

# Responsible Sourcing Standard

## Our Vision of Responsible Sourcing

At CVS Health, we believe we have a responsibility to operate in a sustainable and environmentally responsible manner as we help people on their path to better health. Our impact on this planet goes beyond our own operations and employees to include how our supply chain operates and how the products we sell and materials we use are made.

We are committed to responsibly managing our supplier partners in order to make a positive impact on the communities and ecosystems on which our supply chain relies. We further believe that doing so will contribute to our capacity to provide quality, safe products that contribute to people's health and wellbeing. We expect our suppliers to share these same principles within their own operations and in their respective supply chains.

## Overview of the Standard

This Responsible Sourcing Standard establishes our requirements for suppliers and lays the foundation for our Responsible Sourcing Program. We intend to work with suppliers to meet these expectations, mitigate risk, and increase positive impacts for stakeholders throughout the supply chain.

This Standard applies to all of CVS Health's suppliers, or anyone that supplies product and materials to CVS Health for sale or use in operations.

This document aligns with and complements CVS Health's existing policies and standards including [CVS Health's Code of Conduct](#), [Supplier Diversity program](#), [Human Rights Policy](#), the [CVS Health Climate Change and Environmental Compliance Policy](#), and CVS Health's Vendor Safety Policy.

## Our Aspirations

While this Standard lays out CVS Health's expectations for suppliers, we will continue to strive for greater collective impact through Responsible Sourcing by further incorporating our work in areas such as climate change, human rights and diversity and inclusion.

As a result we will periodically revisit and update this Standard to meet the expectations of our stakeholders including customers, civil society organizations, and regulators, among others.

## Shared Principles

Responsible Sourcing for CVS Health is defined by the following principles, regrouped into four pillars. Suppliers, and CVS Health alike, are held accountable to the principles and their associated expectations.

### **Ethics and Governance**

1. Comply with applicable laws and regulations
2. Act ethically and with integrity

### **Environmental Impact**

3. Operate in an environmentally responsible manner

### **Social Impact**

4. Respect human and employment rights and support diversity
5. Promote the safety, health and well-being of employees

### **Management and Transparency**

6. Implement management systems to measure performance
7. Disclose information on social and environmental impacts

### **Ethics and Governance**

#### **1. Comply with applicable laws and regulations**

- Comply with all laws and regulations in the countries in which they operate. In cases where local laws are in conflict with international standards, comply with applicable laws while seeking ways to meet the underlying international standards.
- Cooperate with regulatory agencies to show commitment to resolving compliance inquiries in an expeditious manner, and ensure that any deviations from applicable regulatory requirements are promptly corrected.

#### **2. Act ethically and with integrity**

- Refrain from offering gifts, meals, entertainment, seminar/event fees travel or lodging of even nominal value to CVS Health employees.
- Decline to enter transactions that cause a conflict of interest in dealing with CVS Health, particularly involving family members working for either organization.
- Renounce bribery, corruption, and unethical practices in conducting business and put in place procedures to prevent bribery in business dealings.

### **Environmental Impact**

#### **3. Operate in an environmentally responsible manner**

- Seek ways to reduce environmental impacts of their operations, including waste, water, greenhouse gas emissions, and raw materials sourcing.
- Ensure the environment is not harmed by product, ingredient, or material sourcing practices by performing relevant certifications or assessments.

## **Social Impact**

### **4. Respect human and employment rights and support diversity**

- Respect and support internationally recognized human rights, fundamental rights and freedoms that all people are entitled to, without regard to race, color, religion, language, pregnancy, ancestry, age, gender, national origin, sexual orientation, gender identity, gender expression, mental or physical disability, genetic information, marital or veteran status.
- Accept standards of fair treatment and non-discrimination including those set forth in the Universal Declaration of Human Rights (UDHR); UL's Responsible Sourcing Workplace Assessment (RSWA). The RSWA is aligned with the Global Social Compliance Program; International Labour Organization (ILO) convention recommendations; ICTI - International Council of Toy Industries; WRAP - Worldwide Responsible Accredited Production; BSCI - Business Social Compliance Initiative; SA8000 - Social Accountability International (SAI).
- Prohibit child labor and forced labor in all forms.
- Promote freedom of association and the right to collective bargaining, and protection from discrimination. Discrimination includes employment decisions based on personal characteristics that are unrelated to the ability to do one's job, including race, color, gender, gender identity, national origin/ancestry, citizenship, religion, age, maternity, marital status, indigenous status, social origin, disability, sexual orientation, membership in workers' organizations including unions, and political affiliation.
- Support the growth of Diverse Business Enterprises by the direct or indirect purchase of goods and/or services from Diverse Business Enterprises certified by one or more of the certification agencies recognized by CVS.

### **5. Promote the safety, health and well-being of employees**

- Provide a safe and healthy environment.
- Establish and monitor compliance with facility safety rules, regulations, procedures and warnings, particularly those related to fire safety, safe operations of equipment and responsible handling and disposal of materials.
- Prohibit smoking, substance abuse, and the possession of controlled or illegal substances anywhere on site locations.
- Provide a mechanism for reporting an accident or unsafe conditions without fear of reprisal.
- Provide mandatory occupational training and safety instructions to workers.

## **Management and Transparency**

### **6. Implement management systems to ensure compliance with expectations**

- Implement management systems including written policies, procedures and programs to monitor the environmental and social impacts of operations and include tracking and reporting of key metrics, and include monitored goals for reducing these impacts.
- Use efficient logistical systems to minimize impacts associated with shipping and transport of CVS Health goods.

## 7. Disclose information on social and environmental impacts

- Make reasonable efforts to publicly disclose topics, goals and performance related to impact on the issues within this Standard (e.g., on website or in a publicly available report).

## CVS Health Point of Contact

If you would like further information regarding CVS Health's Responsible Sourcing Practices or sustainability program, or if you have general questions, please contact [CSR@CVSHealth.com](mailto:CSR@CVSHealth.com).

## Related Standards & Policies

### [CVS Health Code of Conduct](#)

This Code of Conduct is intended to help resolve ethics and compliance issues by providing the information, tools and resources necessary to make good decisions.

### [Supplier Diversity](#)

CVS Health is committed to creating jobs and increasing economic opportunities for the people and local businesses in the communities we serve. Through our Supplier Diversity team and our business units, we integrate supplier diversity into procurement activities, and with national organizations to identify and develop diverse businesses.

### [Human Rights Policy](#)

This Policy establishes CVS Health's commitment to respecting human rights and lays out areas of focus for the company along with a description of how the policy is implemented.

### [CVS Health Climate Change and Environmental Compliance Policy](#)

We acknowledge that human action contributes to climate change, and we are committed to fostering a culture of environmental responsibility within our company to reduce our greenhouse

e gas emissions and subsequent impact on the environment.

### [CVS Health Vendor Safety Policy](#)

THE CVS Health Vendor/Contractor Safety Policy is designed to support our vendors and contractors to ensure overall safety and health of their employees.