

The CVS Health Employee Arbitration Program

Since the fall of 2014, CVS Health has maintained a voluntary arbitration program that provides for the efficient and fair resolution of employment-related claims raised by the employees of its operating subsidiaries. For employees who choose to use the program, CVS Health pays for all costs and expenses charged by the American Arbitration Association (“AAA”) and by the arbitrator, other than a claim initiation fee, which costs the employee no more than he or she would pay to file the same claim in court. Although the Company believes arbitration provides a quicker and more cost-effective method of resolving legal claims, it is not the only (or even the first) avenue available to CVS Health employees for addressing workplace disputes. Employees may also raise concerns by contacting the Human Resources Department, the Advice & Counsel Center, the Ethics Line, or the Chief Compliance Officer (either directly or via anonymous complaint). Employees are reminded of these complaint mechanisms in various ways, including during annual Code of Conduct training and annual harassment prevention training. The vast majority of disputes are resolved via these internal mechanisms.

At the time the Company implemented its voluntary arbitration program, all employees were provided with the Company’s written policy (the “Policy”) and a guide to arbitration (the “Guide”), which explain what arbitration is, what rules and procedures apply, what types of workplace claims are covered, and employees’ rights, including the right to file complaints with local, state and federal agencies. The Guide also included information regarding how to opt out of the program. New employees receive the Policy and information about the arbitration program during their onboarding, and are clearly informed in writing that participation in the program is voluntary and how they can opt out of the program. We offered the arbitration program to new hires at Aetna following the acquisition and plan to offer it to legacy Aetna colleagues as part of our harmonization activities.

Agreeing to arbitration is not a condition of employment at CVS Health. As explained in the Guide and onboarding materials, any colleague who wishes to opt out of the arbitration program may send a simple note or letter to a P.O. Box within 30 days of receiving the Policy, indicating that he or she is opting out. The Policy, Guide and onboarding materials reiterate the Company’s zero tolerance of retaliation against anyone who opts out. In any event, opt-out status is confidential in that managers are not told whether their team members have opted out of the program and do not have access to that information.

For additional information about the program, employees should contact Advice & Counsel by email (Advice&Counsel@cvshealth.com), or by calling 1-888-694-7287 and following the prompts for Advice & Counsel.