, p. 20 Our Privacy Policies can be found on our website. |
| Description of approach to identifying and addressing data security risks | Data Protection and Privacy, 2022 ESG Report Appendix, p. 20 |

Management of **Controlled Substances**

Description of policies and practices to manage the number of prescriptions issued for controlled substances

2022

CVS Health has made a commitment to help address the misuse of prescription opioids by designing programs and collaborating with community leaders, policymakers, law enforcement, health care professionals and others to increase community-based educational programs related to opioid misuse, create safe prescription drug disposal sites, expand access to life-saving antidotes, and advocate for targeted and effective policies, locally and nationally.

Our ongoing opioid misuse prevention efforts and enterprise initiatives are supported by all parts of the company — including our CVS Pharmacy retail presence in nearly 10,000 communities across the country, CVS Caremark, our PBM that manages medications for more than 100 million plan members — and reach patients, providers, payors, advocacy organizations, elected leaders and community health advocates.

More information on our commitments to address the misuse of opioids is available on our website

Social Capital

| Transparent Information & Fair Advice for Customers | 2022 |
|---|--|
| Customer retention rate | PBM Client Satisfaction 98% HCB Member Satisfaction 93% Commercial Client Satisfaction 99% |

Pricing & Billing Transparency 2022 We believe that consumers should be in control of their own health care. A Description of policies or initiatives to ensure that patients are adequately informed about price before major component of this is promoting care in the lowest cost setting with undergoing a procedure health care professionals appropriately qualified and trained for the level of care needed. Treating non-urgent and minor ailments in retail clinics rather than hospital emergency rooms makes care more affordable and convenient for patients while ensuring that high-cost settings are available for those who truly need them. We also know that people are more likely to take their prescribed medications when they know they can afford them — and that can lead to better health outcomes. Company-wide, we're also committed to making prescriptions more affordable for more people. Discussion of how pricing information for services is Transparency around the cost of drugs, services or coverage is critical to made publicly available making healthier happen for the millions of patients we serve. Across our enterprise we offer robust tools and resources to help consumers find affordable, accessible and quality care. For example, our Script Intelligence tool helps members save on out-of-pocket costs through actionable, up-to-the-minute, member-specific plan information across multiple points of care. Learn more on our website.

Business Model and Innovation

| Policies Designed to Incentivize Responsible Behavior | 2022 |
|--|--|
| Discussion of products and/or product features that incentivize health, safety and/or environmentally responsible actions and/or behaviors | Embedding Sustainability at Retail, p. 36, 2022 ESG Report |

Business Model and Innovation

Climate Change Impacts on Human Health and Infrastructure

2022

Description of policies and practices to address:

(1) The physical risks due to an increased frequency and intensity of extreme weather events

Description of process climate-related risks are included in our multi-disciplinary companywide risk identification, assessment and management process.

Acute, short-term climate-related physical risks are monitored every six months, or more frequently, including daily during hurricane and wildfire season. Medium and long-term chronic physical risks are monitored annually or less frequently. We also consider technology, market, legal, reputational, current and emerging regulatory risks. This process applies to the Company's enterprise operations.

Risks are monitored up to the year 2040. The process for identifying and assessing risks at the Company level is assigned to the head of each Business Unit (BUL). The Risk Management and CS&R teams support BUL by presenting climate-scenarios and conducting brainstorming sessions. BULs assess risks by quantifying potential impacts in financial terms. Emphasis is placed on reputational risk.

Top risks for the Company are maintained in a Risk Register by our CRO, which is presented annually to the Audit Committee of the Board of Directors, ensuring proper controls and mitigation plans are in place. Climate-related risks are treated the same as all other risks on the Risk Register.

Processes for managing climate risks and how to respond to them: The top risks for the Company make it on to the Risk Register and are prioritized for mitigation through ESG strategic planning efforts. We have enterprise-wide risk mitigation protocols for physical climate-related risks from extreme weather, including with critical vendors and suppliers. During active situations, risks and threats are tracked in real-time, by our Enterprise Risk Event Monitoring visualization system. We prioritize mitigation efforts based on the importance of the issue to the business, stakeholders, and the potential financial impact on the Company. Other major considerations include number of assets, colleagues and customers potentially affected.

Processes for managing climate opportunities and how to respond to them: Each business unit is responsible for identifying, assessing, and managing opportunities that may arise from climate change. Opportunities are capitalized upon if they are deemed profitable, practical and in line with business strategy e.g. energy efficiency opportunities are primarily identified and assessed in terms of their potential to reduce emissions in line with our Science Based Target (SBT).

The Facilities unit also assesses opportunities in terms of financial impact as part of the planning and budgeting process, generally choosing to capitalize on opportunities that have a reasonable ROI.

Business Model and Innovation

| Packaging Lifecycle Management | 2022 |
|---|--|
| Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle | In 2020, we joined the Sustainable Packaging Coalition's How2Recycle® program and began including detailed recycling icons and instructions on our store brand product packaging to educate consumers on how to prepare product packaging for disposal. As of the end of 2022, we had added How2Recycle labeling to 60% of our store brand products. We continue to enhance the sustainability of our store brands product packaging, and have partnered with World Wildlife Fund (WWF) and ReSource: Plastic to reduce plastic waste and increase the sustainability of the materials being used within our packaging portfolio. We're focused on reducing use of plastic and virgin materials and ensuring recyclability for all store brand products. |
| | In 2022, we were proud to join ReSource: Plastic as Principal Retail Member to support efforts to establish high standards on plastic sourcing for the retail industry. We also introduced robust packaging goals and report our progress annually in our ESG report. |

Product Sourcing, Packaging & Marketing

2022

Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products We are committed to providing our customers with a range of sustainable and "Better for you" products that are efficacious and formulated in a way that inspires trust in our customers.

Our suppliers adhere to our store brands Quality Assurance Agreement, which includes information about our restricted substances list and other requirements, which communicates our expectations to suppliers. We publicly share <u>restricted substances list</u>.

Discussion of strategies to reduce the environmental impact of packaging In 2020, we joined the Sustainable Packaging Coalition's How2Recycle® program and began including detailed recycling icons and instructions on our store brand product packaging to educate consumers on how to prepare product packaging for disposal. As of the end of 2022, we had added How2Recycle labeling to 60% of our store brand products. We continue to enhance the sustainability of our store brands product packaging, and have partnered with World Wildlife Fund (WWF) and ReSource: Plastic to reduce plastic waste and increase the sustainability of the materials being used within our packaging portfolio. We're focused on reducing use of plastic and virgin materials and ensuring recyclability for all store brand products.

In 2022, we were proud to join ReSource: Plastic as Principal Retail Member to support efforts to establish high standards on plastic sourcing for the retail industry. We also introduced **robust packaging goals** and report our progress annually in our ESG report.

Activity Data

| SASB Activity Data | 2022 |
|------------------------------------|--------------|
| Number of pharmacy locations | 10,022 |
| Number of retail locations | 9,868 |
| Number of distribution centers | 23 |
| Total area of retail store space | 9,489,248 m² |
| Total area of retail space | 7,325,375 m² |
| Total area of distribution centers | 989,655 m² |
| Number of pharmacists | 33,808 |



Proud of our past. Excited for the future.